THE BASIC CASH VALUE SHALL BE EQUAL TO THE PRESENT VALUE, ON THE ANNIVERSARY, OF THE FUTURE GUARANTEED BENEFITS WHICH WOULD HAVE BEEN PROVIDED FOR BY THE POLICY, EXCLUDING ANY EXISTING PAID-UP ADDITIONS AND BEFORE DEDUCTION OF ANY INDEBTEDNESS TO THE INSURER, IF THERE HAD BEEN NO DEFAULT, LESS THE PRESENT VALUE OF THE NONFORFEITURE FACTORS, AS HEREAFTER DEFINED, CORRESPONDING TO PREMIUMS WHICH WOULD HAVE FALLEN DUE ON AND AFTER SUCH ANNIVERSARY. THE EFFECTS ON THE BASIC CASH VALUE OF SUPPLEMENTAL LIFE INSURANCE OR ANNUITY BENEFITS OR OF FAMILY COVERAGE, AS DESCRIBED IN SUBSECTION (D) OR SUBSECTIONS (F) THROUGH (I), INCLUSIVE, SHALL BE THE SAME AS ARE THE EFFECTS SPECIFIED IN SUBSECTION (D) OR SUBSECTIONS (F) THROUGH (I), WHICHEVER IS APPLICABLE ON THE CASH SURRENDER VALUES DEFINED IN THAT SUBSECTION.

THE NONFORFEITURE FACTOR FOR EACH POLICY YEAR SHALL BE AN AMOUNT EQUAL TO A PERCENTAGE OF THE ADJUSTED PREMIUM FOR THE POLICY YEAR, AS DEFINED IN SUBSECTIONS (F) THROUGH (I) OR (K-1), WHICHEVER IS APPLICABLE. EXCEPT AS IS REQUIRED BY THE NEXT SUCCEEDING SENTENCE OF THIS PARAGRAPH, THAT PERCENTAGE:

(1) MUST BE THE SAME PERCENTAGE FOR EACH POLICY YEAR BETWEEN THE SECOND POLICY ANNIVERSARY AND THE LATER OF:

(I) THE FIFTH POLICY ANNIVERSARY; AND

(II) THE FIRST POLICY ANNIVERSARY AT WHICH THERE IS AVAILABLE UNDER THE POLICY A CASH SURRENDER VALUE IN AN AMOUNT, BEFORE INCLUDING ANY PAID-UP ADDITIONS AND BEFORE DEDUCTING ANY INDEBTEDNESS, OF AT LEAST .2 PERCENT OF EITHER THE AMOUNT OF INSURANCE, IF THE INSURANCE BE UNIFORM IN AMOUNT, OR THE AVERAGE AMOUNT OF INSURANCE AT THE BEGINNING OF EACH OF THE FIRST 10 POLICY YEARS; AND

(2) MUST BE SUCH THAT NO PERCENTAGE AFTER THE LATER OF THE 2 POLICY ANNIVERSARIES SPECIFIED IN SUBDIVISION (1) MAY APPLY TO FEWER THAN 5 CONSECUTIVE POLICY YEARS.

NO BASIC CASH VALUE MAY BE LESS THAN THE VALUE WHICH WOULD BE OBTAINED IF THE ADJUSTED PREMIUMS FOR THE POLICY, AS DEFINED IN SUBSECTIONS (F) THROUGH (I) OR (K-1), WHICHEVER IS APPLICABLE, WERE SUBSTITUTED FOR THE NONFORFEITURE FACTORS IN THE CALCULATION OF THE BASIC CASH VALUE.

ALL ADJUSTED PREMIUMS AND PRESENT VALUES REFERRED TO IN THIS SUBSECTION SHALL FOR EACH POLICY BE CALCULATED ON THE SAME MORTALITY AND INTEREST BASES AS ARE USED IN DEMONSTRATING THE POLICY'S COMPLIANCE WITH THE OTHER SUBSECTIONS OF THIS SECTION. THE CASH SURRENDER VALUES REFERRED TO IN THIS SUBSECTION SHALL INCLUDE ANY ENDOWMENT BENEFITS PROVIDED FOR BY THE POLICY.