

**215 ILCS 5/229.4a(4)(B). Standard Non-forfeiture Interest Rates**  
**This Section is repealed on July 1, 2007.**

Sec. 229.4a(4)(B). Standard Non-forfeiture Interest Rates.

- (4) Minimum values. The minimum values as specified in subsections (5), (6), (7), (8) and (10) of any paid-up annuity, cash surrender or death benefits available under an annuity contract shall be based upon minimum nonforfeiture amounts as defined in this subsection.
- (B) The interest rate used in determining minimum nonforfeiture amounts shall be an annual rate of interest determined as the lesser of 3% per annum and the following, which shall be specified in the contract if the interest rate will be reset:
- (i) The five-year Constant Maturity Treasury Rate reported by the Federal Reserve as of a date, or average over a period, rounded to the nearest 1/20th of one percent, specified in the contract no longer than 15 months prior to the contract issue date or redetermination date under subdivision (4)(B)(iv);
  - (ii) Reduced by 125 basis points;
  - (iii) Where the resulting interest rate is not less than 1%; and
  - (iv) The interest rate shall apply for an initial period and may be redetermined for additional periods. The redetermination date, basis and period, if any, shall be stated in the contract. The basis is the date or average over a specified period that produces the value of the 5-year Constant Maturity Treasury Rate to be used at each redetermination date.

(Source: P.A. 93-873, eff. 8-6-04.)