

Article - Insurance

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§8-437.

(a) A society may create, maintain, and operate charitable, benevolent, or educational institutions for the benefit of:

- (1) society members;
- (2) families and dependents of society members; and
- (3) children insured by the society.

(b) (1) For the purposes of an institution authorized by subsection (a) of this section, a society may own, hold, or lease personal or real property inside or outside the State.

(2) The property shall be reported in each annual statement of the society, but may not be allowed as an admitted asset of the society.

(c) (1) Subject to paragraph (2) of this subsection, a society may charge a reasonable fee for maintenance, treatment, and proper attendance in an institution authorized by subsection (a) of this section.

(2) A society may not operate an institution authorized under subsection (a) of this section for profit.

(d) A society may not own or operate a funeral home or undertaking establishment.

(e) A society shall maintain a separate accounting for any income and disbursements under this section and report them in its annual statement.

(f) The purposes of a society as specified in its laws, and as provided in this section and § 8-411(c)(2) of this subtitle, may be carried out:

- (1) directly by the society; or
- (2) indirectly:

(i) with respect to activities regulated by the Insurance Commissioner, through a subsidiary or affiliate operating under a certificate of authority, certificate of qualification, or other license issued by the Commissioner; and

(ii) for all other activities, through subsidiary corporations and affiliated organizations.

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