

to a "reciprocal" agreement to conform to language used in the defined term "reciprocal insurance". See § 1-101 of this article.

The first sentence of former Art. 48A, § 281(a), which defined "[a]ttorney" to mean the attorney in fact of a reciprocal insurer, is deleted as unnecessary. Throughout this subtitle, the term "attorney in fact" is used instead of the shorthand term "attorney" to refer to the attorney in fact of a reciprocal insurer.

Defined term: "Person" § 1-101

3-202. SCOPE OF SUBTITLE.

EXCEPT AS EXPRESSLY PROVIDED OTHERWISE IN THIS SUBTITLE, THIS SUBTITLE APPLIES TO FOREIGN RECIPROCAL INSURERS AND TO DOMESTIC RECIPROCAL INSURERS.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 276(a).

Former Art. 48A, § 276(b), which provided that reciprocal insurers that existed on December 31, 1963, must comply with the requirements of this subtitle after that date, is deleted as obsolete.

Defined terms: "Domestic insurer" § 1-101

"Foreign insurer" § 1-101

"Reciprocal insurer" § 1-101

3-203. QUALIFICATIONS OF RECIPROCAL INSURERS.

(A) IN GENERAL.

A RECIPROCAL INSURER MAY BE AUTHORIZED TO ENGAGE IN THE INSURANCE BUSINESS IF THE RECIPROCAL INSURER MEETS THE REQUIREMENTS OF THIS SECTION AND IS OTHERWISE IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THIS ARTICLE.

(B) SURPLUS REQUIREMENTS — ASSESSABLE POLICIES.

TO WRITE ASSESSABLE POLICIES, A RECIPROCAL INSURER MUST HAVE SURPLUS FUNDS OF NOT LESS THAN:

- (1) \$375,000 FOR ONE KIND OF INSURANCE BUSINESS; AND
- (2) \$750,000 FOR TWO OR MORE KINDS OF INSURANCE BUSINESS.

(C) SURPLUS AND DEPOSIT REQUIREMENTS — NONASSESSABLE POLICIES.

TO WRITE NONASSESSABLE POLICIES, A RECIPROCAL INSURER MUST:

- (1) HAVE SURPLUS FUNDS OF NOT LESS THAN:
 - (1) \$750,000 FOR ONE KIND OF INSURANCE BUSINESS; AND