

File No. 100400

March 9, 1959

Department of Recreation and Parks
Bureau of Recreation
1129 North Calvert Street
Baltimore - 2, Maryland

ATTENTION: H. S. Callowhill
Superintendent of Recreation

Dear Sir:

Reference is made to your inquiry of January 20, 1959, concerning the propriety of entering into an insurance plan whereby the Pilot Life Insurance Company would insure participants in Recreation Department activities.

Your primary concern was with the possibility that the City might become involved in suit in case of a disagreement between the Company and an insured in a matter involving settlement and responsibility.

Examination of the definition of an agent under Article 48A, Section 107(b), Annotated Code of Maryland, indicates the exclusion of your Recreation Leaders as agents of the Company. Their proposed function of distributing literature prepared by the Company, could not, in the opinion of this Office, render them or the City liable to an insured; it being understood that the collection of premiums and acceptance of applications will be performed by employees of the Pilot Life Insurance Company or its General Agent.

Reference is made to Opinions of the City Solicitor, volume 49, page 77, dated February 26, 1953, wherein it was held that there was no legal objection to the Superintendent of Public Instruction, with the approval of the Board of School Commissioners, becoming a holder of such a policy (this related to a policy covering children at, and traveling to and from school, issued by the same Company).

It is to be additionally noted, however, that this plan will have to be submitted to the State Insurance Department of Maryland for approval.

Very truly yours,

/s/

HUGO A. RICCIUTI
City Solicitor

/s/

CARL H. LEHMANN, JR.
Assistant City Solicitor

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