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§5–1003.

(a) (1) Subject to § 5-1004 of this subtitle and except as provided under § 5-1005 of this subtitle, an insurer may not retain a risk on any one subject of insurance, whether located or to be performed in the State or outside of the State, in an amount exceeding 10% of the insurer's surplus to policyholders.

(2) An insurer's surplus to policyholders shall be determined at the time a risk is assumed from the more recent of:

(i) the last sworn statement of the insurer on file with the Commissioner; or

(ii) the last examination report of the insurer.

(b) In determining the amount of risk retained by an insurer, a deduction shall be made for reinsurance ceded by the insurer for which credit is allowed under § 5-904 of this title.

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