

(ii) 75% of the current book value of that limited partnership interest.

(7) (i) Interests in limited partnerships under this subsection shall be valued at the actual cost of the investment adjusted by any additional capital contributions or capital withdrawals.

(ii) The valuation of a limited partnership interest may not exceed the life insurer's proportionate share of the equity of the real estate asset owned by the limited partnership.

(M) THE RESERVE INVESTMENTS OF A LIFE INSURER MAY INCLUDE THOSE INVESTMENTS PERMITTED UNDER § 5-509 OF THIS SUBTITLE.

(N) (1) THE RESERVE INVESTMENTS OF A LIFE INSURER MAY INCLUDE SECURITIES LENDING, REPURCHASE, REVERSE REPURCHASE, AND DOLLAR ROLL TRANSACTIONS WITH BUSINESS ENTITIES, SUBJECT TO THE REQUIREMENTS OF PARAGRAPHS (2) THROUGH (9) OF THIS SUBSECTION.

(2) THE INSURER'S BOARD OF DIRECTORS SHALL ADOPT A WRITTEN PLAN THAT SPECIFIES GUIDELINES AND OBJECTIVES TO BE FOLLOWED, SUCH AS:

(I) A DESCRIPTION OF HOW CASH RECEIVED WILL BE INVESTED OR USED FOR GENERAL CORPORATE PURPOSES OF THE INSURER;

(II) OPERATIONAL PROCEDURES TO MANAGE INTEREST RATE RISK, COUNTERPARTY DEFAULT RISK, THE CONDITIONS UNDER WHICH PROCEEDS FROM REVERSE REPURCHASE TRANSACTIONS MAY BE USED IN THE ORDINARY COURSE OF BUSINESS, AND THE USE OF ACCEPTABLE COLLATERAL IN A MANNER THAT REFLECTS THE LIQUIDITY NEEDS OF THE TRANSACTION; AND

(III) THE EXTENT TO WHICH THE INSURER MAY ENGAGE IN THESE TRANSACTIONS.

(3) (I) THE INSURER SHALL ENTER INTO A WRITTEN AGREEMENT FOR ALL TRANSACTIONS AUTHORIZED UNDER THIS SUBSECTION OTHER THAN DOLLAR ROLL TRANSACTIONS.

(II) THE WRITTEN AGREEMENT SHALL REQUIRE THAT EACH TRANSACTION TERMINATE NO MORE THAN 1 YEAR FROM ITS INCEPTION OR ON THE EARLIER DEMAND OF THE INSURER.

(III) THE AGREEMENT SHALL BE WITH THE BUSINESS ENTITY COUNTERPARTY, BUT FOR SECURITIES LENDING TRANSACTIONS, THE AGREEMENT MAY BE WITH AN AGENT ACTING ON BEHALF OF THE INSURER, IF THE AGENT IS A QUALIFIED BUSINESS ENTITY, AND IF THE AGREEMENT:

1. REQUIRES THE AGENT TO ENTER INTO SEPARATE AGREEMENTS WITH EACH COUNTERPARTY THAT ARE CONSISTENT WITH THE REQUIREMENTS OF THIS SECTION; AND

2. PROHIBITS SECURITIES LENDING TRANSACTIONS UNDER THE AGREEMENT WITH THE AGENT OR ITS AFFILIATES.