

(2) ["Draft"] "PAYMENT INSTRUMENT" includes a check, DRAFT, money order, [traveler's check,] or other instrument for the payment or transmission of money, WHETHER OR NOT THE INSTRUMENT IS:

(I) NEGOTIABLE; OR

(II) SOLD TO ONE OR MORE PERSONS.

(3) "PAYMENT INSTRUMENT" DOES NOT INCLUDE:

(I) A TRAVELER'S CHECK;

(II) AN INSTRUMENT THAT THE ISSUER MAY REDEEM IN MERCHANDISE OR SERVICES;

(III) A LETTER OF CREDIT; OR

(IV) A PERMISSIBLE INVESTMENT.

(F) "PERMISSIBLE INVESTMENT" MEANS:

(1) CASH;

(2) A CERTIFICATE OF DEPOSIT OR OTHER DEBT INSTRUMENT OF A BANKING INSTITUTION, EXCEPT A CAPITAL NOTE;

(3) UNLESS FOUND BY THE BANK COMMISSIONER TO BE UNACCEPTABLE:

(I) A BANKERS' ACCEPTANCE IF THE DRAFT IS DRAWN ON AND ACCEPTED BY A BANKING INSTITUTION AND IS ELIGIBLE FOR PURCHASE BY A MEMBER BANK OF THE FEDERAL RESERVE SYSTEM;

(II) ~~GENERAL~~ OBLIGATIONS OF OR OBLIGATIONS GUARANTEED BY THE UNITED STATES, ANY STATE, OR ANY OF THEIR AGENCIES OR INSTRUMENTALITIES; OR

(III) A BILL, NOTE, BOND, DEBENTURE, OR ~~PREFERRED~~ PREFERRED STOCK THAT IS TRADED ON A NATIONAL OVER-THE-COUNTER MARKET OR EXCHANGE; AND

(IV) COMMERCIAL PAPER OF PRIME QUALITY AS DEFINED BY A NATIONALLY RECOGNIZED ORGANIZATION THAT RATES SECURITIES; AND

(V) ANY DEMAND BORROWING AGREEMENT OR AGREEMENTS IN AN AMOUNT OR AGGREGATE AMOUNT WHICH DOES NOT EXCEED 10 PERCENT OF THE NET WORTH OF THE COMPANY LIABLE FOR PAYMENT UNDER THE AGREEMENT THEREOF AS SHOWN ON FINANCIAL STATEMENTS CERTIFIED BY A CERTIFIED PUBLIC ACCOUNTANT ACCEPTABLE TO THE BANK COMMISSIONER, WHICH COMPANY IS A CORPORATION OR A SUBSIDIARY OF A CORPORATION WHOSE CAPITAL STOCK IS LISTED ON A NATIONAL EXCHANGE AND IS NOT A LICENSEE OR AGENT OF A LICENSEE UNDER THIS SUBTITLE. THE BORROWING AGREEMENTS SHALL BE FILED WITH THE BANK COMMISSIONER IN