

(B) EXCEPTIONS.

SUBSECTION (A) OF THIS SECTION DOES NOT APPLY TO POLICIES OF LIFE INSURANCE THAT INSURE ONLY INDIVIDUALS WHO:

(1) ARE RELATED BY BLOOD, MARRIAGE, OR ADOPTION;

(2) ARE ACTIVELY ENGAGED IN THE MANAGEMENT OF A BUSINESS ENTERPRISE, AND HAVE A COMMON INTEREST THROUGH OWNERSHIP OF THE ENTERPRISE OR A SUBSTANTIAL LEGAL INTEREST OR EQUITY IN THE ENTERPRISE; OR

(3) OTHERWISE HAVE AN INSURABLE INTEREST IN EACH OTHER'S LIVES.

(C) POLICIES ISSUED IN OTHER JURISDICTIONS.

UNLESS APPROVED BY THE COMMISSIONER, SOLICITATION OF COVERAGE IN THE STATE UNDER A POLICY OF GROUP LIFE INSURANCE ISSUED IN ANOTHER JURISDICTION MAY NOT BE MADE UNLESS THE TYPE OF GROUP TO BE COVERED CONFORMS SUBSTANTIALLY TO A TYPE OF GROUP DESCRIBED IN SUBTITLE 2 OF THIS TITLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 417.

In subsection (b)(1) of this section, the former reference to "legal" adoption is deleted as surplusage.

Defined terms: "Commissioner" § 1-101

"Life insurance" § 1-101

"Policy" § 1-101

17-102. INTEREST ON BENEFITS PAYABLE.

(A) IN GENERAL.

SUBJECT TO SUBSECTION (B) OF THIS SECTION, INTEREST ON BENEFITS PAYABLE UNDER A POLICY OF GROUP LIFE INSURANCE ISSUED IN THE STATE SHALL ACCRUE AND BE PAYABLE FROM THE DATE OF DEATH OF THE INSURED UNTIL THE DATE ON WHICH THE PROCEEDS OF THE POLICY ARE PAID.

(B) EXCEPTIONS.

(1) AN INSURER IS NOT REQUIRED TO PAY INTEREST ON BENEFITS IF THE PROCEEDS OF THE POLICY ARE PAID WITHIN 30 DAYS AFTER THE DATE OF DEATH OF THE INSURED.

(2) IF PROOF OF DEATH IS SUBMITTED TO THE INSURER MORE THAN 180 DAYS AFTER THE DATE OF DEATH OF THE INSURED, INTEREST SHALL ACCRUE AND BE PAYABLE FROM THE DATE ON WHICH PROOF OF DEATH IS SUBMITTED TO THE INSURER UNTIL THE DATE ON WHICH THE PROCEEDS OF THE POLICY ARE PAID.