WEST VIRGINIA CODE: §33-14-26

§33-14-26. Same -- Termination benefits.

In group annuity contracts there shall be a provision or provisions, with an appropriate reference thereto in the certificate, specifying the nature and basis of ascertainment of the benefits which will be available to an annuitant who contributes to the cost of the annuity and the conditions of payment thereof in the event of either the termination of employment of the annuitant, except by death, or the discontinuance of stipulated payments under the contract. Such provision or provisions shall, in either of such events, make available to an annuitant who contributed to the cost of the annuity a paid-up annuity payable commencing at a fixed date in an amount at least equal to that purchased by the contributions of the annuitant, determinable as of the respective dates of payment of the several contributions, as shown by a schedule in the contract for that purpose, based upon the same mortality table, rate of interest and loading formula used in computing the stipulated payments under such contract. Such provision or provisions may, by way of exception to the foregoing, provide that if the amount of the annuity determined as aforesaid from such fixed commencement date would be less than $120 annually, the insurer may at its option, in lieu of granting such paid-up annuity, pay a cash surrender value at least equal to that hereinafter provided.

If a cash surrender value, in lieu of such paid-up annuity, is allowed to the annuitant by the terms of such contract, it may be either in a single sum or in equal instalments over a period of not more than twelve months and it shall at least equal either (a) or (b), whichever is less:

(a) The amount of reserve attributable to the annuitant's contributions less a surrender charge not exceeding thirty-five percent of the average annual contribution made by the annuitant; or

(b) The amount which would be payable as a death benefit at the date of surrender.

Such contract shall also provide that in case of the death of an annuitant before the commencement date of the annuity, the insurer shall pay a death benefit at least equal to the aggregate amount of the annuitant's contributions without interest. If any benefits are available to the holder in either of such events, the contract shall contain a provision or provisions specifying the nature and basis of ascertainment of such benefits.

WV Legislature