

CHAPTER 195

(House Bill 145)

AN ACT concerning

Insurance Commissioner - Reserve Requirements

FOR the purpose of permitting the Insurance Commissioner to require certain additional reserves against an insurer's assets, and renumbering paragraphs.

BY repealing and re-enacting, with amendments,

Article 48A - Insurance Code

Section 77

Annotated Code of Maryland

(1972 Replacement Volume and 1974 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section 77 of Article 48A - Insurance Code, of the Annotated Code of Maryland (1972 Replacement Volume and 1974 Supplement) be and it is hereby repealed and re-enacted, with amendments, to read as follows:

Article 48A - Insurance Code

77.

In any determination of the financial condition of an insurer, capital stock and liabilities to be charged against its assets shall include:

(1) The amount of its capital stock outstanding, if any[:];

(2) The amount, estimated consistent with the provisions of this article, necessary to pay all of its unpaid losses and claims incurred on or prior to the date of statement, whether reported or unreported, together with the expenses of adjustment or settlement thereof;

(3) With reference to life and disability insurance and annuity contracts:

(i) The amount of reserves on life insurance policies and annuity contracts in force, valued according