

(2) the aggregate amount of foreign investments then held by the life insurer under this subsection in a single foreign jurisdiction does not exceed:

(i) 10% of its admitted assets for a foreign jurisdiction that has a sovereign debt rating of investment grade or higher by a nationally recognized statistical rating organization; or

(ii) 3% of its admitted assets for any other foreign jurisdiction.

[(c)] (D) (1) Subject to the limitations of § 5-511 of this subtitle, a life insurer may acquire investments or engage in investment practices denominated in foreign currencies, whether or not they are foreign investments acquired under subsection [(b)] (C) of this section, or additional foreign currency exposure as a result of the termination or expiration of a hedging transaction with respect to investments denominated in a foreign currency, if:

(i) the aggregate amount of investments then held by the life insurer under this subsection denominated in foreign currencies does not exceed 10% of its admitted assets; and

(ii) the aggregate amount of investments then held by the life insurer under this subsection denominated in the foreign currency of a single foreign jurisdiction does not exceed:

1. 10% of its admitted assets for a foreign jurisdiction that has a sovereign debt rating of investment grade or higher by a nationally recognized statistical rating organization; or

2. 3% of its admitted assets for any other foreign jurisdiction.

(2) Notwithstanding paragraph (1) of this subsection, an investment is not considered denominated in foreign currency if the acquiring insurer enters into one or more contracts in derivative transactions and the business entity counterparty agrees under the contract or contracts to exchange all payments made on the foreign currency denominated investment for United States currency at a rate that effectively insulates the investment cash flows against future changes in currency exchange rates during the period the contract or contracts are in effect.

[(d)] (E) (1) In addition to investments allowed under subsections [(b) and (c)] (C) AND (D) of this section, a life insurer that is authorized to do business in a foreign jurisdiction, and that has outstanding insurance, annuity, or reinsurance contracts on lives or risks resident or located in that foreign jurisdiction and denominated in the foreign currency of that jurisdiction, may acquire foreign investments with respect to that foreign jurisdiction, and may acquire investments denominated in the currency of that jurisdiction, subject to the limitations of § 5-511 of this subtitle.

(2) Notwithstanding paragraph (1) of this subsection, investments made under this subsection in obligations of foreign governments, their political subdivisions, and government sponsored enterprises are not subject to the limitations of § 5-511 of this subtitle if those investments carry a rating of investment grade or higher by a nationally recognized statistical rating organization.