

(C) (1) THE INTEREST RATE USED TO DETERMINE THE MINIMUM NONFORFEITURE AMOUNTS UNDER SUBSECTION (B) OF THIS SECTION SHALL BE AN ANNUAL RATE OF INTEREST THAT IS EQUAL TO THE LESSER OF:

(I) 3% PER YEAR; OR

~~(II) NOT LONGER THAN 15 MONTHS BEFORE THE CONTRACT ISSUE DATE OR THE REDETERMINATION DATE UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE 5-YEAR TREASURY CONSTANT MATURITY RATE REPORTED BY THE FEDERAL RESERVE BOARD AS OF A CERTAIN DATE, OR AN AVERAGE OVER A PERIOD, ROUNDED TO THE NEAREST ONE-TWENTIETH OF 1%, REDUCED BY 125 BASIS POINTS THE 5-YEAR CONSTANT MATURITY TREASURY RATE REPORTED BY THE FEDERAL RESERVE BOARD.~~

(2) THE 5-YEAR CONSTANT MATURITY TREASURY RATE UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION SHALL BE:

(I) 1. AS OF A DATE NOT MORE THAN 15 MONTHS BEFORE EITHER THE CONTRACT ISSUE DATE OR REDETERMINATION DATE; OR

2. AVERAGED OVER A PERIOD OF NOT MORE THAN 15 MONTHS BEFORE THE CONTRACT ISSUE DATE OR REDETERMINATION DATE; AND

(II) ROUNDED TO THE NEAREST ONE-TWENTIETH OF 1% AND THEN REDUCED BY 125 BASIS POINTS.

~~(3) (3) THE INTEREST RATE CALCULATED UNDER PARAGRAPH (1)(I) PARAGRAPHS (1) AND (2) OF THIS SUBSECTION MAY NOT BE LESS THAN 1%.~~

~~(4) (1) THE INTEREST RATE CALCULATED UNDER PARAGRAPH (1) PARAGRAPHS (1) AND (2) OF THIS SUBSECTION:~~

1. SHALL APPLY TO THE INITIAL CONTRACT PERIOD; AND

2. MAY BE REDETERMINED FOR ADDITIONAL PERIODS.

(II) THE CONTRACT SHALL ~~PROVIDE STATE:~~

~~1. THE INTEREST RATE AS REDETERMINED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH;~~

~~2. THE VALUE OF THE REDETERMINED INTEREST RATE, IF ANY;~~

~~3. WHETHER THE INTEREST RATE WILL BE REDETERMINED; AND~~

~~2. THE INTEREST RATE REDETERMINATION DATE, BASIS, AND PERIOD, IF ANY; AND~~

~~4. THE BASIS FOR THE DATE, OR THE AVERAGE OVER A PERIOD, THAT PRODUCED THE INTEREST RATE VALUE BASED ON THE 5-YEAR TREASURY CONSTANT MATURITY RATE.~~