

article. Furthermore, the requirement of the affidavit stating that the liabilities of the merged or consolidated insurer have been "extinguished, canceled, or reinsured" seems inconsistent with CA § 3-114(e) and § 3-123(f)(2) of this article, since under these sections the successor insurer assumes all liabilities of the merged or consolidated insurer by virtue of the merger or consolidation.

Finally, this section provides for transfers and releases of deposits by a merged or consolidated insurer "[o]n completion of a merger or consolidation". However, under §§ 3-122 and 3-123(f)(2) of this article, once a merger or consolidation is completed, the merged or consolidated insurer no longer has any assets to transfer or release.

Defined terms: "Commissioner" § 1-101
 "Insurer" § 1-101

SUBTITLE 8. TRUSTEED ASSETS OF ALIEN INSURERS.

5-801. "TRUSTEED ASSETS" DEFINED.

"TRUSTEED ASSETS" MEANS ASSETS DEPOSITED IN TRUST BY AN ALIEN INSURER IN ACCORDANCE WITH THIS SUBTITLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 120(3).

Defined terms: "Alien insurer" § 1-101
 "Commissioner" § 1-101

5-802. SCOPE OF SUBTITLE.

THIS SUBTITLE APPLIES TO EACH ALIEN INSURER THAT DESIRES TO USE MARYLAND AS A STATE OF ENTRY TO TRANSACT INSURANCE BUSINESS IN THE UNITED STATES.

REVISOR'S NOTE: This section formerly was Art. 48A, § 119.

The only changes are in style.

Defined terms: "Alien insurer" § 1-101
 "Insurance business" § 1-101

5-803. DEPOSIT OF TRUSTEED ASSETS.

(A) REQUIRED.

AN ALIEN INSURER MAY USE MARYLAND AS A STATE OF ENTRY TO TRANSACT INSURANCE BUSINESS IN THE UNITED STATES IF THE ALIEN INSURER MAKES AND MAINTAINS IN MARYLAND A DEPOSIT OF ASSETS IN TRUST WITH A SOLVENT BANK OR TRUST COMPANY APPROVED BY THE COMMISSIONER.

(B) PURPOSE.