**Section 1705.20 Construction of Life Certificate Forms**

a)

1) Fraternal Benefit Societies "Societies" may issue certificates providing for the payment of death benefits as authorized by the Code.

2) Section 288(1) of the Illinois Insurance Code, insofar as it authorizes additional benefits, permits Societies to provide in the life certificate, or supplemental thereto, for the following:

A) Additional accidental death benefits;

B) Waiver of premium disability benefits due to accident or sickness;

C) Benefits or an annuity in case a member becomes totally and permanently disabled from accident or sickness; without including Accident and Health Policy Provisions required by Section 357.1 et seq. of the Code (Ill. Rev. Stat. 1981, ch. 73, par. 969.1). All other accident and health benefits included in the life certificates or supplemental thereto must conform to Article XX of the Code and of Department Rules and Regulations pertaining to construction and filing of accident and health forms, in the same manner as though those benefits were provided under separate certificates.

b) If the Director finds that the interests of present and future certificate holders of a Society are not adversely affected, he may authorize the Society to use the Commissioners' 1958 Standard Ordinary Mortality Table for ordinary insurance, and a rate of interest not to exceed 3½ percent per annum for calculating reserves and nonforfeiture values, if:

1) The Society files with the Department comparative figures showing the attained age and the actual mortality loss for the previous two years together with expected losses on the mortality table then in use and on the Commissioners' 1958 Standard Ordinary Mortality Table. This information will be acceptable if set out in five year age groups.

2) Notice of Election by the Society to comply with Section 229.2 of the Code (Ill. Rev. Stat. 1981, ch. 73, par. 841.2) after a certain specified date, must be in the form of a certified copy of the Resolution of the governing body, or the Board of Directors authorizing such Election.

3) Basis of reserves should be stated in the certificate.

4) The following, which may be in substance, must be in the certificate: "The reserve and nonforfeiture values under this certificate are not less than the minimum values required by the Standard Nonforfeiture laws as adopted by the State of Illinois for use by legal reserve life insurance policies."

5) After the date selected, all certificates issued by the Society must be on the Commissioners' 1958 Standard Ordinary Mortality Table.

6) Sections 229.2 and 229.3 and other applicable provisions of the Code must be complied with.