

(2) A financial guaranty reinsurance company or financial guaranty insurance company that became domiciled in the State on or before December 31, 1993, and that does not have its home or executive office in the State:

(i) shall keep in the State its entire assets as required by paragraph (1)(ii) of this subsection; and

(ii) may keep its general ledger accounting records outside the State if it makes those records available in the State to the Commissioner within 2 business days after being requested to do so by the Commissioner.

(d) [Unless approved by the Commissioner, a domestic insurer may not keep more than 15% of the domestic insurer's admitted assets outside of the State under this section.

(e)] This section does not prohibit the holding of funds or transmission of securities outside of the State to:

(1) secure or record title to the securities; or

(2) sell, lend, buy, redeem, or exchange the securities or alter the provisions of the securities.

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(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.