(i) shall keep in the State its entire assets as required by paragraph (1)(ii) of this subsection; and

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

[(c)](D) Unless approved by the Commissioner, a domestic insurer may not keep more than 15% of the domestic insurer's admitted assets outside of the State under this section.

[(d)](E) This section does not prohibit the holding of funds or transmission of securities outside of the State to:

(1) secure or record title to the securities; or

(2) sell, lend, buy, redeem, or exchange the securities or alter the provisions of the securities.

[(e)](F) The Commissioner may modify or waive the requirements of this section to the extent that the Commissioner considers justified and not adverse to public interest.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take effect July 1, 1995.

SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect October 1, 1997.

Approved May 18, 1995.

CHAPTER 421

(Senate Bill 540)

AN ACT concerning

Risk Retention Groups ~~and~~, Financial Guaranty Reinsurance Companies, *and Financial Guaranty Insurance Companies* – Location of Office, Assets, and Records

FOR the purpose of eliminating the exemption of certain risk retention groups from certain requirements as to the location of the office, assets, and records of those risk retention groups; exempting certain financial guaranty reinsurance companies *and certain financial guaranty insurance companies* from the requirement of having an office in the State; requiring certain financial guaranty reinsurance companies *and certain financial guaranty insurance companies* to keep certain assets in the State; allowing certain financial guaranty reinsurance companies *and certain financial guaranty insurance companies* to keep certain accounting records outside the State in certain situations; defining ~~a certain term~~ *certain terms; repealing the authority of the State Insurance Commissioner of Maryland to modify or waive certain requirements relating to the location of offices, assets, and records of certain insurers under certain circumstances*; providing for the effective date of certain provisions of this Act;