

- (2) THE EXTENT TO WHICH THE INSURER'S BUSINESS IS DIVERSIFIED AMONG THE SEVERAL LINES OF INSURANCE;
- (3) THE NUMBER AND SIZE OF RISKS INSURED IN EACH LINE OF INSURANCE;
- (4) THE GEOGRAPHICAL DISPERSION OF THE INSURER'S INSURED RISKS;
- (5) THE NATURE AND EXTENT OF REINSURANCE OF THE INSURER'S RISKS;
- (6) THE QUALITY, DIVERSIFICATION, AND LIQUIDITY OF THE INSURER'S INVESTMENT PORTFOLIO;
- (7) THE RECENT PAST AND PROJECTED FUTURE TRENDS IN THE SIZE OF THE INSURER'S SURPLUS AS REGARDS POLICYHOLDERS;
- (8) THE SURPLUS AS REGARDS POLICYHOLDERS MAINTAINED BY COMPARABLE INSURERS;
- (9) THE QUALITY AND LIQUIDITY OF INVESTMENTS IN AND OTHER TRANSACTIONS WITH AFFILIATES;
- (10) THE ADEQUACY OF THE RESERVES OF THE INSURER; AND
- (11) THE QUALITY OF THE EARNINGS OF THE INSURER AND THE EXTENT TO WHICH THE REPORTED EARNINGS INCLUDE EXTRAORDINARY ITEMS.

(B) ACTION BY COMMISSIONER ON INVESTMENTS.

THE COMMISSIONER MAY DISCOUNT AN INVESTMENT OR TREAT AN INVESTMENT UNDER SUBSECTION (A)(9) OF THIS SECTION AS A NONADMITTED ASSET FOR PURPOSES OF DETERMINING THE ADEQUACY OF SURPLUS AS REGARDS POLICYHOLDERS WHENEVER THE INVESTMENT SO WARRANTS.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 496(b) and (b-1).

This section is revised as a general provision of this title to reflect its applicability throughout this title. See Subtitles 3 and 4 of this title.

In subsection (a)(3) of this section, the reference to each line of "insurance" is substituted for the former reference to each line of "business" to conform to subsection (a)(2) of this section.

In subsection (a)(4) of this section, the former phrase "[t]he extent of" is deleted as surplusage.

In subsection (a)(8) of this section, the word "other", which formerly modified "comparable insurers", is deleted as surplusage.