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## BULLETIN 10-12

**Date: April 16, 2010**

**To: All Insurance Companies Authorized to do Business in Maryland**

**Re: Market Conduct Annual Statement**

Last November, the NAIC circulated a data call letter to insurance companies, on behalf of participating states, regarding the filing of a Market Conduct Annual Statement. The Maryland Insurance Administration ("MIA") issues this Bulletin as a reminder that you are required to file a Market Conduct Annual Statement with the MIA, and include all requested data, if you are an insurance company authorized to do business in Maryland, and you reported at least \$50,000 in automobile insurance premium, homeowners' insurance premium, individual plus group life insurance premiums (excluding credit life), or individual annuity considerations in your 2009 Financial Annual Statement. The MIA requires these filings pursuant to §§ 2-108 and 2-205 of the Insurance Article of the Annotated Code of Maryland, and COMAR 31.04.20.04-05.

If you believe that you are not subject to this filing requirement, you must file a request for an exemption. To request an exemption, you must submit a letter signed by an officer of the company to the MIA contact person advising them of the reason you are requesting an exemption along with a list of states where you are requesting the exemption. Companies exempt from filing in previous years are not automatically exempt from filing this year.

**Property and Casualty filings are due by April 30, 2010 and Life and Annuity filings are due by June 30, 2010.**

While the MIA expects that all subject companies will provide prompt and complete responses, please be advised that § 2-203(f)(iii) of the Insurance Article prohibits companies from willfully failing to "give the Commissioner full and truthful information and answer." Any failure to timely and fully respond may result in a refusal to renew, suspension or revocation of an existing license. Instead of, or in addition to these penalties, the MIA may also impose a monetary sanction of up to \$125,000 for each violation. Insurance Article, § 4-113(b)(1),(b)(6),(d). The MIA has issued this Bulletin in order to provide companies assistance in timely complying with their filing obligations so that they might avoid these penalties.

For questions regarding the Market Conduct Annual Statement, please go to the NAIC's website at [http://www.naic.org/industry\\_market\\_conduct\\_statement.htm](http://www.naic.org/industry_market_conduct_statement.htm) or contact Dawna Kokosinski at (410) 468-2322 for Property and Casualty filings and Tom Marshall at (410) 468-2217 for Life and Annuity Filings.

ELIZABETH SAMMIS  
ACTING INSURANCE COMMISSIONER

By:



Nancy Grodin, Associate Commissioner  
Compliance & Enforcement