

insurance policies and annuities; excluding certain policies from the Standard Nonforfeiture Law for Life Insurance; and generally relating to standard valuation and nonforfeiture law for life insurance and annuities.

BY repealing and reenacting, with amendments,

Article 48A - Insurance Code  
Section 83 and 414  
Annotated Code of Maryland  
(1979 Replacement Volume and 1981 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland read(s) as follows:

Article 48A - Insurance Code

83.

(1) The Commissioner shall annually value, or cause to be valued, the reserve liabilities (hereinafter called reserves or net value) for all outstanding life insurance policies and annuity and pure endowment contracts of every life insurer doing business in this State except that in the case of an alien insurer, such valuation shall be limited to its United States business, and may certify the amount of any such reserves, specifying the mortality table or tables, rate or rates of interest and methods (net level premium method or other) used in the calculation of such reserves. In calculating such reserves, he may use group methods and approximate averages for fractions of a year or otherwise. In lieu of the valuation of the reserves herein required of any foreign or alien insurer, he may accept any valuation made, or caused to be made, by the insurance supervisory official of any state or other jurisdiction when such valuation complied with the minimum standard herein provided and if the official of such State or jurisdiction accepts as sufficient and valid for all legal purposes the certificate of valuation of the Commissioner when such certificate states the valuation to have been made in a specified manner according to which the aggregate reserves would be at least as large as if they had been computed in the manner prescribed by the law of that state or jurisdiction.

Any such insurer which at any time shall have adopted any standard of valuation producing greater aggregate reserves than those calculated according to the minimum standard herein provided may, with the approval of the Commissioner, adopt any lower standard of valuation, but not lower than the minimum herein provided.

(2) This subsection shall apply only to those policies and contracts issued prior to the operative date of § 414 (the Standard Nonforfeiture Law).