

mon stock issued and outstanding. Notwithstanding the foregoing provisions, an insurer may, at its option, value its holdings of stock in a subsidiary insurance company in an amount not less than acquisition cost if such acquisition cost is less than the value determined as hereinbefore provided.

(3) Real estate acquired by foreclosure or by deed in lieu thereof, in the absence of a recent appraisal deemed by the Commissioner to be reliable, shall not be valued at an amount greater than the unpaid principal of the defaulted loan at the date of such foreclosure or deed, together with any taxes and expenses paid or incurred by such insurer at such time in connection with such acquisition (but not including any uncollected interest on such loan), and the cost of additions or improvements thereafter made by such insurer and any amount or amounts thereafter paid by such insurer on any assessments levied for improvements in connection with the property.

(4) Purchase money mortgages shall be valued in an amount not exceeding the acquisition cost of such real property or ninety per cent of the value of such real property, whichever is less.

(5) The stock of a subsidiary of an insurer shall be valued on the basis of the value of only such of the assets of such subsidiary as would constitute lawful investments for the insurer if acquired or held directly by the insurer.

9. INTEREST, DIVIDENDS AND RENT.

In any determination of the financial condition of every stock and mutual insurance company and Lloyds Association, domestic or foreign, other than a life insurance company or a fraternal benefit association, authorized to do business in this State, amounts due to such insurer may be allowed as an admitted asset of such insurer as follows:

(1) Interest due or accrued on any bond or evidence of indebtedness qualifying as an admitted asset which is not in default and which is not valued on a basis including accrued interest.

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

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