

therewith, and whether or not to be specified in the policy or contract, any agreement of any form or nature promising returns and profits, or any stocks, bonds, or other securities, or interest present or contingent therein or as measured thereby, of any insurance company or other corporation, association, or partnership, or any dividends or profits accrued or to accrue thereon; or offer, promise or give anything of value whatsoever not specified in the contract.

224A. PROHIBITION AGAINST USE OF INSURANCE AS INDUCEMENT.

(A) NO INSURER SHALL DIRECTLY OR INDIRECTLY, OR BY ANY OF ITS AGENTS OR REPRESENTATIVES, PARTICIPATE IN ANY PLAN TO OFFER OR EFFECT ANY KIND OR KINDS OF LIFE INSURANCE, HEALTH INSURANCE, OR ANNUITIES IN THIS STATE AS AN INDUCEMENT TO, OR IN COMBINATION WITH, THE PURCHASE BY THE PUBLIC OF ANY GOODS, SECURITIES, COMMODITIES, SERVICES, OR SUBSCRIPTIONS TO PERIODICALS, EXCEPT UPON THE PAYMENT OF A BONA FIDE PREMIUM BY THE INSURED.

(B) THIS SECTION SHALL NOT APPLY TO INSURANCE ON THE LIFE OF A DEBTOR PURSUANT TO OR IN CONNECTION WITH A SPECIFIC LOAN OR OTHER CREDIT TRANSACTION, OR INSURANCE ON A DEBTOR TO PROVIDE INDEMNITY FOR PAYMENTS BECOMING DUE ON A SPECIFIC LOAN OR OTHER CREDIT TRANSACTION WHILE THE DEBTOR IS DISABLED AS DEFINED IN THE POLICY.

225. Exceptions to Discrimination, Rebates Provision—Life, Health, and Annuity Contracts.

Nothing in sections 223 and 224 shall be construed as including within the definition of discrimination or rebates any of the following practices:

(a) In the case of any contract of life insurance or life annuity, paying bonuses to policyholders or otherwise abating their premiums in whole or in part out of surplus accumulated from nonparticipating insurance, provided that any such bonuses, or abatement of premiums shall be fair and equitable to policyholders and for the best interests of ~~the insurer~~ and its policyholders.

(b) In the case of life insurance and health insurance policies issued on the industrial debit, preauthorized check, bank draft, or similar plans, making allowance to policyholders who have continuously for a specified period made premium payments directly to an office of the insurer or by preauthorized check, bank draft, or similar plans, in an amount which fairly represents the saving in collection expense.

(c) Readjustment of the rate of premium for a group insurance policy based on the loss or expense experience thereunder, at the end of the first or any subsequent policy year of insurance thereunder, which may be made retroactive only for such policy year.

(d) Reduction of premium rate for policies of large amount, but not exceeding savings in issuance and administration expenses reasonably attributable to such policies as compared with policies of similar plan issued in smaller amounts.