

(1) WHEN THE AMOUNT OF A SURETYSHIP OBLIGATION EXCEEDS THE ACTUAL AMOUNT OF THE JUDGMENT THAT IS BEING APPEALED AND THAT IS SECURED BY A BOND, OR EXCEEDS THE AMOUNT OF THE SUBJECT MATTER IN CONTROVERSY, OR EXCEEDS THE AMOUNT OF THE ESTATE HELD BY THE FIDUCIARY FOR THE PERFORMANCE OF WHOSE DUTIES A BOND IS CONDITIONED, THE ACTUAL AMOUNT OF THE JUDGMENT, THE SUBJECT MATTER IN CONTROVERSY, OR THE ESTATE NOT SUBJECT TO THE SUPERVISION OR CONTROL OF THE SURETY INSURER SHALL BE USED AS THE BASIS FOR DETERMINING WHETHER THE RISK EXCEEDS THE 10% LIMIT ESTABLISHED BY § 5-1003(A)(1) OF THIS SUBTITLE; AND

(2) WHEN THE AMOUNT OF A SURETYSHIP OBLIGATION REQUIRED FOR THE PERFORMANCE OF A CONTRACT EXCEEDS THE CONTRACT PRICE, THE CONTRACT PRICE SHALL BE USED AS THE BASIS FOR DETERMINING WHETHER THE RISK EXCEEDS THE 10% LIMIT ESTABLISHED BY § 5-1003(A)(1) OF THIS SUBTITLE.

(D) LIMITATION ON SURETYSHIP OBLIGATIONS THAT GUARANTY DEPOSITS.

IN ADDITION TO ANY OTHER LIMITATION CONTAINED IN THIS ARTICLE, A SURETY INSURER MAY NOT BE EXPOSED AT ANY ONE TIME TO RISKS ON SURETYSHIP OBLIGATIONS THAT GUARANTY THE DEPOSITS OF A SINGLE FINANCIAL INSTITUTION IN AN AGGREGATE NET AMOUNT EXCEEDING 10% OF THE SURETY INSURER'S SURPLUS TO POLICYHOLDERS, DETERMINED UNDER § 5-1003(A)(2) OF THIS SUBTITLE, UNLESS THE SURETY INSURER IS PROTECTED IN EXCESS OF THAT AMOUNT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 72(7).

In subsection (a) of this section, the former introductory language, "[n]otwithstanding the limitation prescribed in subsection (1)", is deleted as unnecessary in light of the limitation contained in § 5-1003(a)(1) of this subtitle.

Also in subsection (a) of this section, the former reference to "bonds of the kind commonly known as" transportation or warehousing bonds is deleted in light of the specific reference to "transportation or warehousing bonds".

In the introductory language of subsection (b) of this section, the reference to the 10% limit "established by § 5-1003(a)(1) of this subtitle" is added for clarity.

Also in the introductory language of subsection (b) of this section, the former phrase, "[i]n applying the limitation of subsection (1) of this section to surety risks", is deleted as unnecessary in light of the limitation contained in § 5-1003(a)(1) of this subtitle.

In subsection (b)(5) of this section, the former reference to a "future" sale, mortgage, or other disposition is deleted as implicit.

Also in subsection (b)(5) of this section, the former reference to a mortgage "pledge" is deleted as included in the word "mortgage".