

(1) (I) AFTER PREMIUMS HAVE BEEN PAID FOR 3 FULL YEARS, OR FOR A LESSER PERIOD AS PROVIDED BY THE CONTRACT, THE VALUE OF EACH PAID-UP NONFORFEITURE BENEFIT AND THE AMOUNT OF ANY CASH SURRENDER VALUE, LOAN, OR OTHER OPTION GRANTED BY A CERTIFICATE MAY NOT BE LESS THAN ANY EXCESS OF:

1. THE RESERVE UNDER THE CERTIFICATE, DETERMINED ON THE BASIS SPECIFIED IN THE CERTIFICATE; MINUS

2. THE SUM OF ANY INDEBTEDNESS TO THE SOCIETY ON THE CERTIFICATE, INCLUDING INTEREST DUE AND ACCRUED, AND A SURRENDER CHARGE EQUAL TO 2.5% OF THE FACE AMOUNT OF THE CERTIFICATE.

(II) FOR INSURANCE ON THE LIVES OF CHILDREN, THE FACE AMOUNT OF THE CERTIFICATE IS THE ULTIMATE FACE AMOUNT OF THE CERTIFICATE IF DEATH BENEFITS PROVIDED IN THE CERTIFICATE ARE GRADED.

(III) SUBPARAGRAPH (I) OF THIS PARAGRAPH DOES NOT APPLY TO CERTIFICATES FOR WHICH RESERVES ARE COMPUTED ON:

1. THE COMMISSIONERS 1941 STANDARD ORDINARY MORTALITY TABLE;

2. THE 1941 STANDARD INDUSTRIAL TABLE;

3. THE COMMISSIONERS 1958 STANDARD ORDINARY MORTALITY TABLE; OR

4. ANY MORTALITY TABLE THAT IS AUTHORIZED FOR USE UNDER § 5-304(B) OF THIS ARTICLE FOR POLICIES ISSUED ON OR AFTER THE OPERATIVE DATE OF § 15-309 [48A § 414(K-1)] OF THIS ARTICLE.

(2) THE TERM OF ANY EXTENDED INSURANCE BENEFIT GRANTED, INCLUDING ANY ACCOMPANYING PURE ENDOWMENT, MAY BE COMPUTED ON THE RATES OF MORTALITY NOT GREATER THAN 130% OF THOSE SHOWN BY THE MORTALITY TABLE SPECIFIED IN THE CERTIFICATE FOR THE COMPUTATION OF THE RESERVE, IF:

(I) THE CERTIFICATE IS ISSUED ON A SUBSTANDARD BASIS; OR

(II) THE RESERVES FOR THE CERTIFICATE ARE COMPUTED ON THE AMERICAN MEN ULTIMATE TABLE OF MORTALITY.

(C) SAME — RESERVES COMPUTED ON TABLES.

(1) EACH PAID-UP NONFORFEITURE BENEFIT AND THE AMOUNT OF ANY CASH SURRENDER VALUE, LOAN, OR OTHER OPTION GRANTED UNDER A CERTIFICATE MAY NOT BE LESS THAN THE CORRESPONDING AMOUNT ASCERTAINED UNDER THE LAWS OF THE STATE THAT APPLY TO LIFE INSURERS ISSUING POLICIES CONTAINING LIKE INSURANCE BENEFITS BASED ON THE SAME TABLES.