

(1) THE BOND DESCRIBED UNDER SUBSECTION (A)(2) OF THIS SECTION SHALL BE:

(I) IN FAVOR OF THE STATE FOR THE MEMBERS OF THE APPLICANT THAT RESIDE IN THE STATE;

(II) ISSUED BY A SURETY INSURER AUTHORIZED TO DO BUSINESS IN THE STATE; AND

(III) CONDITIONED ON THE FAITHFUL PERFORMANCE BY THE APPLICANT OF ITS OBLIGATIONS UNDER THIS TITLE, INCLUDING PAYMENT OF ANY FINES, FEES, OR PENALTIES IMPOSED ON IT OR RESTITUTION ORDERED UNDER THIS TITLE.

(2) THE TOTAL LIABILITY OF THE SURETY INSURER UNDER THE BOND MAY NOT EXCEED THE PENAL SUM OF THE BOND.

(3) (I) THE SURETY INSURER MAY CANCEL THE BOND AFTER NOTIFYING THE COMMISSIONER AT LEAST 30 DAYS BEFORE THE EFFECTIVE DATE OF THE CANCELLATION.

(II) THE SURETY INSURER IS NOT LIABLE FOR ANY BREACH OF CONDITION THAT OCCURS AFTER THE EFFECTIVE DATE OF THE CANCELLATION.

(4) THE COMMISSIONER MAY ADOPT REGULATIONS THAT SPECIFY CONDITIONS FOR SURETY BONDS REQUIRED BY THIS SECTION AND PROVIDE METHODS FOR TERMINATION OF THE BONDS.

(C) DURATION OF SECURITY.

(1) THE SECURITY REQUIRED BY SUBSECTION (A) OF THIS SECTION SHALL BE MAINTAINED AS LONG AS THE LICENSEE HAS ANY OUTSTANDING LIABILITY OR OBLIGATION IN THE STATE.

(2) ON PROOF SATISFACTORY TO THE COMMISSIONER THAT THE LICENSEE HAS STOPPED DOING BUSINESS AND THAT ALL OF THE LICENSEE'S LIABILITIES AND OBLIGATIONS HAVE BEEN SATISFIED, THE COMMISSIONER SHALL AUTHORIZE THE TREASURER TO RETURN THE SECURITY TO THE LICENSEE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48B, § 3(b)(5) and (6).

In subsection (b)(1)(ii) of this section, the reference to a "surety insurer" is substituted for the former reference to a "surety company" for consistency with terminology used throughout this article. Similarly, in subsection (b)(2) and (3)(i) of this section, the references to a surety "insurer" are added for clarity and consistency.

In subsection (b)(4) of this section, the former reference to "rules" is deleted. See the General Revisor's Note to this article.