

(3) Such policy may be placed in force only if at least seventy-five percent (75%) of the eligible employees, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required premium contributions and become insured thereunder.

(4) The policy must cover at least ten (10) employees at date of issue.

(5) A policy issued to insure the employees of a public body may provide that the term "employees" shall include elected or appointed officials.

(b) The lives of a group of individuals may be insured under a policy issued to any association of state employees, or any association of state, county or city or town employees, which association shall be deemed the policyholder to insure the members of any such association of state, county, city or town employees for the benefit of persons other than the policyholder subject to the following requirements:

(1) The persons eligible for insurance under the policy shall be all the members of the association, or all of any class or classes thereof, determined by conditions pertaining to their employment or membership in the association, or both.

(2) The premium for the policy shall be paid by the policyholder, wholly from funds contributed by it as an association, or partly from such funds and partly from funds contributed by the insured members, or wholly from funds contributed by the insured members.

(3) A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

(4) A policy on which all or a part of the premium is to be derived from funds contributed by the insured members specifically for their insurance may be placed in force only if at least seventy-five percent (75%) of the eligible members, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, or alternately, at least six hundred (600) eligible members, elect to make the required premium contributions.

(5) The policy must cover at least one hundred (100) members at date of issue.

423. Debtor Groups.

The lives of a group of individuals may be insured under a policy issued to a creditor, who shall be deemed the policyholder, to insure the debtors of the creditor, subject to the following requirements:

(1) The debtors eligible for insurance under the policy shall be all of the debtors of the creditor whose indebtedness is repayable either (i) in installments, or (ii) in one sum at the end of a period not in excess of eighteen months from the initial date of the debt, or all of any class or classes thereof determined by conditions pertaining to the indebtedness or the purchase giving rise to the indebtedness. The policy may provide that the term "debtors" shall include the