

(IV) FOR OTHER ANNUITIES WITH NO CASH SETTLEMENT OPTIONS AND FOR GUARANTEED INTEREST CONTRACTS WITH NO CASH SETTLEMENT OPTIONS, THE FORMULA FOR SINGLE PREMIUM IMMEDIATE ANNUITIES SET OUT IN (II) ABOVE SHALL APPLY;

(V) FOR OTHER ANNUITIES WITH CASH SETTLEMENT OPTIONS AND GUARANTEED INTEREST CONTRACTS WITH CASH SETTLEMENT OPTIONS, VALUED ON A CHANGE IN FUND BASIS, THE FORMULA FOR SINGLE PREMIUM IMMEDIATE ANNUITIES SET OUT IN (II) ABOVE SHALL APPLY.

HOWEVER, IF THE CALENDAR YEAR STATUTORY VALUATION INTEREST RATE FOR ANY LIFE INSURANCE POLICY ISSUED IN ANY CALENDAR YEAR DETERMINED WITHOUT REFERENCE TO THIS SENTENCE DIFFERS FROM THE CORRESPONDING ACTUAL RATE FOR A SIMILAR POLICY ISSUED IN THE IMMEDIATELY PRECEDING CALENDAR YEAR BY LESS THAN 1/2 PERCENT, THE CALENDAR YEAR STATUTORY VALUATION INTEREST RATE FOR THAT LIFE INSURANCE POLICY SHALL BE EQUAL TO THE CORRESPONDING ACTUAL RATE FOR THE IMMEDIATELY PRECEDING CALENDAR YEAR. FOR PURPOSES OF APPLYING THE IMMEDIATELY PRECEDING SENTENCE, THE CALENDAR YEAR STATUTORY VALUATION INTEREST RATE FOR A LIFE INSURANCE POLICY ISSUED IN A CALENDAR YEAR SHALL BE DETERMINED FOR 1980 (USING THE REFERENCE INTERST RATE DEFINED FOR 1979) AND SHALL BE DETERMINED FOR EACH SUBSEQUENT CALENDAR YEAR REGARDLESS OF WHEN SUBSECTION (K-1) OF SECTION 414 BECOMES OPERATIVE.

(3) THE WEIGHTING FACTORS REFERRED TO IN THE FORMULAS SET OUT ABOVE ARE:

(I) FOR LIFE INSURANCE:

GUARANTEE DURATION (YEARS)	WEIGHTING FACTORS
10 OR LESS	.50
MORE THAN 10, BUT NOT MORE THAN 20	.45
MORE THAN 20	.35

FOR LIFE INSURANCE, THE GUARANTEE DURATION IS THE MAXIMUM NUMBER OF YEARS THE LIFE INSURANCE CAN REMAIN IN FORCE ON A BASIS GUARANTEED IN THE POLICY OR UNDER OPTIONS TO CONVERT TO PLANS OF LIFE INSURANCE WITH PREMIUM RATES OR NONFORFEITURE VALUES, OR BOTH, WHICH ARE GUARANTEED IN THE ORIGINAL POLICY;

(II) FOR SINGLE PREMIUM IMMEDIATE ANNUITIES AND FOR ANNUITY BENEFITS INVOLVING LIFE CONTINGENCIES ARISING FROM OTHER ANNUITIES WITH CASH SETTLEMENT OPTIONS AND GUARANTEED INTEREST CONTRACTS WITH CASH SETTLEMENT OPTIONS: