

BELOW THE PREMIUM THAT WOULD HAVE BEEN PAYABLE ON THE POLICY AS DETERMINED BY THE INSURING AGE OF THE INSURED WHEN THE APPLICATION WAS MADE.

(B) BACK-DATED APPLICATIONS.

AN AGENT OR OTHER REPRESENTATIVE OF AN INSURER MAY NOT IN THE STATE PREPARE, SUBMIT, OR ACCEPT AN APPLICATION FOR LIFE INSURANCE THAT BEARS A DATE EARLIER THAN THE DATE WHEN THE APPLICATION WAS MADE BY THE INSURED OR APPLICANT, IF, AS A RESULT, THE PREMIUM ON THE POLICY IS REDUCED BELOW THE PREMIUM THAT WOULD HAVE BEEN PAYABLE ON THE POLICY AS DETERMINED BY THE INSURING AGE OF THE INSURED WHEN THE APPLICATION WAS MADE.

(C) EFFECT OF SECTION.

THIS SECTION DOES NOT:

- (1) INVALIDATE A CONTRACT MADE IN VIOLATION OF THIS SECTION;
OR
(2) PROHIBIT THE EXCHANGE, ALTERATION, OR CONVERSION OF A POLICY OF LIFE INSURANCE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 373.

In subsection (b) of this section, the reference to the "policy" is substituted for the former reference to "such contract" for consistency with language used in subsection (a) of this section.

Also in subsection (b) of this section, the phrase "below the premium that would have been payable on the policy as determined by the insuring age of the insured when the application was made" is substituted for the former vague phrase "as above stated" for clarity and to conform to the language used in subsection (a) of this section.

Defined terms: "Agent" § 1-101

"Insurer" § 1-101

"Life insurance" § 1-101

"Policy" § 1-101

"Premium" § 1-101

16-105. RIGHT TO SURRENDER POLICY OR CONTRACT FOR CANCELLATION.

(A) SCOPE OF SECTION.

THIS SECTION DOES NOT APPLY TO POLICIES OR CONTRACTS ISSUED TO AN EMPLOYEE IN CONNECTION WITH THE FUNDING OF A PENSION, ANNUITY, OR PROFIT-SHARING PLAN THAT IS QUALIFIED OR EXEMPT UNDER § 401, § 403, § 404, OR § 501 OF THE INTERNAL REVENUE CODE, IF PARTICIPATION IN THE PLAN IS A CONDITION OF EMPLOYMENT.