

(III) THE DEBTORS OF ONE OR MORE AFFILIATED CORPORATIONS, PROPRIETORSHIPS, OR PARTNERSHIPS IF THE BUSINESS OF THE POLICYHOLDER AND OF THE AFFILIATED CORPORATIONS, PROPRIETORSHIPS, OR PARTNERSHIPS IS UNDER COMMON CONTROL.

(C) (1) THE PREMIUM FOR THE POLICY SHALL BE PAID EITHER FROM THE CREDITOR'S FUNDS, OR FROM CHARGES COLLECTED FROM THE INSURED DEBTORS, OR FROM BOTH.

(2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, A POLICY ON WHICH NO PART OF THE PREMIUM IS TO BE DERIVED FROM THE FUNDS CONTRIBUTED BY INSURED DEBTORS SPECIFICALLY FOR THEIR INSURANCE MUST INSURE ALL ELIGIBLE DEBTORS.

(3) AN INSURER MAY EXCLUDE ANY DEBTORS AS TO WHOM EVIDENCE OF INDIVIDUAL INSURABILITY IS NOT SATISFACTORY TO THE INSURER.

(D) (1) THE AMOUNT OF INSURANCE ON THE LIFE OF ANY DEBTOR SHALL AT NO TIME EXCEED THE GREATER OF THE SCHEDULED OR ACTUAL AMOUNT OF UNPAID INDEBTEDNESS TO THE CREDITOR.

(2) (I) THE INSURANCE MAY BE PAYABLE TO THE CREDITOR OR ANY SUCCESSOR TO THE RIGHT, TITLE, AND INTEREST OF THE CREDITOR.

(II) THE PAYMENT SHALL REDUCE OR EXTINGUISH THE UNPAID INDEBTEDNESS OF THE DEBTOR TO THE EXTENT OF THE PAYMENT AND ANY EXCESS OF THE INSURANCE SHALL BE PAYABLE TO THE BENEFICIARY NAMED BY THE INSURED OTHER THAN THE CREDITOR OR TO THE ESTATE OF THE INSURED.

(3) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPHS (1) AND (2) AND ~~(3)~~ OF THIS SUBSECTION:

(I) INSURANCE ON AGRICULTURAL CREDIT TRANSACTION COMMITMENTS NOT EXCEEDING A TERM OF 1 YEAR MAY BE WRITTEN UP TO THE AMOUNT OF THE LOAN COMMITMENT ON A NONDECREASING OR LEVEL TERM PLAN; AND

(II) INSURANCE ON EDUCATIONAL CREDIT TRANSACTION COMMITMENTS MAY BE WRITTEN UP TO THE AMOUNT OF THE LOAN COMMITMENT LESS THE AMOUNT OF ANY REPAYMENTS MADE ON THE LOAN.

17-207.

(a) (1) Subject to the requirements of this section, the lives of a group of individuals may be insured under a policy issued to a credit union organized in accordance with State law or the Federal Credit Union Act to cover members of the credit union for the benefit of persons other than the credit union or its officials.

(2) The credit union to which the policy is issued is deemed the policyholder.