

(c) In suits to which the provisions of subsection (b) of this section apply, the plaintiff may recover damages from the association or organization only to the extent of the applicable limit of insurance coverage including any amount for which the association or organization is responsible as a result of any deductible or coinsurance provisions of such insurance coverage.

(d) An agent of an association or organization shall be liable for damages in any suit in which it is found that the agent acted with malice or gross negligence, to the extent that the judgment for damages exceeds the limits on liability under subsection (c) of this section.

(e) The provisions of this section do not apply to suits brought by the Attorney General upon referral by the Secretary of State in which willful violations of Title 6 of the Business Regulation Article are alleged and proven.

(f) (1) This section does not create, and may not be construed as creating, a new cause of action or substantive legal right against an association or organization or an agent of an association or organization.

(2) This section does not affect, and may not be construed as affecting, any immunities from civil liability or defenses established by any other provision of the Code or available at common law, to which an association or organization or an agent of an association or organization may be entitled.

(g) This section may be cited as the Maryland Associations, Organizations, and Agents Act.

#### **Article - State Government**

7-108.

(A) IN THIS SECTION, "AFFIDAVIT" MEANS A WRITTEN STATEMENT:

(1) MADE TO THE BEST OF THE AFFIANT'S KNOWLEDGE, INFORMATION, AND BELIEF; AND

(2) THE CONTENTS OF WHICH ARE AFFIRMED UNDER THE PENALTIES OF PERJURY.

(B) A NONPROFIT ASSOCIATION, CORPORATION, OR OTHER ORGANIZATION THAT HAS BEEN IN EXISTENCE FOR AT LEAST 5 YEARS AND PROMOTES SOCIAL WELFARE AND GENERAL CIVIC IMPROVEMENT MAY REGISTER WITH THE SECRETARY OF STATE AS A COMMUNITY ASSOCIATION BY FILING AN AFFIDAVIT THAT THE ORGANIZATION MEETS THE REQUIREMENTS OF § 5-406(A)(7) OF THE COURTS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any cause of action arising before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2003.