

(2) THE MORTALITY TABLES AND RATES OF INTEREST USED IN CALCULATING NONFORFEITURE BENEFITS FOR THOSE POLICIES.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 83(3)(c).

Defined terms: "Insurer" § 1-101  
"Life insurance" § 1-101  
"Policy" § 1-101

5-310. SAME — OPTIONAL RESERVE CALCULATION.

(A) OPTIONAL ADOPTION OF HIGHER STANDARD OF VALUATION.

SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE COMMISSIONER MAY ESTABLISH ANY CATEGORY OF POLICIES, CONTRACTS, OR BENEFITS FOR WHICH RESERVES MAY BE CALCULATED, AT THE OPTION OF THE INSURER, UNDER A STANDARD THAT PRODUCES GREATER AGGREGATE RESERVES FOR THE CATEGORY THAN THE AGGREGATE RESERVES CALCULATED USING THE MINIMUM STANDARD PROVIDED IN THIS SUBTITLE.

(B) LIMITATION.

(1) THIS SUBSECTION DOES NOT APPLY TO ANNUITY CONTRACTS OR PURE ENDOWMENT CONTRACTS.

(2) THE INTEREST RATE USED TO CALCULATE THE RESERVE FOR A POLICY OR CONTRACT UNDER A STANDARD OTHER THAN THE MINIMUM STANDARD IN THIS SUBTITLE MAY NOT BE HIGHER THAN THE CORRESPONDING INTEREST RATE USED TO CALCULATE ANY NONFORFEITURE BENEFITS PROVIDED BY THE POLICY OR CONTRACT.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 83(3)(d).

In subsection (b)(2) of this section, the phrase "by the policy or contract" is substituted for the former word "therein" for clarity.

Defined terms: "Annuity contract" § 1-101  
"Commissioner" § 1-101  
"Insurer" § 1-101  
"Policy" § 1-101

5-311. SAME — RESERVE CALCULATION FOR VALUATION NET PREMIUM EXCEEDING GROSS PREMIUM CHARGED.

(A) MINIMUM RESERVE IF GROSS PREMIUM LESS THAN VALUATION NET PREMIUM.