

CHAPTER 510. AN ACT to repeal and re-enact, with amendments, sub-section Twelfth of Section 178 of Article 23 of the Code of Public Civil Laws of Maryland, title "Corporations", subtitle "Insurance Department", as enacted by Chapter 621 of the Acts of 1974 relating to the computation of liability and workmen's compensation claim reserves.

Section 1. *It is enacted by the General Assembly of Maryland that sub-section Twelfth of Section 178 of Article 23 of the Code of Public Civil Laws of Maryland, title "Corporations", subtitle "Insurance Department", be and the same is hereby repealed and re-enacted with amendments so as to read as follows:*

*The reserve for outstanding losses under insurance policies against loss or damage resulting from accident or injuries suffered by an employee or other person and for which the insured is liable, and under insurance against loss from liability on account of the death of or injury to an employee not caused by the negligence of the employer, shall be determined as follows:*

(1) For all liability suits being defended under policies written more than (a) Ten years prior to the date of which the statement is made, one thousand five hundred dollars for each suit; (b) Five and less than ten years prior to the date as of which the statement is made, one thousand dollars for each suit; (c) Three and less than five years prior to the date as of which the statement is made, eight hundred and fifty dollars for each suit; (2) For all liability policies written during the three years of immediately preceding the date as of which the statement is made, such reserve shall be sixty per centum of the earned liability premium of each of such three years, less all loss and loss expense payments made under liability policies written in the corresponding years; but in any event, such reserve shall, for the first of such three years, be not less than seven hundred and fifty dollars for each outstanding liability unit on each year's policies; (3) For all compensation claims under policies written more than three years prior to the date as of which the statement is made, the present value at four per centum interest of the determined and estimated future payments; (4) For all