

BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 251
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with "providing" in line 5 down through "Commissioner" in line 7 and substitute "requiring that the instrument evidencing a certain loan or advance to a stock insurer or mutual insurer be approved in a certain manner by the Maryland Insurance Commissioner and contain certain provisions"; in line 10, after "liabilities;" insert "requiring that certain proceeds be in a certain form;"; and in line 11, after "insurers;" insert "repealing a certain provision of law requiring the Commissioner's written consent for the repayment or withdrawal of a certain loan or advance made to a stock insurer or mutual insurer;".

AMENDMENT NO. 2

On page 1, in line 28, after "(2)" insert "THE INSTRUMENT EVIDENCING A LOAN OR ADVANCE UNDER THIS SUBSECTION SHALL:

(I)

BE APPROVED AS TO FORM AND CONTENT BY THE COMMISSIONER; AND

(II) CONTAIN PROVISIONS THAT SPECIFY THAT:

1.

THE INSTRUMENT IS SUBORDINATE TO POLICYHOLDERS, CLAIMANT AND BENEFICIARY CLAIMS, AND ALL OTHER CLASSES OF CREDITORS OTHER THAN SUPPLUS NOTE HOLDERS; AND

2.

INTEREST PAYMENTS AND PRINCIPAL REPAYMENTS MAY NOT BE MADE WITHOUT PRIOR APPROVAL OF THE COMMISSIONER.

(Over)

(3)".

On page 2, in line 1, strike "SUBJECT TO THE APPROVAL OF THE COMMISSIONER,"; in line 14, after "(c)" insert "(1) PROCEEDS OF A LOAN OR ADVANCE UNDER THIS SECTION SHALL BE IN THE FORM OF CASH OR OTHER ADMITTED ASSETS HAVING READILY DETERMINABLE VALUES AND LIQUIDITY SATISFACTORY TO THE COMMISSIONER.

(2)";

and strike beginning with "(C)" in line 16 down through "Commissioner." in line 19.