

(g) (1) Notwithstanding the requirements of this section, a deferred annuity contract may contain a provision that the insurer may terminate the contract by making a single payment calculated under paragraph (2) of this subsection if:

(i) no considerations have been received under the contract for 2 years; and

(ii) the part of the paid-up annuity benefit at maturity under the contract that is available from the considerations paid before termination would be less than \$20 per month.

(2) The payment shall equal the present value of the part of the paid-up annuity benefit available under the contract, calculated as of the date of termination, based on any mortality table and interest rate specified in the contract for determining the paid-up annuity benefit.

(3) A PAYMENT BY AN INSURER UNDER THIS SECTION SHALL RELIEVE THE INSURER OF ANY FURTHER OBLIGATION UNDER THE DEFERRED ANNUITY CONTRACT.

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[(b) (1) The minimum nonforfeiture amount under an annuity contract that provides for flexible considerations at any time before or at the start of annuity payments shall equal the remainder of:

(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.