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§8–445.

(a) Standards of valuation for certificates issued before January 1, 1998, shall be those provided by the laws applicable on December 31, 1997.

(b) (1) The minimum standards of valuation for certificates issued on or after January 1, 1998, shall be based on the following tables:

(i) for certificates of life insurance:

1. the Commissioners 1941 Standard Ordinary Mortality Table;

2. the Commissioners 1941 Standard Industrial Mortality Table;

3. the Commissioners 1958 Standard Ordinary Mortality Table;

4. the Commissioners 1980 Standard Ordinary Mortality Table; or

5. any more recent table authorized for use under § 5-304(b) of this article; and

(ii) for annuity and pure endowment certificates, total and permanent disability benefits, accidental death benefits, and noncancelable accident and health benefits, the tables that are authorized for use by life insurers in the State.

(2) Valuation of all certificates issued on or after January 1, 1998, shall be under valuation methods and standards, including interest assumptions, in accordance with the laws of the State applicable to life insurers issuing policies containing like benefits.

(c) The Commissioner may:

(1) accept other standards for valuation if the Commissioner finds that the reserves produced by those other standards will not be less in the aggregate than reserves computed in accordance with the minimum valuation standard prescribed in this section; and

(2) vary the standards of mortality applicable to all benefit contracts on substandard lives or other extra hazardous lives by any society authorized to do business in the State.

(d) (1) With the consent of the commissioner of insurance of the state of domicile of the society, and subject to any conditions the commissioner may impose, a society may establish and maintain reserves on its certificates that exceed the reserves required under this section.

(2) The contractual rights of any benefit member may not be affected by a society establishing and maintaining reserves under paragraph (1) of this subsection.

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