(2) "NO CLAIM FOR LOSS INCURRED OR DISABILITY (AS DEFINED IN THE POLICY) COMMENCING AFTER TWO YEARS FROM THE DATE OF ISSUE OF THIS POLICY SHALL BE REDUCED OR DENIED ON THE GROUND THAT A DISEASE OR PHYSICAL CONDITION NOT EXCLUDED FROM COVERAGE BY NAME OR SPECIFIC DESCRIPTION EFFECTIVE ON THE DATE OF LOSS HAD EXISTED PRIOR TO THE EFFECTIVE DATE OF COVERAGE OF THIS POLICY."

(B) EFFECT OF PROVISION.

THE FIRST PROVISION SET FORTH IN SUBSECTION (A) OF THIS SECTION DOES NOT:

(1) AFFECT A LEGAL REQUIREMENT FOR AVOIDANCE OF A POLICY OR DENIAL OF A CLAIM DURING THE INITIAL TWO-YEAR PERIOD AFTER THE ISSUANCE OF THE POLICY; OR

(2) LIMIT THE APPLICATION OF §§ 15-219 THROUGH 15-223 OF THIS SUBTITLE IF THERE IS A MISSTATEMENT WITH RESPECT TO AGE, OCCUPATION, OR OTHER INSURANCE.

(C) POLICY INCONTESTABLE AFTER 2 YEARS.

(1) THIS SUBSECTION APPLIES ONLY TO A POLICY THAT THE INSURED MAY CONTINUE IN EFFECT SUBJECT TO ITS TERMS BY THE TIMELY PAYMENT OF PREMIUMS:

(I) UNTIL THE INSURED IS AT LEAST 50 YEARS OLD; OR

(II) IF THE POLICY IS ISSUED AFTER THE INSURED IS 44 YEARS OLD, FOR AT LEAST 5 YEARS AFTER ITS DATE OF ISSUE.

(2) A POLICY SUBJECT TO THIS SUBSECTION MAY OMIT THE FIRST PROVISION SET FORTH IN SUBSECTION (A) OF THIS SECTION AND SUBSTITUTE THE FOLLOWING PROVISION UNDER THE CAPTION "INCONTESTABLE":

"AFTER THIS POLICY HAS BEEN IN FORCE FOR A PERIOD OF TWO YEARS DURING THE LIFETIME OF THE INSURED (EXCLUDING ANY PERIOD DURING WHICH THE INSURED IS DISABLED), IT SHALL BECOME INCONTESTABLE AS TO THE STATEMENTS CONTAINED IN THE APPLICATION."

(3) IN THE PROVISION SET FORTH IN PARAGRAPH (2) OF THIS SUBSECTION, AN INSURER MAY OMIT THE CLAUSE "EXCLUDING ANY PERIOD DURING WHICH THE INSURED IS DISABLED".

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 441.

The quoted language of subsections (a) and (c)(2) of this section is the same as the quoted language of former Art. 48A, § 441.

In subsection (b)(1) of this section, the phrase "after the issuance of the policy" is added for clarity.