

THAT THE COMMISSIONER MAY REFUSE TO GRANT OR RENEW A CERTIFICATE OF AUTHORITY TO ANY FOREIGN OR ALIEN INSURER, IF HE FINDS THAT ITS INVESTMENTS DO NOT COMPLY IN SUBSTANCE WITH THE INVESTMENT REQUIREMENTS AND LIMITATIONS IMPOSED BY THIS SUBTITLE UPON DOMESTIC INSURERS TRANSACTING THE SAME KIND OR KINDS OF INSURANCE BUSINESS. For the purposes of this section the domicile of an alien insurer, other than an insurer formed under the laws of Canada, shall be deemed to be that state in which it maintains its principal largest deposit of trustee assets.

#### **88. Eligibility of Investments.**

(1) Any particular investment held by an insurer on the effective date of this article, and which was an authorized investment at the time it was made, or which would be an authorized investment under the provisions of this article, shall be deemed to be an eligible investment.

(2) Eligibility of an investment shall be determined as of the date of its making or acquisition, except as stated in subsection (1) above.

(3) Any investment limitation based upon the amount of the insurer's assets or particular funds shall relate to such assets or funds as shown by the insurer's annual statement as of the December 31st next preceding date of acquisition of the investment by the insurer, or as shown by a current financial statement reflecting the result of merger or consolidation with another insurer, bulk reinsurance, or change in capitalization.

#### **89. General Qualifications.**

(1) No security or investment shall be eligible for purchase at a price above its market value.

(2) No provision of this subtitle shall prohibit the acquisition by an insurer of other or additional securities or property if received as a dividend or as a lawful distribution of assets, or under a lawful and bona fide agreement of bulk reinsurance, merger, or consolidation.

(3) Nothing in this section shall prohibit an insurer from acquiring control of another insurer.

#### **90. Authorization of Investment.**

A life insurer shall not make any investment or loan (other than policy loans or annuity contract loans) unless the same is authorized or approved by the insurer's board of directors or by a committee authorized by such board and charged with the supervision or making of such investment or loan. The minutes of any such committee shall be recorded and regular reports of such committee shall be submitted to the board of directors.

#### **91. Prohibited Investments.**

In addition to investments excluded pursuant to other provisions of this article, an insurer shall not directly or indirectly invest in or lend its funds upon the security of: