

## Article - Insurance

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§7-102.

(a) The General Assembly finds that the public interest and the interest of policyholders and stockholders may be adversely affected when:

(1) control of an insurer is sought by a person that would use that control adversely to the best interest of policyholders or stockholders;

(2) acquisition of control of an insurer would substantially lessen competition or create a monopoly in the insurance business in the State;

(3) an insurer that is part of an insurance holding company system enters into transactions or relationships with affiliates on terms that are not fair and reasonable; or

(4) an insurer pays to stockholders dividends that jeopardize the financial condition of the insurer.

(b) The purposes of this title include promoting the public interest by:

(1) requiring disclosures in acquisitions or mergers;

(2) requiring disclosures of material transactions, relationships between an insurer and its affiliates, and dividends to stockholders paid by insurers;

(3) requiring disclosures of relevant information about changes in control of insurers;

(4) providing standards governing material transactions between an insurer and its affiliates; and

(5) establishing penalties for failure to disclose and providing for the disapproval of certain transactions.

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