

THE PRESENT VALUE, AT THE DATE OF VALUATION, OF ANY FUTURE VALUATION CONSIDERATIONS DERIVED FROM FUTURE GROSS CONSIDERATIONS THAT ARE REQUIRED BY THE TERMS OF THE CONTRACT AND BECOME PAYABLE PRIOR TO THE END OF THE CONTRACT YEAR.

(2) FOR PURPOSES OF THIS SUBSECTION:

(I) THE FUTURE GUARANTEED BENEFITS SHALL BE DETERMINED BY USING THE MORTALITY TABLE, IF ANY, AND INTEREST RATE SPECIFIED IN THE CONTRACT FOR DETERMINING GUARANTEED BENEFITS; AND

(II) THE VALUATION CONSIDERATIONS ARE THE PORTIONS OF THE RESPECTIVE GROSS CONSIDERATIONS APPLIED UNDER THE TERMS OF THE CONTRACT TO DETERMINE NONFORFEITURE VALUES.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 83(3)(b-2).

In subsection (a) of this section, the references to the applicability of "this section" are not changed from the former law even though the unit designation for this provision has changed from a paragraph under the former law to a section under the revised law, because the former use of "this section" was clearly erroneous.

In subsection (a)(2)(i) of this section, the former phrase "including a partnership or sole proprietorship" is deleted as unnecessary because there are no limitations on the term "employer".

Also in subsection (a)(2)(i) of this section, the former words "as amended", which modified "Internal Revenue Code", are deleted as unnecessary in light of the generally applicable role of statutory construction in Art. 1, § 21 of the Code.

Defined terms: "Annuity" § 1-101

"Annuity contract" § 1-101

5-309. SAME — MINIMUM RESERVES FOR LIFE INSURANCE POLICIES.

(A) SCOPE OF SECTION.

THIS SECTION DOES NOT APPLY TO RESERVES FOR DISABILITY AND ACCIDENTAL DEATH BENEFITS AND BENEFITS FOR LONG-TERM HOME HEALTH CARE AND LONG-TERM CARE IN A NURSING HOME OR OTHER RELATED INSTITUTION INCLUDED IN A LIFE INSURANCE POLICY.

(B) MINIMUM AGGREGATE RESERVES FOR LIFE INSURANCE POLICIES.

AN INSURER'S AGGREGATE RESERVES FOR ALL LIFE INSURANCE POLICIES MAY NOT BE LESS THAN THE AGGREGATE RESERVES CALCULATED IN ACCORDANCE WITH:

(1) THE METHODS SET FORTH IN §§ 5-307, 5-308, 5-311, AND 5-312; AND