

(f) "Insurance holding company" means any company which directly or indirectly controls an insurance company or controls any other company which controls an insurance company.

(g) "Insurance holding company system" consists of two or more affiliated persons, one or more of which is an insurance company.

(h) "Material" shall include any asset change which exceeds in value the lesser of (1) five (5) per cent of such insurer's surplus as regards policyholders, or (2) the net gain from operations of a life insurer or the net investment income of an insurer other than a life insurer, determined as of the 31st day of December next preceding.

[(h)] (i) "Person" means an individual, partnership, corporation, firm, association, joint stock company, business trust, unincorporated organization, any similar entity or any group or combination of the foregoing acting in concert.

[(i)] (j) "Subsidiary" of a specified person is an affiliate controlled by such person directly, or indirectly, through one or more intermediaries.

SEC. 2. *Be it further enacted*, That Section 495(k) of Article 48A be and it is hereby repealed:

[(k) As used in this subsection "material" shall include any asset change which exceeds in value the lesser of (1) five (5) per cent of such insurer's surplus as regards policyholder's, or (2) the net gain from operations of a life insurer or the net investment income of any insurer other than a life insurer, determined as of the 31st day of December next preceding.]

SEC. 3. *And be it further enacted*, That this Act shall take effect July 1, 1970.

Approved April 28, 1970

CHAPTER 430

(House Bill 570)

AN ACT to repeal and re-enact with amendments Section 270 of Article 48A of the Annotated Code of Maryland (1968 Replacement Volume) ~~changing the surplus requirements for mutual insurers converting to stock insurers when such insurers commenced doing business in the State of Maryland on or after July 1, 1966.~~
 , TITLE "INSURANCE CODE," SUBTITLE "STOCK AND MUTUAL INSURERS," TO CHANGE THE SURPLUS REQUIREMENTS FOR DOMESTIC MUTUAL INSURERS CONVERTING TO STOCK INSURERS.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That Section 270 of Article 48A of the Annotated Code of Maryland (1968 Replacement Volume), TITLE "INSURANCE CODE," SUBTITLE "STOCK AND MUTUAL INSURERS," be and the same is hereby repealed and re-enacted with amendments to read as follows: