

Article - Insurance

[Previous][Next]

§7-705.

(a) Except as provided in § 7-706 of this subtitle, before an insurer subject to registration under Subtitle 6 of this title pays a dividend or makes a distribution to its shareholders, the insurer shall notify the Commissioner of its intention to pay the dividend or make the distribution.

(b) The insurer shall notify the Commissioner under subsection (a) of this section:

- (1) within 5 business days after the declaration; and
- (2) at least 10 days before the payment or distribution date.

(c) The Commissioner shall keep the notice required by subsection (a) of this section confidential until the payment or distribution date.

(d) If the Commissioner finds that, after the payment or distribution to shareholders under this section, the insurer's surplus as regards policyholders would be inadequate or could lead the insurer to a hazardous financial condition, the Commissioner may order that the dividend not be paid.

[Previous][Next]