

(ii) *Such property of the insurer as may be customary and necessary to the operation of its branch offices outside the State.*

(iii) *Securities deposited within a jurisdiction outside of Maryland, as a condition of authority to transact business in that jurisdiction,* OR SECURITIES DEPOSITED IN CONNECTION WITH OBTAINING SURETY BONDS.

(iv) *Securities held for safekeeping by a bank, or other institution IN EACH CASE approved by the Commissioner, which is located within the United States and has a sub-custodial agreement with a Maryland bank* OR CANADA, OR ANY JURISDICTION IN WHICH THE INSURER IS LICENSED TO DO BUSINESS AND which has a custodial agreement with the insurer, APPROVED BY THE COMMISSIONER.

(4) *This section shall not prohibit the HOLDING OF FUNDS OR THE transmission of securities outside this State for the purpose of securing or recording title to such securities or for the purpose of the sale, LOAN, PURCHASE, REDEMPTION, exchange or alteration of the provisions of such securities.*

(5) NO MORE THAN 15% OF AN INSURER'S ADMITTED ASSETS SHALL BE KEPT OUTSIDE THE STATE, PURSUANT TO THIS SECTION, WITHOUT APPROVAL OF THE COMMISSIONER.

~~(5)~~ (6) *The Commissioner may modify or waive the requirements of this section to the extent he deems justified and not adverse to the public interest.*

SEC. 2. *And be it further enacted, That this Act shall take effect July 1, 1970.*

Approved April 28, 1970

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CHAPTER 425

(Senate Bill 287)

AN ACT to repeal and re-enact, with amendments, Section 175A of Article 48A of the Annotated Code of Maryland (1968 Replacement Volume), title "Insurance Code," subtitle "Agents and Brokers," to make the imposition of a penalty additional as well as alternative to revocation or suspension.

SECTION 1. *Be it enacted by the General Assembly of Maryland, That Section 175A of Article 48A of the Annotated Code of Maryland (1968 Replacement Volume), title "Insurance Code," subtitle "Agents and Brokers," be and it is hereby repealed and re-enacted, with amendments, to read as follows:*

175A.

In lieu of *or in addition to*, suspension or revocation of the license of an agent or broker, the Commissioner may [accept for the first and second offenses a fine] *impose a penalty* of not less than \$25.00