

surer is authorized to transact such insurance business in this State or is a solvent insurer approved or accepted by the Commissioner for the purpose of such reinsurance. The Commissioner shall not so approve or accept any such reinsurance by a ceding domestic insurer which he finds for good cause would be contrary to the interests of the policyholders or stockholders of such insurer.

(3) No credit shall be allowed, as an asset or as a deduction from liability, to any ceding insurer for reinsurance unless the reinsurance is payable by the assuming insurer on the basis of the liability of the ceding insurer under the contracts reinsured without diminution because of the insolvency of the ceding insurer.

(4) Upon request of the Commissioner, a ceding insurer shall promptly inform the Commissioner in writing of the cancellation or any other material change of any of its reinsurance treaties or arrangements.

(5) This section does not apply to wet marine and transportation insurance.

5. ASSETS AND LIABILITIES

75. "Admitted Assets" Defined.

In any determination of the financial condition of an insurer, there shall be allowed as admitted assets only such assets as are owned by the insurer and which consist of:

(1) Cash in the possession of the insurer, or in transit under its control, and including the true balance of any deposit in a solvent bank, OR trust company. ~~or in a savings and loan association insured by an instrumentality of the United States Government or of the Canadian Government.~~

(1A) SHARES IN SAVINGS AND LOAN ASSOCIATIONS OR BUILDING AND LOAN ASSOCIATIONS TO THE EXTENT THAT SUCH INVESTMENT OR ACCOUNT IS INSURED BY AN INSTRUMENTALITY OF THE UNITED STATES GOVERNMENT OR OF THE CANADIAN GOVERNMENT, OR BY THE MARYLAND SAVINGS-SHARE INSURANCE CORPORATION.

(2) Investments, securities, properties and loans acquired or held in accordance with this article, and in connection therewith the following items:

(i) Interest due or accrued on any bond or evidence of indebtedness which is not in default and which is not valued on a basis including accrued interest.

(ii) Declared and unpaid dividends on stock and shares, unless such amount has otherwise been allowed as an asset.

(iii) Interest due or accrued upon a collateral loan in an amount not to exceed one year's interest thereon.

(iv) Interest due or accrued on deposits in solvent banks and trust companies and in savings and loan associations insured by an instrumentality of the United States Government or of the Canadian Government, OR BY THE MARYLAND SAVINGS-SHARE INSURANCE CORPORATION and interest due or accrued on other assets,