

representation is obtained. However, the chief may, for good cause shown, within that ten day period, extend that period of time.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1983.

Approved May 31, 1983.

CHAPTER 661

(House Bill 1418)

AN ACT concerning

Insurance - Prohibited Investments

FOR the purpose of repealing a provision of law that prohibits insurers from investing in or lending funds upon the security of certain stocks, bonds, or other securities issued by certain corporations.

BY repealing and reenacting, with amendments,

Article 48A - Insurance Code
Section 106
Annotated Code of Maryland
(1979 Replacement Volume and 1982 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 48A - Insurance Code

106.

In addition to investments excluded pursuant to other provisions of this article, an insurer shall not directly or indirectly invest in or lend its funds upon the security of the following:

(1) Obligations, stock or other securities of any corporation, association or other business unit which is insolvent at the time of such acquisition or loan, except securities eligible for investment under § 104.

(2) Any mortgage or deed of trust, or any real property or any interest therein, which does not come within the class of investments specified in § 104 (6) and (7).