

(b) (1) This section applies only to the establishment or operation of separate investment accounts by life insurers for the funding of qualified plans.

(2) This section does not apply to:

(i) amounts contributed by an employee or other participant in a qualified plan who is entitled to retirement or other incidental benefits under the qualified plan; or

(ii) amounts that have been applied to purchase or provide retirement or other incidental benefits under a policy or contract of the life insurer.

(c) A life insurer may allocate to one or more separate investment accounts in accordance with a written agreement any amounts paid to the life insurer in connection with a qualified plan that are to be invested by the life insurer in accordance with the agreement and applied to the purchase of guaranteed income benefits under the life insurer's individual or group policies or annuity contracts or to provide other guaranteed benefits incidental to those policies or annuity contracts.

(d) Any income and gains and losses, realized or unrealized, on each investment account shall be credited to or charged against the amounts allocated to the account in accordance with the agreement without regard to other income, gains, or losses of the life insurer.

(e) (1) Amounts allocated to separate investment accounts and accumulations on the accounts may be invested and reinvested in any class of investments authorized under this article as life insurance reserve investments.

(2) Preferred and common stock investments of amounts allocated to separate investment accounts may not be included in applying the 10% limitations on investments under § 5-511(f) of this subtitle.

[(3) A life insurer may not invest more than the greater of \$10,000 or 10% of any one separate investment account in the stock or shares of any one corporation, mutual fund, or investment company.]

(3) A SEPARATE INVESTMENT ACCOUNT MAY INVEST IN ANY INVESTMENTS CONTRACTUALLY PERMITTED FOR THE SEPARATE INVESTMENT ACCOUNT AND SPECIFIED IN THE PLAN OF OPERATIONS OPERATION ISSUED TO A QUALIFIED PLAN, AND THE RESTRICTIONS, LIMITATIONS, AND OTHER PROVISIONS OF THIS ARTICLE RELATING TO INVESTMENTS SHALL NOT APPLY TO THE INVESTMENTS CONTAINED IN THE SEPARATE INVESTMENT ACCOUNT, PROVIDED THAT PRIOR TO DELIVERY OR ISSUANCE FOR DELIVERY IN THE STATE, THE FORM OF THE POLICY OR ANNUITY CONTRACT AND THE PLAN OF OPERATIONS OPERATION HAS BEEN FILED WITH AND APPROVED BY THE COMMISSIONER.

(f) Unless a life insurer limits its liability under the guarantee to the interest of the contract holder in the investments, a life insurer may not guarantee:

(1) the value of amounts allocated to a separate investment account; or