

Article - Insurance

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§4-115.

(a) (1) In this section the following words have the meanings indicated.

(2) “Domestic reinsurer” means an authorized insurer that:

- (i) operates solely as a reinsurer, as defined in § 5-901 of this article;
- (ii) does not have any gross direct written premium; and
- (iii) is domiciled in the State.

(3) “Financial guaranty reinsurance company” means an insurer that derives at least 90% of its gross written premium from the business of financial guaranty reinsurance.

(4) “Financial guaranty insurance company” means an insurer that derives at least 90% of its gross written premium from the business of financial guaranty insurance and financial guaranty reinsurance.

(b) (1) Except as provided in paragraph (2) of this subsection, a domestic insurer may not move its home or executive office out of the State without notice to and approval by the Commissioner.

(2) (i) A financial guaranty reinsurance company or financial guaranty insurance company that became domiciled in the State on or before December 31, 1993, is not required to have an office in the State.

(ii) A domestic reinsurer that became domiciled in the State on or before December 31, 1995, is not required to have an office in the State.

(c) (1) A domestic insurer, including a reciprocal insurer, fraternal benefit society, or nonprofit health service plan, with its home or executive office in the State shall keep in the State:

- (i) its general ledger accounting records; and
- (ii) all of its assets except:

1. real property lawfully owned by the insurer and located outside of the State, personal property appurtenant to the real property, or mortgages on the real property;

2. property of the insurer that is customary and necessary to the operation of the insurer’s branch offices outside of the State;

3. securities deposited in a jurisdiction outside of the State as a condition of authority to transact business in that jurisdiction or securities deposited in connection with obtaining surety bonds;

4. securities held either by the insurer or in compliance with regulations adopted by the Commissioner; and

5. transactions or securities involved in transactions authorized by § 5-511(n) and (o) of this article or any other transactions or securities involved in transactions exempted by the Commissioner from this paragraph.

(2) A financial guaranty reinsurance company or financial guaranty insurance company that became domiciled in the State on or before December 31, 1993, and that does not have its home or executive office in the State:

(i) shall keep in the State its entire assets as required by paragraph (1)(ii) of this subsection; and

(ii) may keep its general ledger accounting records outside the State if it makes those records available in the State to the Commissioner within 2 business days after being requested to do so by the Commissioner.

(3) A domestic reinsurer that became domiciled in the State on or before December 31, 1995, and that does not have its home or executive office in the State:

(i) shall keep in the State its entire assets as required by paragraph (1)(ii) of this subsection; and

(ii) may keep its general ledger accounting records outside the State if it makes those records available in the State to the Commissioner within 2 business days after being requested to do so by the Commissioner.

(d) This section does not prohibit the holding of funds or transmission of securities outside of the State to:

(1) secure or record title to the securities; or

(2) sell, lend, buy, redeem, or exchange the securities or alter the provisions of the securities.

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