

IN THE AMOUNT OF LIFE INSURANCE THAT IS CONSIDERED TO CEASE BECAUSE OF THE TERMINATION OF EMPLOYMENT OR MEMBERSHIP.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 434.

In subsection (a)(2) and (4) of this section, the former references to the forms "then" customarily issued, the insurer's "then" customary rate, and the class of risk to which a person "then" belongs are deleted as surplusage.

Defined terms: "Annuity" § 1-101

"Insurance" § 1-101

"Insurer" § 1-101

"Life insurance" § 1-101

"Policy" § 1-101

"Premium" § 1-101

17-310. SAME — TERMINATION OF COVERAGE.

(A) ENTITLEMENT TO INDIVIDUAL POLICY.

SUBJECT TO SUBSECTION (B) OF THIS SECTION, EACH POLICY OF GROUP LIFE INSURANCE SHALL CONTAIN A PROVISION THAT IF THE GROUP POLICY TERMINATES OR IS AMENDED SO AS TO TERMINATE THE INSURANCE OF A CLASS OF INSURED, EACH INSURED AT THE DATE OF THE TERMINATION WHOSE INSURANCE TERMINATES AND WHO HAS BEEN INSURED FOR AT LEAST 5 YEARS BEFORE THE TERMINATION DATE IS ENTITLED TO HAVE ISSUED TO THAT INSURED BY THE INSURER AN INDIVIDUAL POLICY OF LIFE INSURANCE SUBJECT TO THE SAME CONDITIONS AND LIMITATIONS PROVIDED IN § 17-309 OF THIS SUBTITLE.

(B) AMOUNT OF INDIVIDUAL POLICY.

THE GROUP POLICY MAY PROVIDE THAT THE AMOUNT OF AN INDIVIDUAL POLICY ISSUED UNDER THIS SECTION MAY NOT EXCEED THE LESSER OF:

(1) THE AMOUNT OF THE INSURED'S LIFE INSURANCE PROTECTION THAT HAS TERMINATED, LESS THE AMOUNT OF LIFE INSURANCE FOR WHICH THE INSURED IS OR BECOMES ELIGIBLE UNDER A GROUP POLICY ISSUED OR REINSTATED BY THE SAME OR ANOTHER INSURER WITHIN 31 DAYS AFTER THE TERMINATION; AND

(2) \$10,000.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 435.

In subsection (b)(1) of this section, the former reference to life insurance that has ended "because of the termination or amendment of the group policy" is deleted as implicit in the word "terminated".