

Article - Insurance

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§5-908.

(a) In order to be eligible for certification in accordance with § 5-904(f) of this subtitle, the assuming insurer shall:

(1) be domiciled and licensed to transact insurance or reinsurance in a qualified jurisdiction, as determined under § 5-909 of this subtitle;

(2) maintain minimum capital and surplus, or its equivalent, in an amount the Commissioner determines in accordance with regulations the Commissioner adopts;

(3) maintain financial strength ratings from two or more rating agencies that the Commissioner considers acceptable in accordance with regulations the Commissioner adopts;

(4) agree to submit to the jurisdiction of this State;

(5) appoint the Commissioner as its agent for service of process in this State;

(6) agree to provide security for all of the assuming insurer's liabilities attributable to reinsurance ceded by United States ceding insurers if it resists enforcement of a final United States judgment;

(7) agree to meet applicable information filing requirements as the Commissioner determines both for the initial application for certification and on an ongoing basis; and

(8) satisfy any other requirements for certification that the Commissioner considers relevant.

(b) (1) A group, including incorporated and individual unincorporated underwriters, may be a certified reinsurer if the group, including incorporated and individual unincorporated underwriters, meets all the requirements of this section.

(2) The group shall satisfy its minimum capital and surplus equivalents, net of liabilities, of the group and its members, which shall include a joint central fund that may be applied to any unsatisfied obligation of the group or any of its members, in an amount that the Commissioner determines will provide adequate protection.

(3) The incorporated members of the group may not be engaged in any business other than underwriting as a member of the group.

(4) The incorporated members of the group shall be subject to the same

level of regulation and solvency control by the group's domiciliary regulator as are the unincorporated members.

(5) Within 90 days after its financial statements are due to be filed with the group's domiciliary regulator, the group shall provide to the Commissioner:

(i) an annual certification by the group's domiciliary regulator of the solvency of each underwriter member; or

(ii) if a certification is unavailable, financial statements, prepared by independent public accountants, of each underwriter member of the group.

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