

## (B) SPECIAL FUNDS.

A SOCIETY MAY CREATE, MAINTAIN, INVEST, DISBURSE, AND APPLY SPECIAL FUNDS AS NECESSARY TO CARRY OUT ANY PURPOSE ALLOWED BY THE LAWS OF THE SOCIETY.

## (C) PAYMENTS AVAILABLE FOR EXPENSES.

(1) THIS SUBSECTION APPLIES ONLY TO A SOCIETY WITH ADMITTED ASSETS THAT ARE LESS THAN THE SUM OF ITS ACCRUED LIABILITIES AND RESERVES UNDER ALL OF ITS CERTIFICATES WHEN VALUED ACCORDING TO STANDARDS REQUIRED FOR CERTIFICATES ISSUED AFTER DECEMBER 31, 1963.

(2) A SOCIETY DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION SHALL STATE DISTINCTLY, IN EACH LAW OF THE SOCIETY REGARDING PAYMENTS BY MEMBERS, THE PURPOSE OF THE PAYMENTS AND THE PROPORTION OF THE PAYMENTS THAT MAY BE USED FOR EXPENSES.

(3) A SOCIETY DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION MAY NOT USE ANY MONEY COLLECTED FOR MORTUARY OR DISABILITY PURPOSES, OR ITS NET EARNINGS, FOR EXPENSES.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 336.

In subsection (a)(1) of this section, the reference to assets "of a society" is added for clarity.

In subsection (a)(2) of this section, the reference to a beneficiary "of a member" is added for clarity.

Also in subsection (a)(2) of this section, the word "insurance" is added to modify the reference to a "contract" for clarity.

In subsection (c)(2) and (3) of this section, the phrase "described in paragraph (1) of this subsection" is added to modify "society" for clarity.

In subsection (c)(2) of this section, the former phrase "in whatever form made" is deleted as surplusage.

In subsection (c)(3) of this section, the reference to "net earnings" is substituted for the former reference to "net accretions" for clarity.

Defined terms: "Insurance contract" § 1-101

"Society" § 8-401

## 8-443. INVESTMENTS.

A SOCIETY SHALL INVEST ITS FUNDS ONLY IN INVESTMENTS THAT ARE AUTHORIZED BY, AND SUBJECT TO THE LIMITATIONS OF, THE LAWS OF THE STATE FOR THE INVESTMENT OF ASSETS OF LIFE INSURERS UNDER TITLE 5 OF THIS ARTICLE.