

## Article - Insurance

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§9-404.

(a) (1) This subtitle shall be liberally construed to carry out its purpose as specified in § 9-402 of this subtitle.

(2) Section 9-402 of this subtitle is an aid and guide to the interpretation of this subtitle.

(b) The words “policy” and “contract” are used interchangeably throughout this subtitle.

(c) A person may be a resident of only one state. For a person other than an individual, that state is the state in which its principal place of business is located.

(d) (1) Subject to paragraph (2) of this subsection, for a plan sponsor or person other than an individual, its principal place of business is the single state in which the individuals who establish policy for the direction, control, and coordination of the operations of the entity, as a whole, primarily exercise that function, as determined by the Corporation in its reasonable judgment by considering the following factors:

(i) the state in which the primary executive and administrative headquarters of the entity is located;

(ii) the state in which the principal office of the chief executive officer of the entity is located;

(iii) the state in which the board of directors, or similar governing person or persons, of the entity conducts the majority of its meetings;

(iv) the state in which the executive or management committee of the board of directors, or similar governing person or persons, of the entity conducts the majority of its meetings;

(v) the state from which the management of the overall operations of the entity is directed; and

(vi) for a benefit plan sponsored by affiliated companies comprising a consolidated corporation, the state in which the holding company or controlling affiliate has its principal place of business, as determined under the factors in this paragraph.

(2) For a plan sponsor, if more than 50% of the participants in the benefit plan are employed in a single state, that state is deemed to be the principal place of business of the plan sponsor.

(3) For an association, a committee, a joint board of trustees, or any other

similar group of representatives of the parties who establish or maintain a benefit plan when there is no specific or clear designation of a principal place of business, the principal place of business is the principal place of business of the employer or employee organization that has the largest investment in the benefit plan in question.

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