

Section 3. All moneys received from the sale of the land herein authorized to be conveyed shall be deposited in the Fish Fund. Disposition of proceeds.

Section 4. This act shall take effect immediately. Act effective immediately.

APPROVED—The 31st day of July, A. D. 1963.

WILLIAM W. SCRANTON

No. 224

AN ACT

Amending the act of May 17, 1921 (P. L. 789), entitled, as amended, "An act relating to insurance; establishing an insurance department; and amending, revising, and consolidating the law relating to the licensing, qualification, regulation, examination, suspension, and dissolution of insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and certain societies and orders, the examination and regulation of fire insurance rating bureaus, and the licensing and regulation of insurance agents and brokers; the service of legal process upon foreign insurance companies, associations or exchanges; providing penalties; and repealing existing laws," further regulating the computation of the reserve liability of life insurance companies.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

The Insurance Department Act of one thousand nine hundred and twenty-one.

Section 1. Clauses (ii), (iii), (iv) and (v) of paragraph (1) and clause (B) of paragraph (2) of subsection (c) of section 301, act of May 17, 1921 (P. L. 789), known as "The Insurance Department Act of one thousand nine hundred and twenty-one," amended May 1, 1945 (P. L. 346), are amended to read:

Clauses (ii), (iii), (iv) and (v), paragraph (1) and clause (B), paragraph (2), amended May 1, 1945, P. L. 346, further amended.

Section 301. Computation of Reserve Liability.—

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(c) This subsection shall apply only to policies and contracts issued on or after the operative date of section four hundred and ten A (the Standard Non-forfeiture Law) of an act, approved the seventeenth day of May, one thousand nine hundred and twenty-one (Pamphlet Laws, six hundred eighty-two), as amended.

(1) The minimum standard for the valuation of all such policies and contracts shall be the Commissioners reserve valuation method defined in paragraph (2) of this subsection (c), three and one-half per centum (3½%) interest, and the following tables:

* * * * *

(ii) For all Industrial life insurance policies issued

* "cent" in original.

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 paragraph (3) of subsection (d) of section 410-A (The Standard Non-forfeiture Law) of "The Insurance Company Law of 1921," and the Commissioners 1961 Standard Industrial Mortality Table for such policies issued on or after such operative date.

(iii) For Individual Annuity and Pure Endowment contracts, excluding any disability and accidental death benefits in such contracts, the 1937 Standard Annuity Mortality Table, or at the option of the company, the Annuity Mortality Table for 1949 Ultimate or any modification of either of these tables approved by the Insurance Commissioner.

For Group Annuity and Pure Endowment contracts, excluding any disability and accidental death benefits in such contracts, the Group Annuity Mortality Table for 1951, any modification of such table approved by the Insurance Commissioner or, at the option of the company, any of the tables or modifications of tables specified for Individual Annuity and Pure Endowment contracts.

(iv) For Total and Permanent Disability benefits in or supplementary to Ordinary policies or contracts, for policies or contracts issued on or after January 1, 1966, the tables of Period 2 disablement rates and the 1930 and 1950 termination rates of the 1952 Disability Study of the Society of Actuaries, with due regard to the type of benefit; for policies or contracts issued on or after January 1, 1961, and prior to January 1, 1966, either such tables or, at the option of the company, the Class (3) Disability Table (1926) and for policies issued prior to January 1, 1961, the Class (3) Disability Table (1926). [which] Any such table shall, for active lives, [shall] be combined with a mortality table permitted for calculating the reserves for life insurance policies.

(v) For Accidental Death benefits in or supplementary to policies, for policies issued on or after January 1, 1966, the 1959 Accidental Death Benefits Table; for policies issued on or after January 1, 1961, and prior to January 1, 1966, either such table or, at the option of the company, the Inter-Company Double Indemnity Mortality Table; and for policies issued prior to January 1, 1961, the Inter-Company Double Indemnity Mortality Table. Either table shall be combined with a mortality table permitted for calculating the reserves for life insurance policies.

* * * * *

(2) Reserves according to the Commissioners reserve valuation method, for the life insurance and endowment

benefits of policies providing for a uniform amount of insurance and requiring the payment of uniform premiums shall be the excess, if any, of the present value, at the date of valuation, of such future guaranteed benefits provided for by such policies, over the then present value of any future modified net premiums therefor. The modified net premiums for any such policy shall be such uniform percentage of the respective contract premiums for such benefits that the present value, at the date of issue of the policy, of all such modified net premiums shall be equal to the sum of the then present value of such benefits provided for by the policy and the excess of (A) over (B), as follows:

* * * * *

(B) A net one year term premium for such benefits provided for in the first policy year.

Reserves, according to the Commissioners reserve valuation method for (i) life insurance policies providing for a varying amount of insurance or requiring the payment of varying premiums, (ii) annuity and pure endowment contracts, (iii) disability and accidental death benefits in all policies and contracts, and (iv) all other benefits, except life insurance and endowment benefits in life insurance policies, shall be calculated by a method consistent with the principles of this paragraph (2) of this subsection (c), *except that any extra premiums charged because of impairments or special hazards shall be disregarded in the determination of modified net premiums.*

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Section 2. This act shall take effect immediately.

Act effective immediately.

APPROVED—The 31st day of July, A. D. 1963.

WILLIAM W. SCRANTON

No. 225

AN ACT

Amending the act of May 2, 1945 (P. L. 382), entitled "An act providing for the incorporation as bodies corporate and politic of 'Authorities' for municipalities, counties and townships; prescribing the rights, powers and duties of such Authorities heretofore or hereafter incorporated; authorizing such Authorities to acquire, construct, improve, maintain and operate projects, and to borrow money and issue bonds therefor; providing for the payment of such bonds, and prescribing the rights of the holders thereof; conferring the right of eminent domain on such Authorities; authorizing such Authorities to enter into contracts with and to accept grants from the Federal Government or any agency thereof; and conferring exclusive jurisdiction on certain