

(2) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, THE ADJUSTED PREMIUMS AND PRESENT VALUES FOR A SUBSTANDARD POLICY SUBJECT TO THIS SUBSECTION MAY BE CALCULATED AS IF THE POLICY WAS ISSUED TO PROVIDE THE HIGHER UNIFORM AMOUNTS OF INSURANCE ON THE STANDARD BASIS.

(H) MORTALITY TABLES AND RATE OF INTEREST.

(1) (I) FOR POLICIES OF ORDINARY LIFE INSURANCE, THE ADJUSTED PREMIUMS AND PRESENT VALUES REFERRED TO IN THIS SUBTITLE SHALL BE CALCULATED BASED ON:

1. THE COMMISSIONERS 1980 STANDARD ORDINARY MORTALITY TABLE; OR

2. AT THE ELECTION OF THE INSURER FOR ONE OR MORE SPECIFIED LIFE INSURANCE PLANS, THE COMMISSIONERS 1980 STANDARD ORDINARY MORTALITY TABLE WITH 10-YEAR SELECT MORTALITY FACTORS.

(II) FOR POLICIES OF INDUSTRIAL LIFE INSURANCE, THE ADJUSTED PREMIUMS AND PRESENT VALUES REFERRED TO IN THIS SUBTITLE SHALL BE CALCULATED BASED ON THE COMMISSIONERS 1961 STANDARD INDUSTRIAL MORTALITY TABLE.

(2) ADJUSTED PREMIUMS AND PRESENT VALUES FOR POLICIES ISSUED IN ANY CALENDAR YEAR SHALL BE CALCULATED BASED ON AN INTEREST RATE THAT DOES NOT EXCEED THE NONFORFEITURE INTEREST RATE CALCULATED UNDER THIS SECTION:

(I) FOR THAT CALENDAR YEAR; OR

(II) AT THE OPTION OF THE INSURER, FOR THE IMMEDIATELY PRECEDING CALENDAR YEAR.

(I) MISCELLANEOUS PROVISIONS.

(1) ANY CASH SURRENDER VALUE AVAILABLE UNDER A PAID-UP NONFORFEITURE BENEFIT, INCLUDING ANY PAID-UP DIVIDEND ADDITIONS, REGARDLESS OF WHETHER REQUIRED UNDER § 16-303 OF THIS SUBTITLE, SHALL BE CALCULATED BASED ON THE MORTALITY TABLE AND INTEREST RATE USED TO DETERMINE THE AMOUNT OF THE PAID-UP NONFORFEITURE BENEFIT AND ANY PAID-UP DIVIDEND ADDITIONS.

(2) AN INSURER MAY NOT CALCULATE THE AMOUNT OF ANY GUARANTEED PAID-UP NONFORFEITURE BENEFIT INCLUDING ANY PAID-UP ADDITIONS UNDER THE POLICY BASED ON AN INTEREST RATE LOWER THAN THE RATE SPECIFIED IN THE POLICY FOR CALCULATING CASH SURRENDER VALUES.

(3) IN CALCULATING THE PRESENT VALUE OF ANY PAID-UP TERM INSURANCE WITH ANY ACCOMPANYING PURE ENDOWMENT OFFERED AS A NONFORFEITURE BENEFIT, AN INSURER MAY NOT ASSUME A MORTALITY RATE GREATER THAN THE MORTALITY RATES SHOWN IN: