

Article - Insurance

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§5-301.

(a) (1) (i) Subject to subparagraph (ii) of this paragraph, the Commissioner annually shall value or cause to be valued the reserves for all outstanding life insurance policies, annuity contracts, and pure endowment contracts of each life insurer doing business in the State.

(ii) For an alien insurer, the valuation required by this section shall be limited to the alien insurer's United States business.

(2) The Commissioner may certify the amount of reserves valued under this section, specifying the mortality tables, rates of interest, and methods used to calculate the reserves.

(b) To calculate reserves under this section, the Commissioner may use group methods and approximate averages for fractions of a year or otherwise.

(c) For a foreign insurer or alien insurer, instead of the valuation of reserves required by subsection (a) of this section, the Commissioner may accept a valuation made or caused to be made by the insurance supervisory official of another state or other jurisdiction if:

(1) the valuation complies with the minimum standard under this subtitle;
and

(2) the insurance supervisory official of the other state or other jurisdiction accepts as sufficient and valid for all legal purposes the Commissioner's certificate of valuation if the Commissioner's certificate states that the valuation is made in a specified manner by which the aggregate reserves are at least as large as if they had been computed as prescribed by the law of that state or jurisdiction.

(d) Subject to the approval of the Commissioner, an insurer that has adopted a standard of valuation producing greater aggregate reserves than the aggregate reserves calculated under the minimum standard provided in this subtitle may adopt a lower standard of valuation if it is not lower than the minimum standard provided in this subtitle.

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