

# MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIRST LEGISLATURE

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Legislative Document

No. 1277

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S. P. 448

In Senate, February 12, 1963

Referred to Committee on Business Legislation. Sent down for concurrence and ordered printed.

CHESTER T. WINSLOW, Secretary

Presented by Senator Johnson of Somerset.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SIXTY-THREE

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**AN ACT Relating to Nonforfeiture Benefits and Valuation Standards for Life Insurance Policies.**

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Be it enacted by the People of the State of Maine, as follows:

**Sec. 1. R. S., c. 60, § 135, sub-§ I, amended.** The first 2 sentences of the last paragraph of subsection I of section 135 of chapter 60 of the Revised Statutes, as last repealed and replaced by section 2 of chapter 202 of the public laws of 1961, are amended to read as follows:

'Except as otherwise provided in ~~subsection~~ **subsections II and III**, all adjusted premiums and present values referred to in sections 132 to 137 shall for all policies of Ordinary insurance be calculated on the basis of the Commissioners 1941 Standard Ordinary Mortality Table, provided that for any category of Ordinary insurance issued on female risks, adjusted premiums and present values may be calculated according to an age not more than 3 years younger than the actual age of the insured **Such, and such** calculations for all policies of Industrial insurance shall be made on the basis of the 1941 Standard Industrial Mortality Table.'

**Sec. 2. R. S., c. 60, § 135, sub-§ III, additional.** Section 135 of chapter 60 of the Revised Statutes, as repealed and replaced by section 1 of chapter 118 of the public laws of 1959, is amended by adding a new subsection III, to read as follows:

**III. Industrial policies.** In the case of Industrial policies issued on or after the operative date of this subsection, all adjusted premiums and present values referred to in sections 132 to 137 shall be calculated on the basis of the Commissioners 1961 Standard Industrial Mortality Table and the rate of interest,

not exceeding  $3\frac{1}{2}\%$  per year, specified in the policy for calculating cash surrender values and paid-up nonforfeiture benefits. In calculating the present value of any paid-up term insurance with accompanying pure endowment, if any, offered as a nonforfeiture benefit, the rates of mortality assumed may not be more than those shown in the Commissioners 1961 Industrial Extended Term Insurance Table. For insurance issued on a substandard basis, the calculation of any such adjusted premiums and present values may be based on such other table of mortality as may be specified by the company and approved by the commissioner.

After the effective date of this act, any company may file with the commissioner a written notice of its election to comply with this subsection after a specified date before January 1, 1968. After the filing of such notice, then upon such specified date, which shall be the operative date of this subsection for such company, this subsection shall become operative with respect to the Industrial policies thereafter issued by such company. If a company makes no such election, the operative date of this subsection for such company shall be January 1, 1968.'

Sec. 3. R. S., c. 60, § 139, sub-§ II, amended. Subsection II of section 139 of chapter 60 of the Revised Statutes is amended to read as follows:

**'II. Standard Industrial Mortality Table.** For all Industrial life insurance policies issued on the standard basis, excluding any disability and accidental death benefits in such policies, the 1941 Standard Industrial Mortality Table for such policies issued prior to the operative date of section 135, subsection III of the Standard Nonforfeiture Law, as amended, and the Commissioners 1961 Standard Industrial Mortality Table for such policies issued on or after such operative date.'