

## Article - Insurance

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### §5-305. IN EFFECT

(a) (1) Except as provided in § 5-306 of this subtitle and subject to paragraph (3) of this subsection, this section applies to:

(i) all individual annuity contracts and pure endowment contracts issued on or after the operative date of this section; and

(ii) all annuities and pure endowments purchased on or after the operative date under group annuity contracts and pure endowment contracts.

(2) This section does not apply to any disability or accidental death benefit in a contract.

(3) The operative date of this section is:

(i) January 1, 1979; or

(ii) the date or dates before January 1, 1979, specified by the insurer in a written notice filed with the Commissioner before January 1, 1979, of the insurer's election of an earlier date or dates.

(b) For an individual annuity contract or pure endowment contract issued on or before June 30, 1980, the applicable table and interest rate for the minimum standard for the valuation of the contract are:

(1) the 1971 Individual Annuity Mortality Table or a modification of that table approved by the Commissioner; and

(2) interest at:

(i) 6% per year for a single premium immediate annuity contract;  
and

(ii) 4% per year for any other individual annuity contract or pure endowment contract.

(c) For an individual single premium immediate annuity contract issued on or after July 1, 1980, the applicable table and interest rate for the minimum standard for the valuation of the contract are:

(1) (i) the 1971 Individual Annuity Mortality Table;

(ii) an individual annuity mortality table adopted after 1980 by the National Association of Insurance Commissioners and approved by regulation of

the Commissioner for use in determining the minimum standard of valuation for the contract; or

(iii) a modification of a table specified by subitem (i) or (ii) of this item approved by the Commissioner; and

(2) interest at 7.5% per year.

(d) For an individual annuity contract or pure endowment contract issued on or after July 1, 1980, other than a single premium immediate annuity contract, the applicable table and interest rate for the minimum standard for the valuation of the contract are:

(1) (i) the 1971 Individual Annuity Mortality Table;

(ii) an individual annuity mortality table adopted after 1980 by the National Association of Insurance Commissioners and approved by regulation of the Commissioner for use in determining the minimum standard of valuation for the contract; or

(iii) a modification of a table specified in subitem (i) or (ii) of this item approved by the Commissioner; and

(2) interest at:

(i) 5.5% per year for a single premium deferred annuity contract or pure endowment contract; and

(ii) 4.5% per year for any other individual annuity contract or pure endowment contract.

(e) For an annuity or pure endowment purchased on or before June 30, 1980, under a group annuity contract or pure endowment contract, the applicable table and interest rate for the minimum standard for the valuation of the contract are:

(1) the 1971 Group Annuity Mortality Table or a modification of that table approved by the Commissioner; and

(2) interest at 6% per year.

(f) For an annuity or pure endowment purchased on or after July 1, 1980, under a group annuity contract or pure endowment contract, the applicable table and interest rate for the minimum standard for the valuation of the contract are:

(1) (i) the 1971 Group Annuity Mortality Table;

(ii) a group annuity mortality table adopted after 1980 by the National Association of Insurance Commissioners and approved by regulation of the

Commissioner for use in determining the minimum standard of valuation for the annuity or pure endowment; or

(iii) a modification of a table specified in subitem (i) or (ii) of this item approved by the Commissioner; and

(2) interest at 7.5% per year.

5-305. \*\* CONTINGENCY – NOT IN EFFECT – CHAPTER 367 OF 2015 \*\*

(a) (1) Except as provided in § 5-306 of this subtitle and subject to paragraph (3) of this subsection, this section applies to:

(i) all individual annuity contracts and pure endowment contracts issued on or after the operative date of this section; and

(ii) all annuities and pure endowments purchased on or after the operative date under group annuity contracts and pure endowment contracts.

(2) This section does not apply to any disability or accidental death benefit in a contract.

(3) The operative date of this section is:

(i) January 1, 1979; or

(ii) the date or dates before January 1, 1979, specified by the insurer in a written notice filed with the Commissioner before January 1, 1979, of the insurer's election of an earlier date or dates.

(b) For an individual annuity contract or pure endowment contract issued on or before June 30, 1980, the applicable table and interest rate for the minimum standard for the valuation of the contract are:

(1) the 1971 Individual Annuity Mortality Table or a modification of that table approved by the Commissioner; and

(2) interest at:

(i) 6% per year for a single premium immediate annuity contract;  
and

(ii) 4% per year for any other individual annuity contract or pure endowment contract.

(c) For an individual single premium immediate annuity contract issued on or after July 1, 1980, the applicable table and interest rate for the minimum standard for the valuation of the contract are:

(1) (i) the 1971 Individual Annuity Mortality Table;

(ii) an individual annuity mortality table adopted after 1980 by NAIC and approved by regulation of the Commissioner for use in determining the minimum standard of valuation for the contract; or

(iii) a modification of a table specified by subitem (i) or (ii) of this item approved by the Commissioner; and

(2) interest at 7.5% per year.

(d) For an individual annuity contract or pure endowment contract issued on or after July 1, 1980, other than a single premium immediate annuity contract, the applicable table and interest rate for the minimum standard for the valuation of the contract are:

(1) (i) the 1971 Individual Annuity Mortality Table;

(ii) an individual annuity mortality table adopted after 1980 by NAIC and approved by regulation of the Commissioner for use in determining the minimum standard of valuation for the contract; or

(iii) a modification of a table specified in subitem (i) or (ii) of this item approved by the Commissioner; and

(2) interest at:

(i) 5.5% per year for a single premium deferred annuity contract or pure endowment contract; and

(ii) 4.5% per year for any other individual annuity contract or pure endowment contract.

(e) For an annuity or pure endowment purchased on or before June 30, 1980, under a group annuity contract or pure endowment contract, the applicable table and interest rate for the minimum standard for the valuation of the contract are:

(1) the 1971 Group Annuity Mortality Table or a modification of that table approved by the Commissioner; and

(2) interest at 6% per year.

(f) For an annuity or pure endowment purchased on or after July 1, 1980, under a group annuity contract or pure endowment contract, the applicable table and interest rate for the minimum standard for the valuation of the contract are:

(1) (i) the 1971 Group Annuity Mortality Table;

(ii) a group annuity mortality table adopted after 1980 by NAIC

and approved by regulation of the Commissioner for use in determining the minimum standard of valuation for the annuity or pure endowment; or

(iii) a modification of a table specified in subitem (i) or (ii) of this item approved by the Commissioner; and

(2) interest at 7.5% per year.

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