

(I) THE STANDARDS FOR APPROVAL OF FORMS OF FUNDING AGREEMENTS;

(II) THE RESERVES TO BE MAINTAINED BY INSURERS THAT ISSUE FUNDING AGREEMENTS;

(III) THE ACCOUNTING AND REPORTING OF FUNDS CREDITED UNDER FUNDING AGREEMENTS;

(IV) THE DISCLOSURE OF INFORMATION TO HOLDERS AND PROSPECTIVE HOLDERS OF FUNDING AGREEMENTS; AND

(V) THE QUALIFICATION AND COMPENSATION OF PERSONS THAT SELL FUNDING AGREEMENTS ON BEHALF OF INSURERS.

(2) WITH RESPECT TO SEPARATE ACCOUNTS AND ANY RESULTING ACCUMULATIONS, THE COMMISSIONER SHALL ADOPT REGULATIONS GOVERNING THE TYPE AND AMOUNT OF INVESTMENTS THAT MAY BE MADE UNDER A FUNDING AGREEMENT.

(3) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE COMMISSIONER HAS SOLE AUTHORITY TO REGULATE:

(I) THE ISSUANCE AND SALE OF FUNDING AGREEMENTS; AND

(II) THE PERSONS THAT SELL FUNDING AGREEMENTS ON BEHALF OF INSURERS.

(F) FUNDING AGREEMENT NOT BUSINESS OF INSURANCE.

(1) THE ISSUANCE OR DELIVERY OF A FUNDING AGREEMENT IS NOT THE BUSINESS OF LIFE INSURANCE, ANNUITIES, HEALTH INSURANCE, PROPERTY INSURANCE, CASUALTY INSURANCE, SURETY INSURANCE, MARINE INSURANCE, WET MARINE AND TRANSPORTATION INSURANCE, TITLE INSURANCE, OR REINSURANCE, BUT IS AN INSURANCE BUSINESS.

(2) SOLELY FOR THE PURPOSE OF APPLICATION OF THE TAX - GENERAL ARTICLE, THE FUNDING AGREEMENTS AUTHORIZED BY THIS SECTION ARE DEEMED TO BE ANNUITY CONTRACTS.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 416B(a)(1) and (2) and (b) through (f).

Former Art. 48A, § 416B(a)(3), which defined "funding agreement" as any agreement described by this section, is deleted as surplusage.

In subsection (f)(1) of this section, the specific references to types of insurance are substituted for the former reference to a business "authorized under [former] §§ 62 through 74 of this article" to clarify that former §§ 62 through 74 defined specific types of insurance.

Defined terms: "Annuity" § 1-101

"Annuity contract" § 1-101