

Article - Insurance

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§3-204.

(a) Twenty-five or more persons domiciled in the State may organize a domestic reciprocal insurer and may apply to the Commissioner for a certificate of authority to engage in the insurance business as a reciprocal insurer.

(b) The proposed attorney in fact of the reciprocal insurer shall fulfill the requirements of and shall execute, verify under oath, and file with the Commissioner when applying for a certificate of authority, a declaration that includes:

- (1) the name of the reciprocal insurer;
- (2) the location of the reciprocal insurer's principal office and of any other office from which policies will be issued;
- (3) each kind of insurance business in which the reciprocal insurer intends to engage;
- (4) the appointment of the Commissioner as agent for service of process in accordance with § 4-107 of this article;
- (5) the name and address of each original subscriber;
- (6) the appointment of the proposed attorney in fact and a copy of the power of attorney;
- (7) the name and address of each officer and each director of the attorney in fact, if the attorney in fact is a corporation, or of each member of the attorney in fact, if the attorney in fact is a firm;
- (8) the powers of the subscribers' advisory committee;
- (9) the name and term of office of each member of the subscribers' advisory committee;
- (10) a statement that, after deducting any sum payable to the attorney in fact, all money paid to the reciprocal insurer shall be held in the name of the reciprocal insurer for the purposes stated in the subscribers' agreement;
- (11) a copy of the subscribers' agreement;
- (12) a statement that:
 - (i) each original subscriber has applied in good faith for insurance of a kind in which the reciprocal insurer intends to engage; and

(ii) the reciprocal insurer has received from each original subscriber the full premium or premium deposit required for the policy applied for, for a term of not less than 6 months, at a rate that has been filed with and approved as adequate by the Commissioner;

(13) a statement of the financial condition of the reciprocal insurer, a schedule of its assets, and a statement that the surplus required by § 3-203 of this subtitle is available; and

(14) a copy of each policy, endorsement, and application form that the reciprocal insurer proposes to issue or use.

(c) When applying for a certificate of authority, the proposed attorney in fact shall pay to the Commissioner the applicable fee required by § 2-112 of this article.

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