

- (I) ACQUIRING AND HOLDING INVESTMENTS; AND
- (II) ENGAGING IN INVESTMENT PRACTICES.

(2) THE PLAN REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL SPECIFY GUIDELINES FOR THE:

(I) QUALITY, MATURITY, AND DIVERSIFICATION OF INVESTMENTS;  
AND

(II) INVESTMENT STRATEGIES THAT ASSURE THAT INVESTMENTS AND INVESTMENT PRACTICES ARE APPROPRIATE FOR:

- 1. THE BUSINESS CONDUCTED BY THE LIFE INSURER;
- 2. THE LIQUIDITY NEEDS OF THE LIFE INSURER; AND
- 3. THE CAPITAL AND SURPLUS REQUIREMENTS OF THE LIFE

INSURER.

(3) BEFORE ADOPTING THE PLAN REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE BOARD SHALL REVIEW AND ASSESS THE LIFE INSURER'S TECHNICAL INVESTMENT AND ADMINISTRATIVE CAPABILITIES AND INVESTMENT EXPERTISE.

(C) (1) THE BOARD SHALL SUPERVISE AND DIRECT ANY INVESTMENTS ACQUIRED AND HELD UNDER THIS SUBTITLE.

(2) AT LEAST ANNUALLY, THE BOARD BY FORMAL RESOLUTION SHALL DETERMINE ~~THAT~~ WHETHER ALL INVESTMENTS HAVE BEEN MADE IN ACCORDANCE WITH DELEGATIONS, STANDARDS, LIMITATIONS, AND INVESTMENT OBJECTIVES PRESCRIBED BY THE BOARD OR COMMITTEE CHARGED WITH THE RESPONSIBILITY OF DIRECTING THE LIFE INSURER'S INVESTMENTS.

(D) IN ORDER TO DETERMINE WHETHER THE INVESTMENT ACTIVITY OF THE LIFE INSURER IS CONSISTENT WITH THE PLAN REQUIRED UNDER SUBSECTION (B) OF THIS SECTION, ON AT LEAST A QUARTERLY BASIS, THE BOARD OR COMMITTEE SHALL:

(1) RECEIVE AND REVIEW A SUMMARY REPORT ON THE LIFE INSURER'S INVESTMENT PORTFOLIO, INVESTMENT ACTIVITIES, AND INVESTMENT PRACTICES ENGAGED IN UNDER DELEGATED AUTHORITY; AND

(2) REVIEW AND REVISE AS NEEDED THE PLAN REQUIRED UNDER SUBSECTION (B) OF THIS SECTION.

(E) IN THE DISCHARGE OF DUTIES UNDER THIS SECTION:

(1) THE BOARD SHALL REQUIRE THAT THE FOLLOWING BE MADE AVAILABLE ON A REGULAR BASIS TO THE BOARD:

- (I) THE RECORDS OF ANY AUTHORIZATIONS OR APPROVALS;