

215 ILCS 5/229.2 Non-forfeiture and cash surrender - changes

Sec. 229.2. Standard Non-forfeiture Law for Life Insurance. (1) No policy of life insurance, except as stated in subsection (8), shall be delivered or issued for delivery in this State unless it contains in substance the following provisions or corresponding provisions which in the opinion of the Director are at least as favorable to the defaulting or surrendering policyholder and are essentially in compliance with subsection (7) of this law:

(v) In the case of policies which cause on a basis guaranteed in the policy unscheduled changes in benefits or premiums, or which provide an option for changes in benefits or premiums other than a change to a new policy, a statement of the mortality table, interest rate, and method used in calculating cash surrender values and the paid-up nonforfeiture benefits available under the policy. In the case of all other policies, a statement of the mortality table and interest rate used in calculating the cash surrender values and the paid-up nonforfeiture benefits available under the policy, together with a table showing the cash surrender value, if any, and paid-up nonforfeiture benefit, if any, available under the policy on each policy anniversary either during the first 20 policy years or during the term of the policy, whichever is shorter, such values and benefits to be calculated upon the assumption that there are no dividends or paid-up additions credited to the policy and that there is no indebtedness to the company on the policy.

(Source: P.A. 83-1465.)