

Article - Insurance

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§4-205.

(a) This section does not apply to:

- (1) the lawful transaction of surplus lines insurance;
- (2) the lawful transaction of reinsurance by insurers;
- (3) transactions in the State that involve, and are subsequent to the issuance of, a policy that was lawfully solicited, written, and delivered outside of the State covering only a subject of insurance not resident, located, or expressly to be performed in the State at the time of issuance of the policy;
- (4) transactions that involve insurance contracts that are independently procured through negotiations occurring entirely outside of the State and that are reported and on which the premium tax is paid in accordance with §§ 4-210 and 4-211 of this subtitle;
- (5) an attorney while acting in the ordinary relation of attorney and client in the adjustment of claims or losses; or
- (6) unless otherwise determined by the Commissioner, transactions in the State that involve group or blanket insurance or group annuities if the master policy of the group was lawfully issued and delivered in another state in which the person was authorized to engage in insurance business.

(b) An insurer or other person may not, directly or indirectly, do any of the acts of an insurance business set forth in subsection (c) of this section, except as provided by and in accordance with the specific authorization of statute.

(c) Any of the following acts in the State, effected by mail or otherwise, is considered to be doing an insurance business in the State:

- (1) making or proposing to make, as an insurer, an insurance contract;
- (2) making or proposing to make, as guarantor or surety insurer, a contract of guaranty or suretyship as a vocation and not merely incidental to another legitimate business or activity of the guarantor or surety insurer;
- (3) taking or receiving an application for insurance;
- (4) receiving or collecting premiums, commissions, membership fees, assessments, dues, or other consideration for insurance;
- (5) issuing or delivering an insurance contract to a resident of the State

or a person authorized to do business in the State;

(6) except as provided in subsection (d) of this section, with respect to a subject of insurance resident, located, or to be performed in the State, directly or indirectly acting as an insurance producer for, or otherwise representing or helping on behalf of another, an insurer or other person to:

(i) solicit, negotiate, procure, or effect insurance or the renewal of insurance;

(ii) disseminate information about coverage or rates;

(iii) forward an application;

(iv) deliver a policy or insurance contract;

(v) inspect risks;

(vi) fix rates;

(vii) investigate or adjust claims or losses;

(viii) transact matters arising out of an insurance contract after the insurance contract becomes effective; or

(ix) in any other manner represent or help an insurer or other person to transact insurance business;

(7) doing any kind of insurance business specifically recognized as doing an insurance business under statutes relating to insurance;

(8) doing or proposing to do any insurance business that is substantially equivalent to any act listed in this subsection in a manner designed to evade the statutes relating to insurance; or

(9) as an insurer transacting any other business in the State.

(d) Subsection (c)(6) of this section does not prohibit a full-time salaried employee of a corporate insured from acting as an insurance manager or buyer in placing insurance for the corporate insured.

(e) For purposes of this section, the venue of an act effected by mail is at the point where the matter transmitted by mail is delivered and takes effect.

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