

(i) the accumulation until that time, at an interest rate of 1.5% per year, of the percentages of the net considerations paid before that time, calculated under paragraph (2) of this subsection, and any existing additional amount credited by the insurer to the contract; less

(ii) the sum of:

1. any withdrawal from or partial surrender of the contract accumulated at an interest rate of 1.5% per year; and

2. any indebtedness to the insurer on the contract, including interest due and accrued.

(2) Subject to paragraph (3) of this subsection, the net considerations for a given contract year used to calculate the minimum nonforfeiture amount shall equal the remainder of:

(i) the corresponding gross considerations credited to the contract during that contract year; less

(ii) the sum of:

1. an annual contract charge of \$30; and

2. a collection charge of \$1.25 per consideration credited to the contract during that contract year.

(3) The net considerations for a given contract year may not be less than zero.

(4) The percentages of net considerations are:

(i) for the first contract year, 65%; and

(ii) subject to paragraph (5) of this subsection, for the second and subsequent contract years, 87.5%.

(5) The percentage of net considerations is 65% of the part of the total net considerations for any renewal contract year that exceeds by not more than 2 times the sum of those parts of the net considerations in all prior contract years for which the percentage was 65%.]

[(c) (1) The minimum nonforfeiture amount under an annuity contract that provides for fixed scheduled considerations:

(i) shall be calculated on the assumption that considerations are paid annually in advance; and

(ii) except as provided in paragraphs (2) and (3) of this subsection, shall be calculated the same as for annuity contracts with flexible considerations that are paid annually.

(2) The part of the net considerations for the first contract year to be accumulated is the sum of: