

Article - Insurance

[Previous][Next]

§8-424.

(a) A foreign or alien society may not transact insurance business in the State unless the society has a certificate of authority issued by the Commissioner.

(b) A foreign or alien society that desires to transact insurance business in the State must have the qualifications required of domestic societies organized under this subtitle.

(c) A foreign or alien society may be authorized to transact insurance business in the State if the society:

- (1) shows that its assets are invested in accordance with this subtitle; and
- (2) files with the Commissioner:
 - (i) a certified copy of its charter or articles of incorporation;
 - (ii) a copy of its constitution and laws, certified by its secretary or equivalent officer;
 - (iii) a power of attorney as required by § 8-407 of this subtitle;
 - (iv) a statement of the society's insurance business that is:
 1. under oath of its president and secretary or equivalent officers;
 2. in the form required by the Commissioner;
 3. verified by an examination made by the insurance supervisory official of its home state or another state, territory, province, or country; and
 4. satisfactory to the Commissioner;
 - (v) a certificate of compliance from the proper official of its home state, territory, province, or country that the society is legally incorporated and authorized to transact insurance business in that state, territory, province, or country;
 - (vi) copies of its forms of certificates; and
 - (vii) any additional information that the Commissioner considers necessary.

(d) Each foreign or alien society authorized to do insurance business in the State

shall file with the Commissioner, within 90 days after enactment, a certified copy of each amendment of, or addition to, its articles of incorporation, constitution, or laws.

(e) (1) The Commissioner may deny a certificate of authority to a foreign or alien society applicant or suspend or revoke a certificate of authority of a foreign or alien society if, on investigation, the Commissioner finds that the society:

- (i) has exceeded its powers;
- (ii) has failed to comply with any provision of this subtitle;
- (iii) is not fulfilling its contracts in good faith;
- (iv) is conducting its insurance business fraudulently; or
- (v) is conducting its insurance business in a manner hazardous to its members, creditors, or the public.

(2) If the Commissioner makes a finding under subsection (a) of this section, the Commissioner shall:

- (i) notify the society of the finding;
- (ii) state in writing the reasons for dissatisfaction; and
- (iii) require the society to show cause on or before a specified date why its certificate of authority should not be denied, suspended, or revoked.

(3) If, on or before the date specified in the notice, the society does not show good and sufficient reason why its certificate of authority should not be denied, suspended, or revoked, the Commissioner may:

- (i) deny or suspend the certificate of authority until satisfactory evidence is provided to the Commissioner that the denial or suspension should be withdrawn; or
- (ii) revoke the certificate of authority.

(f) The provisions of subsection (e) of this section do not prevent a foreign or alien society from continuing in good faith all contracts made in the State during the time the society was legally authorized to transact insurance business in the State.

[Previous][Next]