

Article 48A - Insurance Code

416A.

(A) (1) SUBJECT TO THE APPROVAL OF THE COMMISSIONER, AN INSURER AUTHORIZED TO DELIVER OR ISSUE FOR DELIVERY AN ANNUITY CONTRACT IN THE STATE MAY DELIVER OR ISSUE FOR DELIVERY ONE OR MORE FUNDING AGREEMENTS.

(2) THE ISSUANCE OR DELIVERY OF A FUNDING AGREEMENT IS NOT A BUSINESS AUTHORIZED UNDER §§ 62 THROUGH 74 OF THIS ARTICLE, BUT DOES CONSTITUTE AN INSURANCE BUSINESS.

(3) "FUNDING AGREEMENT" MEANS ANY AGREEMENT DESCRIBED BY THIS SECTION.

(B) (1) A FUNDING AGREEMENT MAY BE ISSUED TO A PERSON, OR A SUBSIDIARY OF A PERSON, THAT IS AUTHORIZED BY A STATE OR FOREIGN COUNTRY TO ENGAGE IN AN INSURANCE BUSINESS.

(2) A FUNDING AGREEMENT MAY ALSO BE ISSUED TO AN ENTITY OR INDIVIDUAL OTHER THAN A PERSON OR SUBSIDIARY AUTHORIZED TO ENGAGE IN AN INSURANCE BUSINESS TO FUND:

(I) BENEFITS DIRECTLY OR INDIRECTLY UNDER AN EMPLOYEE BENEFIT PLAN AS DEFINED IN THE FEDERAL EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AND MAINTAINED IN THE UNITED STATES, OR BY A SIMILAR PLAN MAINTAINED IN A FOREIGN COUNTRY;

(II) THE ACTIVITIES OF ANY ORGANIZATION EXEMPT FROM TAXATION UNDER § 501(C) OF THE INTERNAL REVENUE CODE OF 1986, OR OF A SIMILAR ORGANIZATION IN ANY FOREIGN COUNTRY;

(III) A PROGRAM, OR PLAN AS DEFINED IN § 457 OF THE INTERNAL REVENUE CODE OF 1986, OF:

- 1. THE FEDERAL GOVERNMENT;
- 2. A STATE OR POLITICAL SUBDIVISION OF A STATE; OR
- 3. A FOREIGN COUNTRY OR POLITICAL SUBDIVISION OF A FOREIGN COUNTRY; OR

(IV) AN AGREEMENT PROVIDING FOR PERIODIC PAYMENTS IN SATISFACTION OF A CLAIM OR

~~(V) -- A -- PROGRAM OF AN ENTITY WHICH HAS ASSETS IN EXCESS OF \$25,000,000, OR AN INDIVIDUAL WHO HAS A NET WORTH IN EXCESS OF \$2,000,000.~~