

qualified financial contracts in a certain manner; providing that the rights of counterparties under certain provisions of law apply to certain netting agreements and qualified financial contracts; providing for the application of this Act; defining certain terms; and generally relating to delinquency proceedings against insolvent insurers.

BY adding to

Article - Insurance

Section 9-229.1

Annotated Code of Maryland

(2003 Replacement Volume and 2004 Supplement)

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

Article - Insurance

9-229.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "COMMODITY CONTRACT" MEANS:

(I) A CONTRACT FOR THE PURCHASE OR SALE OF A COMMODITY FOR FUTURE DELIVERY ON, OR SUBJECT TO THE RULES OF, A BOARD OF TRADE DESIGNATED AS A CONTRACT MARKET BY THE COMMODITY FUTURES TRADING COMMISSION UNDER THE FEDERAL COMMODITY EXCHANGE ACT OR BOARD OF TRADE OUTSIDE THE UNITED STATES;

(II) AN AGREEMENT THAT IS:

1. SUBJECT TO REGULATION UNDER § 19 OF THE FEDERAL COMMODITY EXCHANGE ACT; AND

2. COMMONLY KNOWN TO THE COMMODITIES TRADE AS A MARGIN ACCOUNT, MARGIN CONTRACT, LEVERAGE ACCOUNT; OR LEVERAGE CONTRACT; OR

(III) AN AGREEMENT OR TRANSACTION THAT IS:

1. SUBJECT TO REGULATION UNDER § 4C(B) OF THE FEDERAL COMMODITY EXCHANGE ACT; AND

2. COMMONLY KNOWN TO THE COMMODITIES TRADE AS A COMMODITY OPTION.

(3) "CONTRACTUAL RIGHT" MEANS ANY RIGHT, WHETHER OR NOT EVIDENCED IN WRITING, ARISING UNDER:

(I) STATUTORY LAW, COMMON LAW, OR LAW MERCHANT;