

On page 79, line 28, of the Introduced bill, after "58-12-28." delete "Section 158. That § 58-15-30 be AMENDED:

58-15-30. Nonforfeiture benefits in policies issued prior to the adoption of standard nonforfeiture law.

This section shall apply only to policies of life insurance issued prior to the operative date specified in § 58-15-42.

The nonforfeiture benefit referred to in § 58-15-21 shall be available to the owner of the policy in event of default in premium payments, after premiums shall have been paid for three years, and shall be a stipulated form of insurance, the net value of which shall be at least equal to the reserve at the date of default on the policy and on any dividend additions thereto, computed according to a mortality table, interest rate, and method of valuation permitted by §§ 58-26-17 to 58-26-20, inclusive, less a sum not more than two and one-half percent of the amount insured by the policy and of any existing dividend additions thereto, and less any existing indebtedness to insurer on the policy. The policy shall stipulate that it may be surrendered to the insurer at its home office within one month from date of default for a specified cash value at least equal to the sum which would otherwise be available for the purchase of insurance as aforesaid and may stipulate that the insurer may defer payment for not more than six months after the application therefor is made. Provided, however, that if the benefits under the policy are calculated according to the commissioner's 1958 standard ordinary mortality table, the value of any extended term insurance, with accompanying pure endowment, if any, may be calculated according to rates of mortality not exceeding those shown in the commissioner's 1958 extended term insurance table, and that if the benefits under the policy are calculated according to any other more modern table than the American experience table of mortality, the value of any extended term insurance, with accompanying pure endowment, if any, may be calculated according to rates of mortality not exceeding one hundred thirty percent of the rates according to such more modern table. The policy shall contain a table showing in figures the options available each year upon default in premium payments during at least the first twenty years of the policy, or during the term of the policy, whichever is the shorter. This section shall not apply to term insurance of twenty years or less or to industrial life insurance policies."