

## Article - Insurance

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§8-433.

(a) (1) After December 31, 1997, a benefit certificate may not be delivered or issued for delivery in the State unless the form has been:

(i) filed with the Commissioner; and

(ii) approved by the Commissioner in the manner provided for like policies issued by life insurers in the State.

(2) Unless disapproved by the Commissioner, a benefit certificate is deemed approved 60 days after the date the form is filed with the Commissioner.

(b) (1) Each life, accident, health, or disability insurance certificate and each annuity certificate issued on or after January 1, 1998, shall meet requirements not inconsistent with this subtitle for like policies and annuities issued by life insurers in the State.

(2) Unless the benefit certificate contains provisions that are more favorable to the member, each benefit certificate shall contain in substance each of the following standard provisions:

(i) a statement of:

1. the amount of rates, premiums, or other required contributions, however named, that are payable by the insured under the certificate; and

2. the member's share of a deficiency if reserves are impaired; and

(ii) a provision that:

1. for payment of any premium after the first, the member is entitled to a grace period of not less than a full month or, at the option of the society, 30 days;

2. the certificate shall continue in full force during the grace period;

3. if the certificate becomes a claim during the grace period before the overdue payment is made, the amount of the overdue payment may be deducted in a settlement under the certificate;

4. recites fully or sets forth the substance of all sections of the

laws or rules of the society that are in force on the date of issuance of the certificate, the violation of which will result in the termination or reduction of benefits payable under the certificate; and

5. if the laws of the society provide for expulsion or suspension, a member who is expelled or suspended has the privilege of maintaining the insurance in force by continuing payment of the required premium, unless the expulsion or suspension is for:

A. nonpayment of a premium; or

B. a material misrepresentation in the member's application for membership that is discovered within the contestable period.

(c) Certificates issued on the lives of individuals below the society's minimum age for adult membership:

(1) may provide for transfer of control of ownership to the insured at an age specified in the certificate;

(2) may require approval of an application for membership in order to effect the transfer;

(3) may provide in all other respects for the regulation, government, and control of the certificate and all rights, obligations, and liabilities incident to and connected with the certificate; and

(4) shall specify ownership rights to the certificate prior to any transfer of the certificate.

(d) A society may specify the terms and conditions on which benefit certificates may be assigned.

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