NET CONSIDERATION FOR THE FIRST CONTRACT YEAR AND 87 1/2 PERCENT OF THE NET CONSIDERATIONS FOR THE SECOND AND LATER CONTRACT YEARS. NOTWITHSTANDING THE PROVISIONS OF THE PRECEDING SENTENCE, THE PERCENTAGE SHALL BE 65 PERCENT OF THE PORTION OF THE TOTAL NET CONSIDERATION FOR ANY RENEWAL CONTRACT YEAR WHICH EXCEEDS BY NOT MORE THAN TWO TIMES THE SUM OF THOSE PORTIONS OF THE NET CONSIDERATIONS IN ALL PRIOR CONTRACT YEARS FOR WHICH THE PERCENTAGE WAS 65 PERCENT.

(2) WITH RESPECT TO CONTRACTS PROVIDING FOR FIXED SCHEDULED CONSIDERATIONS, MINIMUM NONFORFEITURE AMOUNTS SHALL BE CALCULATED ON THE ASSUMPTION THAT CONSIDERATIONS ARE PAID ANNUALLY IN ADVANCE AND SHALL BE DEFINED AS FOR CONTRACTS WITH FLEXIBLE CONSIDERATIONS WHICH ARE PAID ANNUALLY WITH TWO EXCEPTIONS:

(I) THE PORTION OF THE NET CONSIDERATION FOR THE FIRST CONTRACT YEAR TO BE ACCUMULATED SHALL BE THE SUM OF 65 PERCENT OF THE NET CONSIDERATION FOR THE FIRST CONTRACT YEAR PLUS 22 1/2 PERCENT OF THE EXCESS OF THE NET CONSIDERATION FOR THE FIRST CONTRACT YEAR OVER THE LESSER OF THE NET CONSIDERATIONS FOR THE SECOND AND THIRD CONTRACT YEARS.

(II) THE ANNUAL CONTRACT CHARGE SHALL BE THE LESSER OF $30 DOLLARS OR 10 PERCENT OF THE GROSS ANNUAL CONSIDERATIONS.

(3) WITH RESPECT TO CONTRACTS PROVIDING FOR A SINGLE CONSIDERATION, MINIMUM NONFORFEITURE AMOUNTS SHALL BE DEFINED AS FOR CONTRACTS WITH FLEXIBLE CONSIDERATIONS EXCEPT THAT THE PERCENTAGE OF NET CONSIDERATION USED TO DETERMINE THE MINIMUM NONFORFEITURE AMOUNT SHALL BE EQUAL TO 90 PERCENT AND THE NET CONSIDERATION SHALL BE THE GROSS CONSIDERATION LESS A CONTRACT CHARGE OF $75.

(E) ANY PAID-UP ANNUITY BENEFIT AVAILABLE UNDER A CONTRACT SHALL BE ITS PRESENT VALUE ON THE DATE ANNUITY PAYMENTS ARE TO COMMENCE AT LEAST EQUAL TO THE MINIMUM NONFORFEITURE AMOUNT ON THAT DATE. THE PRESENT VALUE SHALL BE COMPUTED USING THE MORTALITY TABLE, IF ANY, AND THE INTEREST RATE SPECIFIED IN THE CONTRACT FOR DETERMINING THE MINIMUM PAID-UP ANNUITY BENEFITS GUARANTEED IN THE CONTRACT.

(F) FOR CONTRACTS WHICH PROVIDE CASH SURRENDER BENEFITS, 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 WHICH 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, SUCH PRESENT VALUE BEING CALCULATED ON THE BASIS OF AN INTEREST RATE NOT MORE THAN 1 PERCENT 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~~