

(vi) asset backed securities rated investment grade by at least one of the nationally recognized statistical rating organizations, and which either trade on a regulated nationally recognized exchange or are traded by a minimum of two registered broker-dealers. To the extent necessary to satisfy the reserve requirements of this subtitle, a life insurer may not have more than[

1. 20% of its total admitted assets in asset backed securities;
2. 10% of its total admitted assets in asset backed securities representing an interest in assets or pools of assets other than commercial or residential mortgages; and
- 3.] 3% of its total admitted assets in the asset backed securities of any one issuer; and

(3) A LIFE INSURER MAY NOT ACQUIRE DIRECTLY OR INDIRECTLY THROUGH AN INVESTMENT SUBSIDIARY AN INVESTMENT UNDER SUBSECTION (D), (E), OR (F) OF THIS SECTION OR § 5-509 OF THIS SUBTITLE, OR COUNTERPARTY EXPOSURE UNDER SUBSECTION (O) OF THIS SECTION, IF AS A RESULT OF AND AFTER GIVING EFFECT TO THE INVESTMENT:

(I) THE AGGREGATE AMOUNT OF MEDIUM GRADE INVESTMENTS AND LOWER GRADE INVESTMENTS THEN HELD BY THE LIFE INSURER WOULD EXCEED 20% OF THE LIFE INSURER'S ADMITTED ASSETS;

(II) THE AGGREGATE AMOUNT OF LOWER GRADE INVESTMENTS THEN HELD BY THE LIFE INSURER WOULD EXCEED 10% OF THE LIFE INSURER'S ADMITTED ASSETS;

(III) THE AGGREGATE AMOUNT OF INVESTMENTS RATED FIVE OR SIX BY THE SECURITIES VALUATION OFFICE OF THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS THEN HELD BY THE LIFE INSURER WOULD EXCEED 3% OF THE LIFE INSURER'S ADMITTED ASSETS;

(IV) THE AGGREGATE AMOUNT OF INVESTMENTS RATED SIX BY THE SECURITIES VALUATION OFFICE OF THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS THEN HELD BY THE LIFE INSURER WOULD EXCEED 1% OF THE LIFE INSURER'S ADMITTED ASSETS;

(V) THE AGGREGATE AMOUNT OF MEDIUM GRADE INVESTMENTS AND LOWER GRADE INVESTMENTS THEN HELD BY THE LIFE INSURER THAT RECEIVE AS CASH INCOME LESS THAN THE EQUIVALENT YIELD FOR UNITED STATES DEPARTMENT OF THE TREASURY ISSUES WITH A COMPARATIVE AVERAGE LIFE, WOULD EXCEED 1% OF THE LIFE INSURER'S ADMITTED ASSETS;

(VI) THE FOLLOWING WOULD EXCEED 1% OF THE LIFE INSURER'S ADMITTED ASSETS:

1. THE AGGREGATE AMOUNT OF MEDIUM GRADE INVESTMENTS AND LOWER GRADE INVESTMENTS ISSUED, ASSUMED, GUARANTEED, ACCEPTED, OR INSURED BY ANY ONE PERSON; OR