

“Life insurance” § 1-101

“Life insurer” § 1-101

“Person” § 1-101

“Policy” § 1-101

“Premium” § 1-101

16-209. TABLE OF INSTALLMENT BENEFITS.

IF A POLICY OF LIFE INSURANCE PROVIDES THAT THE PROCEEDS MAY BE PAID IN INSTALLMENTS OR AS AN ANNUITY, THE POLICY SHALL CONTAIN A PROVISION THAT SO STATES AND SHALL INCLUDE A TABLE THAT SHOWS THE AMOUNT AND PERIOD OF THE INSTALLMENT OR ANNUITY IF DETERMINABLE WHEN THE POLICY IS ISSUED.

REVISOR’S NOTE: This section is new language derived without substantive change from former Art. 48A, § 395.

Defined terms: “Annuity” § 1-101

“Life insurance” § 1-101

“Policy” § 1-101

16-210. REINSTATEMENT.

(A) IN GENERAL.

EACH POLICY OF LIFE INSURANCE SHALL CONTAIN A PROVISION THAT, SUBJECT TO SUBSECTION (B) OF THIS SECTION, A POLICY OF INDUSTRIAL LIFE INSURANCE WILL BE REINSTATED WITHIN 2 YEARS AND ANY OTHER POLICY OF LIFE INSURANCE WILL BE REINSTATED WITHIN 3 YEARS AFTER THE DUE DATE OF THE FIRST PREMIUM IN DEFAULT ON:

(1) WRITTEN APPLICATION FOR REINSTATEMENT;

(2) THE PRODUCTION OF EVIDENCE OF INSURABILITY SATISFACTORY TO THE INSURER; AND

(3) THE PAYMENT OF ALL PREMIUMS IN ARREARS AND THE PAYMENT OR REINSTATEMENT OF ANY OTHER INDEBTEDNESS TO THE INSURER ON THE POLICY, WITH INTEREST ON THE PREMIUMS AND OTHER INDEBTEDNESS AT A SPECIFIED RATE NOT EXCEEDING AN EFFECTIVE RATE OF 6% PER YEAR COMPOUNDED ANNUALLY.

(B) POLICIES NOT ELIGIBLE.

THE POLICY SHALL PROVIDE THAT REINSTATEMENT IS NOT ALLOWED IF:

(1) THE POLICY HAS BEEN SURRENDERED FOR ITS CASH SURRENDER VALUE;

(2) THE CASH SURRENDER VALUE OF THE POLICY HAS BEEN EXHAUSTED BECAUSE OF POLICY INDEBTEDNESS; OR

(3) ANY PAID-UP TERM INSURANCE HAS EXPIRED.