

~~SUBTITLE~~ 51. MANAGING GENERAL AGENTS

670.

IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED:

(1) "ACTUARY" MEANS A PERSON WHO IS A MEMBER IN GOOD STANDING OF THE AMERICAN ACADEMY OF ACTUARIES.

(2) (I) "MANAGING GENERAL AGENT" MEANS ANY PERSON THAT:

1. A. MANAGES ALL OR PART OF THE INSURANCE BUSINESS OF AN INSURER, INCLUDING THE MANAGEMENT OF A SEPARATE DIVISION, DEPARTMENT, OFFICE, OR SUBSIDIARY OF THE INSURER; AND

B. WITH OR WITHOUT AUTHORITY, EITHER SEPARATELY OR TOGETHER WITH AFFILIATES, DIRECTLY OR INDIRECTLY PRODUCES OR UNDERWRITES GROSS DIRECT WRITTEN PREMIUM AT LEAST EQUAL TO 5% OF THE INSURER'S POLICYHOLDER SURPLUS FOR ANY ONE QUARTER, AS REPORTED IN THE INSURER'S MOST RECENTLY FILED ANNUAL STATEMENT; AND

2. EITHER: A. NEGOTIATES OR BINDS CEDING REINSURANCE CONTRACTS ON BEHALF OF AN INSURER;

~~3. B.~~ ADJUSTS OR PAYS CLAIMS IN EXCESS OF \$500; OR

4. C. MAINTAINS LOSS RESERVES FROM WHICH CLAIMS PAYMENTS MAY BE MADE.

(II) "MANAGING GENERAL AGENT" DOES NOT INCLUDE:

1. AN EMPLOYEE OF THE INSURER;

2. A UNITED STATES MANAGER OF THE UNITED STATES BRANCH OF AN ALIEN INSURER; ~~OR~~

3. AN UNDERWRITING MANAGER, WHICH, PURSUANT TO CONTRACT:

A. MANAGES ALL THE INSURANCE OPERATIONS OF THE INSURER;

B. IS UNDER COMMON CONTROL WITH THE INSURER AND IS SUBJECT TO THE PROVISIONS OF § 495 OF THIS ARTICLE; AND

C. WHOSE COMPENSATION IS NOT BASED ON THE VOLUME OF PREMIUMS WRITTEN; OR