

per annum; provided, that the Insurance Commissioner shall, upon the request of any company, cause all policies of such company issued subsequent to the thirty-first day of December, in the year nineteen hundred and eighteen, to be valued in accordance with the terms of the policy contract, but in no case to be less than that determined by the one-year term method of valuation, as hereinafter modified, on the basis of the American Experience Table of Mortality and three and one-half per cent interest per annum. If the premium charged for term insurance under a limited payment life preliminary term policy providing for the payment of all premiums thereon in less than twenty years from the date of the policy, or under an endowment preliminary term policy, exceeds that charged for like insurance under twenty payment life preliminary term policies of the same company, the reserve thereon at the end of any year, including the first, shall not be less than the reserve of a twenty payment life preliminary term policy issued in the same year and at the same age, together with an amount which shall be equivalent to the accumulation of a net level premium sufficient to provide for a pure endowment at the end of the premium payment period equal to the difference between the value at the end of such period of such a twenty-payment life preliminary term policy and the full net level premium reserve at such time of such a limited payment life or endowment policy. The premium payment period is the period during which premiums are concurrently payable. The value of all policies which contain any promise or agreement for the purchase of the policy at any date prior to its maturity or its termination by death for a sum in excess of the value of the policy at such date determined according to the standard of valuation herein prescribed for such policy, shall be calculated in such manner and upon such assumption as to rate of interest and mortality, that the value of the policy so calculated shall at no time be less than the amount stipulated therein, to be paid upon surrender of the policy at the date then attained, and for the purpose of such valuation the standard adopted by the company for the value of such obligation may, if adequate, be employed.

In the determination of the value of the policies, the calculations may be made either seriatim or of the policies in groups, using approximate averages for fractions of the year; and in all certificates of valuation issued by the Insurance Commissioner or accepted by him under the provisions of this section, the basis upon which the valuation has been made shall be expressed.

All policies of life insurance issued in this State shall contain a clause specifying the basis upon which the reserve is calculated; and every policy of life insurance issued in this