60L.07 AUTHORIZED CLASSES OF INVESTMENTS.

The following classes of investments may be counted for the purposes specified in section 60L.11, whether they are made directly or as a participant in a partnership, joint venture, or limited liability company:

(1) cash in the direct possession of the insurer or on deposit with a financial institution regulated by any federal or state agency of the United States;

(2) bonds, debt-like preferred stock, and other evidences of indebtedness of governmental units in the United States or Canada, or the instrumentalities of the governmental units, or private business entities domiciled in the United States or Canada, including asset-backed securities and SVO listed mutual funds;

(3) loans secured by mortgages, trust deeds, or other security interests in real property located in the United States or Canada or secured by insurance against default issued by a government insurance corporation of the United States or Canada or by an insurer authorized to do business in this state;

(4) common stock or equity-like preferred stock or equity interests in any United States or Canadian business entity, or shares of mutual funds registered with the Securities and Exchange Commission of the United States under the Investment Company Act of 1940, other than SVO listed mutual funds;

(5) real property necessary for the convenient transaction of the insurer's business;

(6) real property and its fixtures, furniture, furnishings, and equipment in the United States or Canada, which produces or after suitable improvement can reasonably be expected to produce substantial income;

(7) loans, securities, or other investments of the types described in clauses (1) to (6) in countries other than the United States and Canada;

(8) bonds or other evidences of indebtedness of international development organizations of which the United States is a member;

(9) loans upon the security of the insurer's own policies in amounts that are adequately secured by the policies and that in no case exceed the surrender values of the policies;

(10) tangible personal property under contract of sale or lease under which contractual payments may reasonably be expected to return the principal of and provide earnings on the investment within its anticipated useful life;

(11) other investments authorized by the commissioner; and

(12) investments not otherwise permitted by this section, and not specifically prohibited by other law, to the extent of not more than five percent of the first $500,000,000 of the insurer's admitted assets plus ten percent of the insurer's admitted assets exceeding $500,000,000.

History: *1998 c 319 s 7*