

under the public housing law of this State, to the extent and upon such conditions as may be authorized by the Commissioner, provided all of the stock of such housing company has been or is to be originally issued to one or more insurance companies.

4. RESIDUE AND SURPLUS FUND INVESTMENTS.

After satisfying the requirements for minimum capital investments, any domestic stock or mutual insurance company or Lloyds Association, other than a life insurance company or fraternal benefit association, which has accumulated and maintains reserve investments as required in Sub-section 2, may invest any portion of the remainder of its funds in, or otherwise acquire or loan upon, any of the classes of investments eligible under Sub-section 3 and any stock or shares, bonds or obligations, including voting trust certificates, certificates of deposit, interim receipts, and other similar instruments representing stock or shares, bonds or obligations eligible hereunder, or in investments in loans made by banks or trust companies secured by the assignment of cash surrender values of at least equal amount, in life insurance policies issued by life insurance companies licensed to do business in the State of Maryland, except the following prohibited investments:

(1) Obligations, stock or other securities of any corporation, association or other business unit which is insolvent at the time of such acquisition or loan, except securities eligible for investment under Sub-section 3.

(2) Any mortgage or deed of trust, or any real property or any interest therein, which does not come within the class of investments specified in Sub-divisions (6) and (7) of Sub-section 3.

(3) Any capital stock of the investing insurer.

(4) Stocks, bonds or other securities issued by any corporation, if a majority of the outstanding stock of such corporation, or a majority of the stock having voting powers of such corporation is, or will be after such acquisition, directly or indirectly owned by such insurer or by or through one or more of its officers or directors holding the same, for the benefit of such insurer or of its stockholders, or owned by a parent corporation or subsidiary of such insurer, parent corporation or subsidiary thereof, or owned by any combination of the insurer, its parent corporation, its subsidiaries or its stockholders. Nothing contained in this paragraph shall be deemed to prevent any investment in the stock, bonds or other securi-