

funds as shown by the insurer's annual statement as of the December 31 next preceding date of acquisition of the investment by the insurer, or as shown by a current financial statement filed with the Commissioner reflecting the result of merger or consolidation with another insurer, bulk reinsurance, or change in capitalization.

#### **100. Authorization of Investment.**

An insurer shall not make any investment or loan 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.

#### **101. Limitation of Investments.**

(1) Except as more specifically provided in this subtitle, no insurer shall have more than ten per cent of its total admitted assets invested in, or loaned upon the securities of any one person; but this restriction shall not apply to the classes of governmental obligations (including those eligible under section 104 (6) (iii)) eligible for minimum capital investments of such insurer nor to investments in stocks of other insurers.

(2) No insurer shall hereafter acquire any real property of the kind or kinds specified in section 104 (8) (i) and (ii) if the value of such real property, together with the value of all such real property then held by it, exceeds ten per cent of its total admitted assets.

#### **102. Minimum Capital Investments.**

Before investing any of its funds in any other classes of securities or types of investments, every insurer shall, to the extent of an amount equal in value to the minimum capital stock and surplus required of a domestic stock insurer authorized to transact the same kind or kinds of insurance business, invest its funds only in securities of the classes described in this section. Investments equal in value to such an amount and of the types hereinafter prescribed in this section shall at all times be maintained free and clear from any lien or pledge other than as impressed upon a deposit with any government within the United States or upon trustee assets held in trust for the security of all its policyholders and creditors. Minimum capital investments of such an insurer shall consist of the following classes of securities and not less than sixty per cent of the total amount of the required minimum capital investments shall consist of the classes specified in paragraphs (1) and (2) following:

(1) Bonds or other evidences of indebtedness of the United States of America or of any of its agencies when such obligations are guaranteed as to principal and interest by the United States of America.

(2) 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.

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

(4) Mortgage loans or deeds of trust as specified in section 104 (6) (i) and (ii), on property located in this State.

(5) Ground rents as specified in section 104 (7).