

## Article - Insurance

[Previous][Next]

§8-206.

(a) The Commissioner shall deny or refuse to renew a certificate of qualification if the applicant or holder of the certificate of qualification:

(1) has willfully violated this article or another law of the State that relates to insurance;

(2) has intentionally misrepresented or concealed a material fact in an application for a certificate of qualification;

(3) has obtained or attempted to obtain a certificate of qualification by misrepresentation, concealment, or other fraud;

(4) has misappropriated, converted, or unlawfully withheld money that belongs to an insurer, insurance producer, beneficiary, or insured;

(5) has willfully and materially misrepresented the provisions of a policy;

(6) has committed fraudulent or dishonest practices in the insurance business;

(7) has participated, with or without the knowledge of an insurer, in selling motor vehicle insurance without the intention to sell the insurance, as evidenced by a persistent pattern of filing certificates of insurance together with or closely followed by cancellation notices for the insurance;

(8) has been convicted by final judgment in any state or federal court of a crime involving moral turpitude;

(9) has knowingly participated in writing or issuing substantial over-insurance of property insurance risks;

(10) has failed to pass an examination required by this subtitle;

(11) has willfully failed to comply with or has willfully violated a proper order or regulation of the Commissioner;

(12) has failed or refused to pay over on demand money that belongs to an insurer, insurance producer, or other person entitled to the money;

(13) has otherwise shown a lack of trustworthiness or competence to act as a managing general agent;

(14) is not or does not intend to carry on business in good faith and represent

to the public that the person is a managing general agent;

(15) has been denied a license or certificate as a managing general agent or has had a license or certificate suspended or revoked in another state;

(16) has intentionally or willfully made or issued, or caused to be made or issued, a statement that materially misrepresents or makes incomplete comparisons about the terms or conditions of a policy or contract issued by an authorized insurer, for the purpose of inducing or attempting to induce the owner of the policy or contract to forfeit or surrender it or allow it to lapse in order to replace it with another; or

(17) has transacted insurance business that was directed to the applicant or holder for consideration by a person whose license or certificate to engage in the insurance business at the time was suspended or revoked, and the applicant or holder knew or should have known of the suspension or revocation.

(b) The Commissioner shall deny a certificate of qualification to an applicant or refuse to renew, suspend, or revoke a certificate of qualification if the applicant or holder of the certificate of qualification:

(1) is insolvent;

(2) is conducting business fraudulently;

(3) unreasonably refuses or delays payment to claimants of amounts due them;

(4) fails to pay any final judgment entered against the applicant or holder in the State within 60 days after the judgment becomes final;

(5) has a certificate of qualification revoked or suspended by the insurance regulatory authority in another state;

(6) is found by the Commissioner to be in:

(i) an unsound condition; or

(ii) a condition that makes further transaction of business hazardous to policyholders or the public; or

(7) refuses to:

(i) be examined;

(ii) produce its accounts, records, and files for examination by the Commissioner; or

(iii) provide additional information that the Commissioner requests while considering an application for renewal of a certificate of qualification.

(c) The Commissioner may suspend or revoke a certificate of qualification for any ground listed in § 10-126 of this article.

(d) Instead of or in addition to denying, refusing to renew, suspending, or revoking a certificate of qualification, the Commissioner may:

(1) impose a penalty of not less than \$100 but not exceeding \$50,000 for each violation of this article;

(2) require that restitution be made to any person that has suffered financial injury because of the violation of this article; and

(3) impose any other penalty authorized by this article.

(e) This section does not limit the rights of policyholders or claimants.

[Previous][Next]