

(4) THE NONFORFEITURE NET LEVEL PREMIUM SHALL EQUAL THE PRESENT VALUE OF THE GUARANTEED BENEFITS, CALCULATED AS OF THE DATE OF ISSUE, PROVIDED BY THE POLICY DIVIDED BY THE PRESENT VALUE OF AN ANNUITY OF 1 PER YEAR, CALCULATED AS OF THE DATE OF ISSUE, PAYABLE ON THE DATE OF ISSUE OF THE POLICY AND ON EACH ANNIVERSARY ON WHICH A PREMIUM IS DUE.

(5) IN APPLYING THE PERCENTAGE SPECIFIED IN PARAGRAPH (2)(III) OF THIS SUBSECTION, A NONFORFEITURE NET LEVEL PREMIUM MAY NOT BE CONSIDERED TO EXCEED 4% OF:

(I) THE AMOUNT OF INSURANCE IF THE INSURANCE IS A UNIFORM AMOUNT; OR

(II) THE AVERAGE AMOUNT OF INSURANCE AT THE BEGINNING OF EACH OF THE FIRST 10 POLICY YEARS.

(C) POLICIES PROVIDING FOR CHANGES IN BENEFITS OR PREMIUMS — IN GENERAL.

(1) IF A POLICY PROVIDES FOR UNSCHEDULED CHANGES IN BENEFITS OR PREMIUMS ON A BASIS GUARANTEED BY THE POLICY OR PROVIDES AN OPTION FOR CHANGES IN BENEFITS OR PREMIUMS, OTHER THAN A CHANGE TO A NEW POLICY, THE ADJUSTED PREMIUMS AND PRESENT VALUES INITIALLY SHALL BE CALCULATED ON THE ASSUMPTION THAT FUTURE BENEFITS AND PREMIUMS WILL NOT CHANGE FROM THOSE STIPULATED AT THE DATE OF ISSUE OF THE POLICY.

(2) WHEN BENEFITS OR PREMIUMS ARE CHANGED, THE FUTURE ADJUSTED PREMIUMS, NONFORFEITURE NET LEVEL PREMIUMS, AND PRESENT VALUES SHALL BE RECALCULATED AS OF THE DATE OF THE CHANGE IN THE POLICY IN ACCORDANCE WITH THIS SECTION ON THE ASSUMPTION THAT FUTURE BENEFITS AND PREMIUMS WILL NOT CHANGE FROM THOSE STIPULATED BY THE POLICY IMMEDIATELY AFTER THE CHANGE.

(D) SAME — RECALCULATED FUTURE ADJUSTED PREMIUMS.

(1) EXCEPT AS PROVIDED IN SUBSECTION (G) OF THIS SECTION, THE FUTURE ADJUSTED PREMIUMS RECALCULATED UNDER SUBSECTION (C)(2) OF THIS SECTION SHALL BE A UNIFORM PERCENTAGE OF THE FUTURE PREMIUMS SPECIFIED IN THE POLICY FOR EACH POLICY YEAR SO THAT THE PRESENT VALUE OF THE FUTURE ADJUSTED PREMIUMS, CALCULATED AS OF THE TIME OF THE CHANGE TO THE NEWLY DEFINED BENEFITS OR PREMIUMS, SHALL EQUAL THE REMAINDER OF:

(I) THE SUM OF THE PRESENT VALUE OF THE FUTURE GUARANTEED BENEFITS, CALCULATED AS OF THE TIME OF THE CHANGE TO THE NEWLY DEFINED BENEFITS OR PREMIUMS, PROVIDED BY THE POLICY AND ANY ADDITIONAL EXPENSE ALLOWANCE; LESS

(II) ANY CASH SURRENDER VALUE OR THE PRESENT VALUE OF ANY PAID-UP NONFORFEITURE BENEFIT UNDER THE POLICY, CALCULATED AS OF THE TIME OF THE CHANGE TO THE NEWLY DEFINED BENEFITS OR PREMIUMS.