

- (1) rejected by the Commissioner; and
- (2) subsequently revised by the insurer, with or without the Commissioner's recommendation.

[(p)](R) "Total adjusted capital" means the sum of:

- (1) an insurer's statutory capital and surplus as determined in accordance with the statutory accounting principles applicable to the annual financial statements required to be filed under [this article] STATE LAW AND REGULATIONS; and
- (2) any other items provided for in the RBC instructions.

4-304.

(a) (1) A life insurer's risk based capital shall be determined in accordance with the formula set forth in the RBC instructions.

(2) By applying the factors in the manner set forth in the RBC instructions, the formula shall take into account and may adjust for the covariance between:

- (i) the risk with respect to the life insurer's assets;
- (ii) the risk of adverse insurance experience with respect to the life insurer's liabilities and obligations;
- (iii) the interest rate risk with respect to the life insurer's business; and
- (iv) all other business risks and other relevant risks as set forth in the RBC instructions.

(b) (1) [A property and casualty] EXCEPT AS PROVIDED IN SUBSECTION (A) OF THIS SECTION, AN insurer's risk based capital shall be determined in accordance with the formula set forth in the RBC instructions.

(2) By applying the factors in the manner set forth in the RBC instructions, the formula shall take into account and may adjust for the covariance between:

- (i) asset risk;
- (ii) credit risk;
- (iii) underwriting risk; and
- (iv) all other business risks and other relevant risks as set forth in the RBC instructions.

4-308.

(a) A mandatory control level event occurs when: