

(c) (1) Subject to paragraph (2) of this subsection, a society may charge a reasonable fee for maintenance, treatment, and proper attendance in an institution authorized by subsection (a) of this section.

(2) A society may not operate an institution authorized under subsection (a) of this section for profit.

(d) A society may not own or operate a funeral home or undertaking establishment.

(e) A society shall maintain a separate accounting for any income and disbursements under this section and report them in its annual statement.

(F) THE PURPOSES OF A SOCIETY AS SPECIFIED IN ITS LAWS, AND AS PROVIDED IN THIS SECTION AND § 8-411(C)(2) OF THIS SUBTITLE, MAY BE CARRIED OUT ~~DIRECTLY BY THE SOCIETY OR INDIRECTLY THROUGH SUBSIDIARY CORPORATIONS OR AFFILIATED ORGANIZATIONS:~~

(1) DIRECTLY BY THE SOCIETY; OR

(2) INDIRECTLY:

(I) WITH RESPECT TO ACTIVITIES REGULATED BY THE INSURANCE COMMISSIONER, THROUGH A SUBSIDIARY OR AFFILIATE OPERATING UNDER A CERTIFICATE OF AUTHORITY, CERTIFICATE OF QUALIFICATION, OR OTHER LICENSE ISSUED BY THE COMMISSIONER; AND

(II) FOR ALL OTHER ACTIVITIES, THROUGH SUBSIDIARY CORPORATIONS AND AFFILIATED ORGANIZATIONS.

8-441.

(a) Subject to subsection (b) of this section, a domestic society may cede wholly or partly any individual risk by reinsurance agreement to an insurer that:

(1) is not a fraternal benefit society;

(2) has the power to make reinsurance; and

(3) is authorized to do insurance business in the State or is approved by the Commissioner.

(b) A domestic society may not reinsure substantially all of its insurance in force without the written permission of the Commissioner.

(c) (1) Except as provided in paragraph (2) of this subsection, a ceding domestic society may take credit for the reserves on risks ceded under this section to the extent reinsured.

(2) A ceding domestic society may not be allowed credit, as an admitted asset or as a deduction from liability, for reinsurance made, ceded, renewed, or that otherwise became effective after December 31, 1963, unless the reinsurance is payable by the assuming insurer on the basis of the liability of the ceding society under the contracts reinsured without diminution because of the insolvency of the ceding society.