

§2546. Calculation of cash surrender values

For contracts that provide cash surrender benefits, the cash surrender benefits available prior to maturity may not be less than the present value as of the date of surrender of that portion of the maturity value of the paid-up annuity benefit that would be provided under the contract at maturity arising from considerations paid prior to the time of cash surrender reduced by the amount appropriate to reflect any prior withdrawals from or partial surrenders of the contract, the present value being calculated on the basis of an interest rate not more than 1% higher than the interest rate specified in the contract for accumulating the net considerations to determine the maturity value, decreased by the amount of any indebtedness to the insurer on the contract, including interest due and accrued, and increased by any existing additional amounts credited by the insurer to the contract. In no event may any cash surrender benefit be less than the minimum nonforfeiture amount at that time. The death benefit under the contracts must be at least equal to the cash surrender benefit. [PL 2017, c. 475, Pt. A, §40 (AMD).]

SECTION HISTORY

PL 1979, c. 442, §4 (NEW). PL 2017, c. 475, Pt. A, §40 (AMD).

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