

(I) ALL ELIGIBLE EMPLOYEES OR MEMBERS; OR

(II) ALL ELIGIBLE EMPLOYEES OR MEMBERS OTHER THAN THOSE WHO HAVE EVIDENCE OF INDIVIDUAL INSURABILITY THAT IS UNSATISFACTORY TO THE INSURER.

(D) MINIMUM NUMBER OF INDIVIDUALS COVERED.

(1) THE POLICY MUST COVER AT DATE OF ISSUE AT LEAST 100 INDIVIDUALS AND NOT LESS THAN AN AVERAGE OF FIVE INDIVIDUALS PER EMPLOYER UNIT.

(2) IF THE FUND IS ESTABLISHED BY MEMBERS OF AN ASSOCIATION OF EMPLOYERS, THE POLICY MAY BE ISSUED IF:

(I) EITHER:

1. THE PARTICIPATING EMPLOYERS CONSTITUTE AT DATE OF ISSUE AT LEAST 60% OF THOSE EMPLOYER MEMBERS WHOSE EMPLOYEES ARE NOT ALREADY COVERED FOR GROUP LIFE INSURANCE; OR

2. THE TOTAL NUMBER OF INDIVIDUALS COVERED AT DATE OF ISSUE EXCEEDS 600; AND

(II) THE POLICY MAY NOT REQUIRE THAT, IF A PARTICIPATING EMPLOYER DISCONTINUES MEMBERSHIP IN THE ASSOCIATION, THE INSURANCE OF THE EMPLOYER'S EMPLOYEES CEASES SOLELY BECAUSE OF THE DISCONTINUANCE.

(E) PLAN TO PRECLUDE INDIVIDUAL CHOICE.

THE AMOUNTS OF INSURANCE UNDER THE POLICY MUST BE BASED ON A PLAN THAT PRECLUDES INDIVIDUAL CHOICE BY THE EMPLOYEES OR MEMBERS OR BY THE TRUSTEES, EMPLOYERS, OR UNIONS.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 420.

In subsection (b)(1) of this section, the phrase "issued in accordance with this section" is added to modify the term "policy" for clarity.

In subsection (b)(2)(ii) and (4) of this section, the reference to a "sole" proprietor is substituted for the former reference to an "individual" proprietor for consistency throughout the article and to use common terminology. Similarly, in subsection (b)(2)(ii) of this section, the reference to a "sole proprietorship" is substituted for the former reference to an "individual proprietor" to use common terminology for the business entity.

In subsection (b)(3) of this section, the words "bona fide", which formerly modified "employee of the corporation", are deleted as surplusage.

Throughout subsection (c) of this section, the reference to the insured "employees or members" is substituted for the former reference to the insured "persons" for clarity. Similarly, in subsection (e) of this section, the reference