

Article 48A - Insurance Code

40. LEGAL MUTUAL LIABILITY INSURANCE
SOCIETY OF MARYLAND

566.

(A) AS USED IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "ATTORNEY" MEANS A PERSON ADMITTED TO THE BAR AND CERTIFIED TO PRACTICE LAW IN THE COURT OF APPEALS OF MARYLAND.

(C) "COMMISSIONER" MEANS THE STATE INSURANCE COMMISSIONER OF MARYLAND.

(D) "PRACTICE OF LAW" BY AN ATTORNEY IN MARYLAND HAS THE DEFINITION GIVEN BY THE COURT OF APPEALS OF MARYLAND AND INCLUDES THE DEFINITION GIVEN IN § 1 OF ARTICLE 10 OF THE CODE.

(E) "SOCIETY" MEANS THE LEGAL MUTUAL LIABILITY INSURANCE SOCIETY OF MARYLAND CREATED BY § 568.

567.

(A) THE PURPOSE OF THIS SUBTITLE IS TO PROVIDE A MECHANISM FOR THE PAYMENT OF INDEMNITIES TO PERSONS SUFFERING INJURY ARISING OUT OF THE RENDERING OF OR THE FAILURE TO RENDER PROFESSIONAL SERVICES BY ATTORNEYS AND TO PROVIDE A MECHANISM FOR ATTORNEYS TO OBTAIN INSURANCE AGAINST LIABILITY FOR INJURY DUE TO THE RENDERING OF OR FAILURE TO RENDER ANY PROFESSIONAL SERVICE, SUBJECT TO THE LIMITATIONS AND IMMUNITIES PROVIDED IN THIS SUBTITLE AND SUBJECT TO THE PROVISIONS OF SUBSECTION (B).

(B) THE PROVISIONS OF THIS SUBTITLE SHALL BECOME EFFECTIVE UPON A FINDING BY THE COMMISSIONER THAT A SUBSTANTIAL NUMBER OF ATTORNEYS ARE OR WITHIN SIX MONTHS WILL BE UNABLE TO OBTAIN LEGAL MALPRACTICE INSURANCE FROM INSURERS ADMITTED TO WRITE SUCH INSURANCE IN MARYLAND AND THAT THE LACK OF SUCH INSURANCE IS HAMPERING THE PRACTICE OF LAW IN MARYLAND AND THEREBY AFFECTING THE ABILITY OF THE CITIZENS OF MARYLAND TO OBTAIN PROPER LEGAL REPRESENTATION OR SERVICES. BEFORE MAKING SUCH A FINDING, THE COMMISSIONER SHALL CONSULT WITH THE OFFICERS AND BOARD OF GOVERNORS OF THE MARYLAND STATE BAR ASSOCIATION, INC. AND SUCH OTHER ORGANIZATIONS AS HE DEEMS APPROPRIATE.

568.

(A) SUBJECT TO THE PROVISIONS OF § 567(B), A NONSTOCK SOCIETY IS CREATED TO BE KNOWN AS THE "LEGAL MUTUAL LIABILITY INSURANCE SOCIETY OF MARYLAND."

(B) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE,