WEST VIRGINIA CODE: §33-8-11

§33-8-11. Same - Rated credit instruments.

(a) Subject to the limitations of subsection (b) of this section, an insurer may acquire rated credit instruments:

(1) Subject to the limitations of subsection (b), section ten of this article, but not to the limitations of subsection (a), section ten of this article, an insurer may acquire rated credit instruments issued, assumed, guaranteed or insured by:

(A) The United States; or

(B) A government-sponsored enterprise of the United States, if the instruments of the government-sponsored enterprise are assumed, guaranteed or insured by the United States or are otherwise backed or supported by the full faith and credit of the United States.

(2) Subject to the limitations of subsection (b), section ten of this article, but not to the limitations of subsection (a) of said section, an insurer may acquire rated credit instruments issued, assumed, guaranteed or insured by:

(A) Canada; or

(B) A government-sponsored enterprise of Canada, if the instruments of the government-sponsored enterprise are assumed, guaranteed or insured by Canada or are otherwise backed or supported by the full faith and credit of Canada. However, an insurer may not acquire an instrument under this subdivision if, as a result of and after giving effect to the investment, the aggregate amount of investments then held by the insurer under this subdivision would exceed forty percent of its admitted assets.

(3) Subject to the limitations of subsection (b), section ten of this article, but not to the limitations of subsection (a) of said section, an insurer may acquire rated credit instruments, excluding asset-backed securities:

(A) Issued by a government money market mutual fund, a class one money market mutual fund or a class one bond mutual fund;

(B) Issued, assumed, guaranteed or insured by a government-sponsored enterprise of the United States other than those eligible under subsection (a) of this section;

(C) Issued, assumed, guaranteed or insured by a state, if the instruments are general obligations of the state; or

(D) Issued by a multilateral development bank. However, an insurer may not acquire an instrument of any one fund, any one enterprise or entity or any one state under this

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subdivision if, as a result of and after giving effect to the investment, the aggregate amount of investments then held in any one fund, enterprise or entity or state under this subdivision would exceed ten percent of its admitted assets.

(4) Subject to the limitations of section ten of this article, an insurer may acquire preferred stocks that are not foreign investments and that meet the requirements of rated credit instruments if, as a result of and after giving effect to the investment:

(A) The aggregate amount of preferred stocks then held by the insurer under this subdivision does not exceed twenty percent of its admitted assets; and

(B) The aggregate amount of preferred stocks then held by the insurer under this subdivision which are not sinking fund stocks or rated P1 or P2 by the SVO does not exceed ten percent of its admitted assets.

(5) Subject to the limitations of section ten of this article, in addition to those investments eligible under subdivisions (1), (2), (3) and (4) of this section, an insurer may acquire rated credit instruments that are not foreign investments.

(b) An insurer may not acquire special rated credit instruments under this section if, as a result of and after giving effect to the investment, the aggregate amount of special rated credit instruments then held by the insurer would exceed five percent of its admitted assets.

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