10–121. ACCOUNTS.

THE BOARD SHALL KEEP:

(1) A CATASTROPHE SURPLUS SUFFICIENT TO COVER CATASTROPHIC HAZARDS FOR WHICH THE FUND WRITES COVERAGE; AND

(2) RESERVES SUFFICIENT TO:

(I) MEET ANTICIPATED LOSSES OF THE FUND; AND

(II) CARRY TO MATURITY POLICIES THAT THE FUND ISSUES.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 101, § 78.

In item (1) of this section, the phrase "for which the Fund writes coverage" is substituted for the former words "arising from the insurance policies issued by the Fund", for accuracy.

In item (2) of this section, the plural "reserves" is retained. Although Art. 1, § 8 of the Code provides that generally the plural and singular are interchangeable, the words "reserve" and "reserves" are idioms with different meanings in the insurance industry.

Also in item (2) of this section, the former reference to carrying "claims" is deleted as included in meeting "anticipated losses" under item (2)(i) of this section.

Defined terms: "Board" § 10–101
"Fund" § 10–101

10–122. EXCESS MONEY.

(A) DISPOSITION.

IF, AT ANY TIME, THE AMOUNT OF MONEY IN THE FUND EXCEEDS THE AMOUNT THAT THE BOARD CONSIDERS NECESSARY FOR IMMEDIATE USE, THE STATE TREASURER SHALL:

(1) INVEST THE EXCESS IN ANY INVESTMENT AUTHORIZED UNDER ARTICLE 48A, §§ 97 THROUGH 107 OF THE CODE FOR INSURANCE COMPANIES; OR

(2) DEPOSIT THE EXCESS IN ACCORDANCE WITH THE LAWS THAT GOVERN DEPOSIT OF STATE MONEY.

(B) CONVERSION.