(2)   THE CONTRACTUAL RIGHTS OF ANY INSURED MEMBER MAY NOT BE AFFECTED BY A SOCIETY ESTABLISHING AND MAINTAINING RESERVES UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(O)   VALUATION STANDARDS AUTHORIZED BY TITLE 5, SUBTITLE 3.

INSTEAD OF THE PROVISIONS SET FORTH IN THIS SECTION, WITH THE APPROVAL OF THE COMMISSIONER, A SOCIETY MAY USE THE STANDARDS FOR VALUATION AUTHORIZED BY §§ 5–303 THROUGH 5–312 OF THIS ARTICLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 339.

In subsection (a)(2) of this section, the reference to filing the valuation "not later than May 1" is substituted for the former reference to extending the filing "for not more than two (2) calendar months" for clarity.

In subsection (a)(3)(ii) of this section, the former phrase "in practice" is deleted as surplusage.

Defined terms: "Annuity" § 1–101
        "Commissioner" § 1–101
        "Insurance" § 1–101
        "Life insurance" § 1–101
        "Premium" § 1–101
        "Society" § 8–401
        "State" § 1–101

8–446. IMPAIRMENT OF RESERVES.

EACH SOCIETY SHALL PROVIDE IN ITS CONSTITUTION OR LAWS THAT:

(1)   IF THE RESERVES OF THE SOCIETY AS TO ALL OR ANY CLASS OF CERTIFICATES BECOME IMPAIRED, THE BOARD OF DIRECTORS OR EQUIVALENT BODY OF THE SOCIETY MAY REQUIRE THAT EACH SOCIETY MEMBER PAY THE AMOUNT OF THE MEMBER'S EQUITABLE PROPORTION OF THE DEFICIENCY AS DETERMINED BY THE BOARD OF DIRECTORS OR EQUIVALENT BODY AND APPROVED BY THE COMMISSIONER OF THE DOMICILIARY STATE; AND

(2)   IF THE MEMBER DOES NOT PAY THE MEMBER'S SHARE OF THE DEFICIENCY, THAT SHARE IS AN INDEBTEDNESS AGAINST THE MEMBER'S CERTIFICATE AND IS SUBJECT TO INTEREST NOT EXCEEDING 5% PER YEAR COMPOUNDED ANNUALLY.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 323.

In item (1) of this section, the reference to an "equivalent" body is substituted for the former reference to a "corresponding" body for clarity and consistency throughout this subtitle.

Defined terms: "Society" § 8–401
        "State" § 1–101