

(3) FOR PURPOSES OF THIS SUBSECTION, IN CALCULATING ASSETS AND SURPLUS AS REGARDS POLICYHOLDERS REMAINING AFTER AN INVESTMENT, A DOMESTIC INSURER SHALL TREAT THE INVESTMENT AS IF IT WERE A NONADMITTED ASSET.

(4) A DOMESTIC INSURER SUBJECT TO THIS SUBSECTION MAY INVEST ANY AMOUNT IN COMMON STOCK OF ONE OR MORE OF ITS SUBSIDIARIES IF, AFTER THE INVESTMENT, THE DOMESTIC INSURER HAS REMAINING ASSETS AND SURPLUS AS REGARDS POLICYHOLDERS THAT:

(I) BEAR A REASONABLE RELATION TO THE DOMESTIC INSURER'S OUTSTANDING LIABILITIES; AND

(II) ARE ADEQUATE TO MEET THE DOMESTIC INSURER'S FINANCIAL NEEDS.

(5) A DOMESTIC INSURER SUBJECT TO THIS SUBSECTION MAY INVEST ANY AMOUNT IN PREFERRED STOCK AND DEBT OBLIGATIONS OF ONE OR MORE OF ITS SUBSIDIARIES IF, AFTER THE INVESTMENT, THE DOMESTIC INSURER HAS REMAINING SURPLUS AS REGARDS POLICYHOLDERS THAT:

(I) BEARS A REASONABLE RELATION TO THE DOMESTIC INSURER'S OUTSTANDING LIABILITIES; AND

(II) IS ADEQUATE TO MEET THE DOMESTIC INSURER'S FINANCIAL NEEDS.

(E) SAME — ON INVESTMENT IN SUBSIDIARY OWNING AND MANAGING ASSETS.

(1) IN THIS SUBSECTION, "TOTAL INVESTMENT" INCLUDES:

(I) A DIRECT INVESTMENT BY THE DOMESTIC INSURER IN AN ASSET OTHER THAN SECURITIES OF ITS SUBSIDIARIES; AND

(II) THE DOMESTIC INSURER'S PROPORTIONATE SHARE OF ANY INVESTMENT IN AN ASSET BY A SUBSIDIARY OF THE INSURER, CALCULATED BY MULTIPLYING THE AMOUNT OF THE SUBSIDIARY'S INVESTMENT BY THE PERCENTAGE OF THE DOMESTIC INSURER'S OWNERSHIP OF THE SUBSIDIARY.

(2) A DOMESTIC INSURER MAY INVEST ANY AMOUNT IN COMMON STOCK, PREFERRED STOCK, DEBT OBLIGATIONS, AND OTHER SECURITIES OF ONE OR MORE SUBSIDIARIES ENGAGED OR ORGANIZED TO ENGAGE EXCLUSIVELY IN THE OWNERSHIP AND MANAGEMENT OF ASSETS AUTHORIZED AS INVESTMENTS FOR THE DOMESTIC INSURER OR ONE OR MORE INSURANCE SUBSIDIARIES, TO THE EXTENT THAT EACH SUBSIDIARY LIMITS ITS INVESTMENTS IN ANY ASSET SO THAT THE INVESTMENTS WILL NOT CAUSE THE AMOUNT OF THE TOTAL INVESTMENT OF THE DOMESTIC INSURER TO EXCEED ANY OF THE INVESTMENT LIMITATIONS APPLICABLE TO THE DOMESTIC INSURER UNDER SUBSECTION (C) OF THIS SECTION OR UNDER TITLE 5, SUBTITLES 5 AND 6 OF THIS ARTICLE.

(F) INVESTMENTS APPROVED BY COMMISSIONER.