

(10) *financing of insurance premiums;*

(11) *any other business activity reasonably ancillary to an insurance business;*

(12) **OWNING** a corporation or corporations engaged or organized to engage exclusively in one or more of the businesses specified in paragraphs (1) to (11) inclusive.

(b) *In addition to investments in common stock permitted under any other section of this Article, a domestic insurer may:*

(1) *Invest in common stock of one or more subsidiaries in an amount which together with the cost at the time of acquisition or formation of other such subsidiary investments under this paragraph does not exceed the lesser of five (5) percent of such insurer's assets or forty percent (40%) of such insurer's surplus as regards policyholders, provided that after such investment the insurer's surplus as regards policyholders, ~~considering such investment as if it were a disallowed asset,~~ will be reasonable in relation to the insurer's outstanding liabilities and adequate to its financial needs, and provided further, as used in this paragraph, the term "cost" shall include all money or other consideration expended and obligations assumed in the acquisition or formation of a subsidiary including all organizational expenses and contribution to capital and surplus of such subsidiary whether or not represented by the purchase of capital stock or issuance of other securities;*

(2) *If the insurer's total liabilities, as calculated for NAIC annual statement purposes are less than ten (10) percent of assets, invest any amount in common stock of one or more subsidiaries, provided that after such investment the insurer's assets and surplus as regards policyholders, considering such investment as if it were a disallowed asset, will be reasonable in relation to the insurer's outstanding liabilities and adequate to its financial needs;*

(3) *Invest any amount in common stock of a subsidiary provided that such subsidiary limits investments in the common stock of any one corporation or in any other asset so that the amount of any one investment when multiplied by the percentage of the insurer's ownership in said subsidiary, plus the insurer's direct investment in such asset does not exceed any of the investment limitations specified in paragraph 1 of this subsection or in Sections 86 through 107 of this Article applicable to the insurer; and*

(4) *With the approval of the Commissioner, invest any amount in common stock of one or more subsidiaries, provided that after such investment the insurer's ~~assets and surplus as regards~~ policyholders, considering such investment as if it were a disallowed asset, will be reasonable in relation to the insurer's outstanding liabilities and adequate to its financial needs.*

(5) INVEST IN PREFERRED STOCK AND DEBT OBLIGATIONS OF ONE OR MORE AFFILIATES IN AN AMOUNT WHICH TOGETHER WITH THE ACTUAL COST AT THE TIME OF ACQUISITION OR FORMATION OR OTHER SUCH INVESTMENTS UNDER THIS PARAGRAPH DOES NOT EXCEED THE LESSER OF FIVE (5) PERCENT OF SUCH INSURER'S ASSETS OR FORTY (40) PERCENT OF SUCH INSURER'S SURPLUS AS REGARDS POLICYHOLDERS, PROVIDED THAT