

- D. The maximum rate for each policy must be determined at regular intervals at least once every twelve (12) months, but not more frequently than once in any three-month period. At the intervals specified in the policy:
- (1) The rate being charged may be increased whenever an increase determined under Subsection B would increase that rate by one-half percent (1/2%) or more per annum;
 - (2) The rate charged must be reduced whenever a reduction as determined under Subsection B would decrease that rate by one-half percent (1/2%) or more per annum.
- E. The life insurer shall:
- (1) Notify the policyholder at the time a cash loan is made of the initial rate of interest on the loan;
 - (2) Notify the policyholder with respect to the premium loans of the initial rate of interest on the loan as soon as it is reasonably practical to do so after making the initial loan.
Notice

- I. No other provision of law shall apply to policy loan interest rates unless made specifically applicable to such rates.

The provisions of this Act shall not apply to any insurance contract issued before the effective date of this Act unless the policyholder agrees in writing to the applicability of such provisions.

Chronological Summary of Actions (all references are to the Proceedings of the NAIC)

1981 Proc. I 47, 51, 421, 517, 534, ~~536~~ (adopted)