

31A-18-105 Permitted classes of investments.

The following classes of investment may be counted for the purposes specified under Chapter 17, Part 6, Risk-Based Capital:

- (1) a bond or other evidence of indebtedness of:
 - (a) a governmental unit in the United States or Canada;
 - (b) an instrumentality of a governmental unit described in Subsection (1)(a); or
 - (c) a private corporation domiciled in the United States;
- (2) an equipment trust obligation or certificate that is an adequately secured instrument:
 - (a) evidencing an interest in transportation equipment that is located wholly or in part within the United States; and
 - (b) with a right to receive determined portions of the rental, or to purchase other fixed obligatory payments for the use or purchase of the transportation equipment;
- (3) a loan secured by:
 - (a) one or more mortgages;
 - (b) one or more trust deeds; or
 - (c) another statutorily authorized type of security interest in real estate located in the United States;
- (4) a loan secured by a pledged security or evidence of debt eligible for investment under this section;
- (5) a preferred stock of a United States corporation;
- (6)
 - (a) a common stock of a United States corporation; or
 - (b) an American depository receipt if traded on one of the following exchanges:
 - (i) New York;
 - (ii) American; or
 - (iii) NASDAQ;
- (7) real estate that is used as the home office or branch office of the insurer;
- (8) real estate in the United States that produces substantial income;
- (9) a loan upon the security of the insurer's own policies in an amount that:
 - (a) is adequately secured by the policies; and
 - (b) does not exceed the surrender value of the policies;
- (10) a financial futures contract used for hedging and not for speculation, as approved under rules adopted by the commissioner;
- (11) an investment in a foreign security of a class permitted under this section as required for compliance with Section 31A-18-103;
- (12) an investment permitted under Subsection 31A-18-102(2);
- (13) an American depository receipt not traded on one of the following exchanges:
 - (a) New York;
 - (b) American; or
 - (c) NASDAQ;
- (14) an investment other than those listed in Subsections (1) through (13) that is determined to be admitted in the Accounting Practices and Procedures Manual, published by the National Association of Insurance Commissioners;
- (15) cash; and
- (16) another investment the commissioner authorizes by rule.

Amended by Chapter 257, 2008 General Session