

(7) REQUIRE THE MANAGING GENERAL AGENT TO MAINTAIN ALL BOOKS, RECORDS, AND ACCOUNTS IN A FORM ACCEPTABLE TO THE COMMISSIONER;

(8) PROHIBIT THE MANAGING GENERAL AGENT FROM ASSIGNING THE CONTRACT, IN WHOLE OR IN PART;

(9) SET FORTH APPROPRIATE UNDERWRITING GUIDELINES, INCLUDING, BUT NOT LIMITED TO:

(I) MAXIMUM ANNUAL PREMIUM VOLUME;

(II) TYPES OR CLASSIFICATIONS OF RISKS WHICH MAY BE WRITTEN;

(III) MAXIMUM LIMITS OF LIABILITY;

(IV) APPLICABLE EXCLUSIONS;

(V) TERRITORIAL LIMITATIONS;

(VI) POLICY CANCELATION PROVISIONS; AND

(VII) THE MAXIMUM POLICY PERIOD;

(10) SUBJECT TO ALL APPLICABLE LAWS CONCERNING POLICY CANCELLATION AND NONRENEWALS, GRANT THE INSURER THE RIGHT TO CANCEL OR NONRENEW ANY POLICY UNDERWRITTEN BY THE MANAGING GENERAL AGENT; AND

(11) REQUIRE THAT WHEN CONDUCTING BUSINESS OR ENTERING INTO CONTRACTS ON BEHALF OF, OR FOR THE BENEFIT OF AN INSURER, THE MANAGING GENERAL AGENT SHALL COMPLY WITH ALL APPLICABLE INSURANCE LAWS AND REGULATIONS.

(C) IN ALL CASES IN WHICH THE CONTRACT PERMITS THE MANAGING GENERAL AGENT TO SETTLE CLAIMS ON BEHALF OF THE INSURER:

(1) ALL CLAIMS SHALL BE REPORTED TO THE INSURER IN A TIMELY MANNER;

(2) THE MANAGING GENERAL AGENT SHALL PROVIDE THE INSURER WITH A COPY OF ANY CLAIM FILE THAT:

(I) IS REQUESTED BY THE INSURER;

(II) INVOLVES A COVERAGE DISPUTE;

(III) HAS THE POTENTIAL OF EXCEEDING THE MANAGING GENERAL AGENT'S SETTLEMENT AUTHORITY;

(IV) REMAINS OPEN FOR MORE THAN 6 MONTHS FROM THE DATE THE CLAIM IS RECEIVED BY THE MANAGING GENERAL AGENT; OR