

(d) The present value of deferred payments due under incurred claims or matured certificates shall be deemed a liability of the society and shall be computed upon mortality and interest standards prescribed in subsections (f) and (g) below.

(e) Such valuation and underlying data shall be certified by a competent actuary or, at the expense of the society, verified by the actuary of the Department of Insurance of the state of domicile of the society.

(f) The minimum standards of valuation for certificates issued prior to the effective date of this subtitle shall be those provided by the law applicable immediately prior to the effective date of this subtitle but not lower than the standards used in the calculating of rates for such certificates.

(g) The minimum standard of valuation for certificates issued after the effective date of this subtitle shall be three and one-half percent ($3\frac{1}{2}\%$) interest and the following tables:

(1) For certificates of life insurance—American Men Ultimate Table of Mortality, with Bowerman's or Davis' Extension thereof or with the consent of the Commissioner, the Commissioners 1941 Standard Ordinary Mortality Table, the Commissioners 1941 Standard Industrial Mortality Table or the Commissioners 1958 Standard Ordinary Mortality Table, using actual age of the insured for male risks and an age not more than three years younger than the actual age of the insured for female risks;

(2) For annuity and pure endowment certificates, excluding any disability and accidental death benefits in such certificates—the 1937 Standard Annuity Mortality Table or the Annuity Mortality Table for 1949, Ultimate, or any modification of either of these tables approved by the Commissioner;

(3) For total and permanent disability benefits in or supplementary to life insurance certificates—Hunter's Disability Table, or the Class (3) Disability Table (1926) modified to conform to the contractual waiting period, or the tables of Period 2 disablement rates and the 1930 to 1950 termination rates of the 1952 Disability Study of the Society of Actuaries, with due regard to the type of benefit. Any such table shall, for active lives, be combined with a mortality table permitted for calculating the reserves for life insurance certificates;

(4) For accidental death benefits in or supplementary to life insurance certificates—the Inter-Company Double Indemnity Mortality Table or the 1959 Accidental Death Benefits Table. Either table shall be combined with a mortality table permitted for calculating the reserves for life insurance certificates; and

(5) For noncancellable accident and health benefits—the Class (3) Disability Table (1926) with conference modifications or, with the consent of the Commissioner, tables based upon the society's own experience.

(h) The Commissioner may, in his discretion, accept other standards for valuation if he finds that the reserves produced thereby will not be less in the aggregate than reserves computed in accordance with the minimum valuation standard herein prescribed. The Commissioner may in his discretion, vary the standards of mortality