Title 31 MARYLAND INSURANCE ADMINISTRATION
Subtitle 09 LIFE INSURANCE AND ANNUITIES
Chapter 04 Contracts on a Variable Basis

Authority: Insurance Article, §§2-109, 8-442(d), and 16-601—16-603, Annotated Code of Maryland

.03 Qualifications of [Agents and Brokers] Producers.

A. Qualification to Sell Variable Annuity Contracts.
   (1) A person may not sell or offer for sale in this State any variable annuity contract unless the person is an agent or broker of a producer and has filed with the Commissioner, in a form satisfactory to the Commissioner, evidence that the person holds any license or authorization and other authorizations which may be required by any federal or State securities law for the solicitation, or sale or negotiation of variable annuities [by any federal or State securities laws].
   (2) A person may not in this State solicit, sell, accept applications for, or act or aid in any manner in the negotiation of any variable contract [on a variable basis] unless the person has been so qualified for the solicitation, sale or negotiation of variable annuities by any federal or State securities law.

B. Reports of Disciplinary Actions and Criminal Prosecution. A person qualified in this State under this regulation to sell or offer to sell as a producer of variable annuity contracts shall immediately report to the Commissioner in accordance with Insurance Article, §§10-126(f) and (g), Annotated Code of Maryland:
   (1) Suspension or revocation of an agent's producer's license in any other state or territory of the United States;
   (2) Imposition of disciplinary sanction, including suspension or expulsion of membership, suspension or denial of registration imposed upon the person by any national securities exchange or association or any federal, state, or territorial agency with jurisdiction over securities or variable annuity contracts;
   (3) Judgment or injunction entered against the person on the basis of conduct deemed to have involved fraud, deceit, misrepresentation or violation of any insurance or securities law or regulation; or
   (4) Criminal prosecution as defined in Insurance Article §10-126(f), Annotated Code of Maryland.

C. Refusal to Qualify [Agent] Producer to Sell Variable Annuity [Insurance] Contracts—Suspension, [Revocation,] Revocation or Nonrenewal of Qualification. The Commissioner may reject an application or suspend, revoke, or refuse to renew a producer's qualification under this regulation to solicit, sell or offer to sell variable annuity contracts upon any ground that would bar the applicant or producer from being licensed to solicit, sell, or negotiate [other] life insurance contracts in this State. The rules governing [a proceeding] proceedings relating to the rejection of a producer's qualification shall also govern [proceeding for suspension or revocation of an agent's qualification to sell or offer to sell variable annuity insurance] proceedings under this regulation.