

or classes thereof determined by conditions pertaining to their employment, or to membership in the unions *or the association of persons licensed by the State of Maryland* OR AUTHORIZED BY LAW to engage in a recognized profession, or the association of employees of a political subdivision OR ANY OTHER ORGANIZED GROUP OF INDIVIDUALS OF OCCUPATIONAL SIMILARITY ~~or to both~~. The policy may provide that the term "employees" shall include retired employees and the individual proprietor or partners if an employer is an individual proprietor or partnership. No director of a corporate employer shall be eligible for insurance under the policy unless such person is otherwise eligible as a bona-fide employee of the corporation by performing services other than the usual duties of a director. No individual proprietor or partner shall be eligible for insurance under the policy unless he is actively engaged in and devotes a substantial part of his time to the conduct of the business of the proprietor or partnership. The policy may provide that the term "employees" shall include the trustees or their employees or both, if their duties are principally connected with such trusteeship.

(b) The premium for the policy shall be paid by the trustees wholly from funds contributed by the employer or employers of the insured persons, or by the union or unions *or by the association of persons licensed by the State of Maryland* OR AUTHORIZED BY LAW to engage in a recognized profession, or by the association of employees of a political subdivision, OR ANY OTHER ORGANIZED GROUP OF INDIVIDUALS OF OCCUPATIONAL SIMILARITY, ~~or by both~~, or except in the case of a policy issued to the trustee of a fund established wholly by two or more employers, partly from such funds and partly from funds contributed by the insured persons. No policy may be issued to the trustees of a fund established wholly by two or more employers, on which any part of the premium is to be derived from funds contributed by the insured persons specifically for their insurance. A policy on which part of the premium is to be derived from funds contributed by the insured persons specifically for their insurance may be placed in force only if at least 75% of the then eligible persons, excluding any as to whom evidence of insurability is not satisfactory to the insurer, elect to make the required contributions.

The premiums may be paid by the insured persons specifically for their insurance if the policy is issued to the trustees of an association of persons licensed by the State of Maryland OR AUTHORIZED BY LAW to engage in a recognized profession, or an association of employees of a political subdivision, OR ANY OTHER ORGANIZED GROUP OF INDIVIDUALS OF OCCUPATIONAL SIMILARITY, provided the total number of persons covered at date of issue exceeds 600 or 75% of the eligible persons whichever is less, excluding any as to whom evidence of insurability is not satisfactory to the insurer, elect to make the required contribution. A policy on which no part of the premium is to be derived from funds contributed by the insured persons specifically for their insurance must insure all eligible persons, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

SEC. 2. *And be it further enacted,* That this Act shall take effect June 1, 1957.

Approved April 15, 1957.