

(ii) Bonds, or stocks or other evidences of indebtedness which are direct obligations of the State of Maryland or of any county, district or municipality thereof.

(iii) Bonds or other evidences of indebtedness which are direct obligations of any state of the United States.

(2) Reserve investments required. After satisfying the requirements for minimum capital stock investments as provided in subsection (1), a life insurer shall invest and keep invested its funds (including its minimum capital stock investments) in an amount not less than 100 per cent of the reserves provided for by this article in cash or the classes of securities or investments authorized under Section 96 of this subtitle.

(3) Capital and reserve investments; liens. A life insurer shall at all times maintain the minimum capital and reserve investments required by this section, equal in value to such an amount and of the classes prescribed, free and clear from any lien or pledge other than as a deposit as required or permitted by Section 50.

(4) Residue investments. After satisfying the minimum capital and reserve investment requirements of this subtitle, any excess funds of a domestic life insurer may be invested without limitation in any investments not otherwise prohibited by the provisions of this subtitle.

#### **96. Life Insurance Reserve Investments.**

Every domestic life insurer must have and continually keep to the extent of an amount equal to its entire reserves, as required by this article, invested in any combination of the following types of assets subject to the limit, if any, set forth with regard to each type or class of investment:

(1) Cash or deposits in checking or savings accounts, under certificates of deposit or in any other form in National or State banks and trust companies.

To the extent that such an investment or account is insured by the Federal Savings and Loan Insurance Corporation, OR BY THE MARYLAND SAVINGS-SHARE INSURANCE CORPORATION an insurer may invest in shares of savings and loan associations or building and loan associations.

(2) Interest bearing bonds, notes, certificates of indebtedness, bills or other direct interest bearing obligations of the United States of America or of Canada or other interest bearing obligations fully guaranteed both as to principal and interest by the United States of America, or by Canada, and obligations of the International Bank for Reconstruction and Development and obligations of the Inter-American Development Bank.

(3) Interest bearing bonds of any state, District of Columbia, territory or possession of the United States of America, or of any province of Canada, or of any county, or incorporated city of any state, District of Columbia, territory or possession of the United States of America, or any Canadian municipality.

(4) Interest bearing bonds of any Commission, instrumentality, authority or political subdivision having legal authority to issue the