

**§1155. Diversification**

Investments of an insurer shall be subject to the following diversification requirements and limitations. [PL 1987, c. 399, §14 (NEW).]

**1. Real estate; personal property; equity interests; subsidiaries.** Not more than 40% of the insurer's assets in aggregate amount may consist of investments described in the following paragraphs:

- A. Real estate, section 1156, subsection 2, paragraph D, subparagraph (1); [PL 1987, c. 399, §14 (NEW).]
- B. Personal property, section 1156, subsection 2, paragraph E; [PL 1987, c. 399, §14 (NEW).]
- C. Equity interests, section 1156, subsection 2, paragraph F; and [PL 1987, c. 399, §14 (NEW).]
- D. Subsidiaries, section 1157, except as provided in that section. [PL 1987, c. 399, §14 (NEW).]

If, on or after the effective date of this subsection, the insurer makes investments of those types in institutions or property located within the State aggregating 1% or more of its assets, the 40% limitation in this subsection must be increased by an equal amount up to 45%, exclusive of those investments in institutions or property located within the State, thus providing for a maximum limit on the investments described in those paragraphs of 50% of the insurer's assets.

[PL 2023, c. 59, §3 (AMD).]

**2. Counter-party limitations.** Except as otherwise expressly provided, an insurer may not invest in or may not incur counter-party exposure to any one person if, after giving effect to those investments and that counter-party exposure, the aggregate of those investments in and that counter-party exposure to that person would exceed 10% of the insurer's admitted assets, with the following exceptions:

- A. Government obligations pursuant to section 1156, subsection 2, paragraph A; [PL 2001, c. 524, §3 (AMD).]
- B. Policy loans pursuant to section 1158; and [PL 2001, c. 524, §3 (AMD).]
- C. Index mutual funds, but as to this exception, only with the prior approval of the superintendent and limited to 20% of the insurer's admitted assets. [PL 2001, c. 524, §3 (NEW).]

[PL 2023, c. 59, §3 (AMD).]

**3. Other investment limitations.** Other investment limitations are as provided in particular sections of this chapter.

[PL 2023, c. 59, §3 (AMD).]

**SECTION HISTORY**

PL 1987, c. 399, §14 (NEW). PL 1999, c. 715, §11 (AMD). PL 2001, c. 524, §3 (AMD). PL 2023, c. 59, §3 (AMD).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

*All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Regular Session of the 131st Maine Legislature and is current through January 1, 2025. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.*

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.