Defined terms: "Annuity contract" § 1–101
"Commissioner" § 1–101
"Insurance" § 1–101
"Insurer" § 1–101
"Life insurance" § 1–101
"Policy" § 1–101
"Premium" § 1–101

SUBTITLE 2. RESERVES.

5–201. RESERVE REQUIREMENTS FOR LIFE INSURER, NONPROFIT HEALTH SERVICE PLAN, AND FRATERNAL BENEFIT SOCIETY.

(A) DEFINITIONS.

(1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "OPINION" MEANS AN OPINION ISSUED BY A QUALIFIED ACTUARY AND DEVELOPED IN ACCORDANCE WITH THE STANDARDS OF PRACTICE OF THE ACTUARIAL STANDARDS BOARD.

(3) "QUALIFIED ACTUARY" MEANS A MEMBER IN GOOD STANDING OF THE AMERICAN ACADEMY OF ACTUARIES WHO MEETS THE QUALIFICATION STANDARDS OF THE ACADEMY FOR ISSUING AN OPINION REQUIRED BY THIS SECTION.

(B) REQUIRED MINIMUM AMOUNT FOR AGGREGATE RESERVES.

(1) IN ADDITION TO THE REQUIREMENT OF PARAGRAPH (2) OF THIS SUBSECTION, THE AGGREGATE RESERVES FOR ALL POLICIES, CONTRACTS, AND BENEFIT AGREEMENTS OF A LIFE INSURER MAY NOT BE LESS THAN THE AGGREGATE RESERVES COMPUTED UNDER SUBTITLE 3 OF THIS TITLE.

(2) (I) THE AGGREGATE RESERVES FOR ALL POLICIES, CONTRACTS, AND BENEFIT AGREEMENTS OF A LIFE INSURER, NONPROFIT HEALTH SERVICE PLAN, OR FRATERNAL BENEFIT SOCIETY MAY NOT BE LESS THAN THE AGGREGATE RESERVES THAT A QUALIFIED ACTUARY DETERMINES TO BE NECESSARY UNDER SUBSECTION (D) OF THIS SECTION.

(II) BY REGULATION, THE COMMISSIONER MAY PROVIDE FOR A TRANSITION PERIOD TO ESTABLISH ANY HIGHER RESERVES REQUIRED BY THIS PARAGRAPH.

(C) ACTUARIAL OPINIONS — IN GENERAL.

EACH LIFE INSURER, NONPROFIT HEALTH SERVICE PLAN, AND FRATERNAL BENEFIT SOCIETY THAT DOES BUSINESS IN THE STATE SHALL SUBMIT ANNUALLY THE OPINION OF A QUALIFIED ACTUARY AS TO WHETHER THE RESERVES AND RELATED ACTUARIAL ITEMS HELD IN SUPPORT OF THE LIFE INSURER'S POLICIES, CONTRACTS, AND BENEFIT AGREEMENTS ARE: