

Article - Insurance

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§7-802.1.

(a) A director or an officer of an insurance holding company system who knowingly participates in, assents to, or allows any of the officers or agents of an insurer to engage in transactions or investments that have not been properly reported or submitted under Subtitles 6 and 7 of this title, shall pay, in the director's or officer's individual capacity, a civil penalty in accordance with § 7-802 of this subtitle, after notice and an opportunity for hearing before the Commissioner.

(b) In determining the amount of the civil penalty, the Commissioner shall take into account the factors in § 7-802(b) of this subtitle.

(c) (1) Whenever it appears to the Commissioner that an insurer subject to this title, or a director, an officer, an employee, or an agent of the insurer, has engaged in a transaction or entered into a contract that is subject to Subtitle 7 of this title and that would not have been approved if the approval had been requested, the Commissioner may order the insurer to cease and desist immediately any further activity under that transaction or contract.

(2) After notice and an opportunity for hearing, the Commissioner also may order the insurer to void any contracts and restore the status quo if, in the Commissioner's judgment, the action is in the best interest of the policyholders, the creditors, or the public.

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