

In subsections (a)(2) and (b)(2) of this section, references to "proceeding" are substituted for the former references to an "action" and an "action or proceeding" for consistency.

Also in subsection (a)(2) of this section, the reference to a "complete" copy is substituted for the former reference to a "true" copy for clarity.

The Insurance Article Review Committee notes, for the consideration of the General Assembly, that subsection (b) of this section applies only to life or health insurance policies. The General Assembly may wish to make subsection (b) of this section applicable also to annuity contracts to conform to other similar provisions in this subtitle.

In subsection (b)(1) of this section, the former reference to the requirement that the insurer furnish a copy "to the person making such request" is deleted as surplusage.

In subsection (c)(1) of this section, the reference to a "life insurance or health insurance policy or annuity contract" is substituted for the former reference to "a life or health insurance or annuity policy" to conform to similar references in other sections of this subtitle.

Defined terms: "Annuity contract" § 1-101

"Health insurance" § 1-101

"Insurer" § 1-101

"Life insurance" § 1-101

"Person" § 1-101

"Policy" § 1-101

12-207. STATEMENTS IN APPLICATIONS FOR LIFE OR HEALTH INSURANCE OR ANNUITIES.

(A) CONSIDERED TO BE REPRESENTATIONS.

EACH STATEMENT BY OR ON BEHALF OF THE INSURED OR ANNUITANT IN AN APPLICATION FOR THE ISSUANCE, RENEWAL, OR REINSTATEMENT OF A LIFE INSURANCE OR HEALTH INSURANCE POLICY OR ANNUITY CONTRACT IS CONSIDERED TO BE A REPRESENTATION AND NOT A WARRANTY.

(B) MISREPRESENTATIONS PREVENTING RECOVERY.

A MISREPRESENTATION, OMISSION, CONCEALMENT OF FACTS, OR INCORRECT STATEMENT DOES NOT PREVENT A RECOVERY UNDER THE POLICY OR CONTRACT UNLESS:

(1) THE MISREPRESENTATION, OMISSION, CONCEALMENT, OR STATEMENT IS FRAUDULENT OR MATERIAL TO THE ACCEPTANCE OF THE RISK OR TO THE HAZARD THAT THE INSURER ASSUMES; OR

(2) IF THE CORRECT FACTS HAD BEEN MADE KNOWN TO THE INSURER, AS REQUIRED BY THE APPLICATION FOR THE POLICY OR CONTRACT OR OTHERWISE, THE INSURER IN GOOD FAITH WOULD NOT HAVE: