64B.25 VALUATION.

Subdivision 1. **Prior certificates.** Standards of valuation for certificates issued prior to one year after August 1, 1985 shall be those provided by the laws applicable immediately prior to August 1, 1985.

Subd. 2. **Future certificates.** The minimum standards of valuation for certificates issued on or after one year from August 1, 1985 shall be based on the following tables:

(1) For certificates of life insurance: The Commissioner's 1941 Standard Ordinary Mortality Table, the Commissioner's 1941 Standard Industrial Mortality Table, the Commissioner's 1958 Standard Ordinary Mortality Table, the Commissioner's 1980 Standard Ordinary Mortality Table, or any more recent table made applicable to life insurers;

(2) For annuity and pure endowment certificates, total and permanent disability benefits, accidental death benefits, and noncancelable accident and health benefits: Such tables as are authorized for use by life insurers in this state.

All of the above shall be under valuation methods and standards (including interest assumptions) in accordance with the laws of this state applicable to life insurers issuing policies containing like benefits.

Subd. 3. **Other standards.** The commissioner may accept other standards for valuation if the commissioner finds that the reserves produced thereby will not be less in the aggregate than reserves computed in accordance with the minimum valuation standard herein prescribed. The commissioner may vary the standards of mortality applicable to all benefit contracts on substandard lives or other extra hazardous lives by any society authorized to do business in this state.

Subd. 4. **Excess reserves.** Any society, with the consent of the commissioner of the state of domicile of the society and under the conditions, if any, that the commissioner may impose, may establish and maintain reserves on its certificates in excess of the reserves required thereunder, but the contractual rights of any benefit member shall not be affected thereby.

History: *1985 c 49 s 25; 1986 c 444*