

(b) A [domestic risk retention group, as defined in § 617(k) of this article,] FINANCIAL GUARANTY REINSURANCE COMPANY that became domiciled in this State before January 1, 1994 is not required to have an office in this State.

[(3)](4) (a) Except as provided in paragraph (b) of this subsection, each domestic insurer, including those subject to §§ 276 through 361, having its home or executive office within the geographical limits of this State shall keep within this State:

(i) Its complete general ledger accounting records; and

(ii) Its entire assets except:

1. Real property and personal property appurtenant thereto, or mortgages thereon, lawfully owned by the insurer and located outside of this State;

2. Such property of the insurer as may be customary and necessary to the operation of its branch offices outside the State;

3. Securities deposited within a jurisdiction outside of Maryland, as a condition of authority to transact business in that jurisdiction or securities deposited in connection with obtaining surety bonds; and

4. Securities held for safekeeping by a bank, or other institution in each case approved by the Commissioner, which is located within the United States or Canada, or any jurisdiction in which the insurer is licensed to do business and which has a custodial agreement with the insurer approved by the Commissioner.

(b) A [risk retention group, as defined in § 617(k) of this article,] FINANCIAL GUARANTY REINSURANCE COMPANY that became domiciled in this State before January 1, 1994 and that does not have its home or executive office within the geographical limits of this State:

(i) Shall keep within this State its entire assets as required by paragraph (a)(ii) of this subsection; and

(ii) May maintain its general ledger accounting records outside this State if it makes those records available in this State to the Commissioner within 2 business days after being requested to do so by the Commissioner.

[(4)](5) This section shall not prohibit the holding of funds or the transmission of securities outside this State for the purpose of securing or recording title to such securities or for the purpose of the sale, loan, purchase, redemption, exchange or alteration of the provisions of such securities.

[(5)](6) No more than 15% of an insurer's admitted assets shall be kept outside the State, pursuant to this section, without approval of the Commissioner.

[(6)](7) The Commissioner may modify or waive the requirements of this section to the extent he deems justified and not adverse to the public interest.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows: