

contingent liabilities, the present mid-year value of the promised benefits provided in the constitution and laws of such association under certificates then subject to valuation; and, as contingent assets, the present mid-year value of the future net contributions provided in the constitution and laws as the same are in practice actually collected. At the option of any association, in lieu of the above, the valuation may show the net value of the certificates subject to valuation hereinbefore provided, and said net value, when computed in case of monthly contributions, may be the means of the terminal values for the end of the preceding and of the current insurance years.

An. Code, 1924, sec. 171. 1922, ch. 492, sec. 168. 1935, ch. 370, sec. 171.

206. (Standard of Valuation.) Such valuation shall be certified by a competent accountant or actuary; or, at the request and expense of the association, verified by the actuary of the Department of Insurance of the home state of the association, and shall be filed with the Commissioner within ninety days after the submission of the last preceding annual report. The legal minimum standard for the valuation of all certificates and the benefits promised therein shall be the American Experience Table of Mortality with an interest assumption of not to exceed four per centum per annum, or, at the option of the association, any higher table; or, at its option, it may use a table based upon the association's own experience of at least twenty years and covering not less than one hundred thousand lives, with interest assumption not more than four per centum per annum; provided, however, that any association now operating in this State, whether domestic or foreign, shall be permitted to value its certificates and contracts now outstanding, or hereafter issued, on the basis of the mortality standards and interest assumptions heretofore permitted to it. Each such valuation report shall set forth clearly and fully the mortality and interest basis and the method of valuation. Any association providing for disability benefits shall keep the net contribution for such benefits in a fund separate and apart from all other benefit and expense funds and the valuation of all other business of the association; provided that where a combined contribution table is used by an association for both death and permanent total disability benefits, the valuation shall be according to tables of reliable experience, and in such case a separation of the funds shall not be required.¹

An. Code, 1924, sec. 172. 1922, ch. 492, sec. 169.

207. (Report of Valuation.) Beginning with the year 1917 a report of such valuation and an explanation of the facts concerning the condition of the association thereby disclosed shall be printed and mailed to each beneficiary member of the association not later than June 1st of each year; or, in lieu thereof, such report of valuation and showing of the association's condition as thereby disclosed may be published in the association's official paper, and the issue containing the same mailed to each beneficiary member of the association. The laws of such association shall provide that if the stated periodical contributions of the members are insufficient to pay all matured death and disability claims in full and to provide for the creation

¹ Sec. 2, ch. 370, acts of 1935, provides that if any provision of said act is held invalid, the remaining portion shall not be affected thereby.

Sec. 3 of said act repealed all laws in conflict or inconsistent therewith to extent of such conflict or inconsistency.