|  |
| --- |
| **Maine Bureau of Insurance** |
| Form Filing Review Requirements Checklist |
| TOI - CR04I and/or CR02I |
| Individual Credit Life and/or Disability |
| Revised – 12/10/2020 |
| Carriers must confirm compliance and IDENTIFY the LOCATION (Form number, Page number, Section, Paragraph, etc.) of the standard in the form in the last column. Any response of N/A requires that a carrier explain why the requirement is not applicable. |
| This checklist is intended to provide a summary of State and Federal requirements for the TOI listed above. Please see the laws/rules referenced in the checklist below for the full requirement. |

|  |  |  |  |
| --- | --- | --- | --- |
| **REVIEW REQUIREMENTS** | **REFERENCES** |  | **COMPLIANCE** |
| **GENERAL SUBMISSION REQUIREMENTS** |  |  |  |
| Electronic (SERFF) Filing Requirements: | [Title 24-A § 2412](https://legislature.maine.gov/statutes/24-A/title24-Asec2412.html)(2) [Bulletin 360](https://www.maine.gov/pfr/insurance/sites/maine.gov.pfr.insurance/files/inline-files/360_0.pdf) | All filings must be filed electronically, using the NAIC System for Electronic Rate and Form Filing (SERFF). See http://www.serff.com |  |
| FILING FEES | [Title 24-A § 601](https://legislature.maine.gov/statutes/24-A/title24-Asec601.html) (17) | $20.00 for Rate filings, rating rules filings, insurance policy, forms, riders, endorsements and certificates. See General Instructions page in SERFF for additional information on filing fee structure. Filing fees must be submitted by EFT in SERFF at the time of submission of the filing. All filings require a filing fee unless specifically excluded per 24-A M.R.S.A. §4222(1), and/or are a required annual report. |  |
| Grounds for disapproval | [Title 24-A § 2413](https://legislature.maine.gov/statutes/24-A/title24-Asec2413.html) | Seven categories of the grounds for disapproving a filing. |  |
| Readability | [Title 24-A § 2441](https://legislature.maine.gov/statutes/24-A/title24-Asec2441.html) | Minimum of 50.  Riders, endorsements, applications all must be scored. They may be scored either individually or in conjunction with the policy/certificate to which they will be attached. Exceptions: Federally mandated forms/language, Groups > 1000, Group Annuities as funding vehicles. Scores must be entered on form schedule tab in SERFF. |  |
| Variability of Language | [Title 24-A § 2412](https://legislature.maine.gov/statutes/24-A/title24-Asec2412.html)  [Title 24-A § 2413](https://legislature.maine.gov/statutes/24-A/title24-Asec2413.html) | Forms with variable bracketed information must include all the possible language that might be placed within the brackets. The use of too many variables will result in filing disapproval as Bureau staff may not be able to determine whether the filing is compliant with Maine laws and regulations. |  |
| **GENERAL POLICY PROVISIONS** |  |  |  |
| AIDS and Medical Lifestyle Standards | [Rule 490](https://www.maine.gov/sos/cec/rules/02/031/031c490.doc) | The purpose of this rule is to clarify the standards applicable to written informed consent forms required to be completed by persons required to take a test for the presence of the antibody to the Human Immunodeficiency Virus (HIV) or for the Human Immunodeficiency Antigen by an insurer, nonprofit hospital service organization, nonprofit medical service organization, or a nonprofit health care plan, to establish standards for pretest and post-test counseling required to be provided to persons subject to testing as required by 5 M.R.S.A. Section 19203-A, and to establish standards for medical and lifestyle application questions and underwriting. |  |
| Death with Dignity | [Title 22 § 2140](https://legislature.maine.gov/statutes/22/title22sec2140.html)(19) | The sale, procurement or issuance of any health or accident insurance or the rate charged for any health or accident policy may not be conditioned upon or affected by the making or rescinding of a request by a qualified patient for medication that the patient may self-administer to end the patient's life in accordance with the Maine Death With Dignity Act. |  |
| Discrimination Against FDA Approved Opioid Overdose-reversing Medication | [Title 24-A § 2159](https://legislature.maine.gov/statutes/24-A/title24-Asec2159-E.html)-E | An insurer may not limit coverage or refuse to issue or renew coverage or consider due to the fact that the individual has been issued a prescription for FDA approved opioid overdose reversing medication. The insurer may also not consider the purchase or prescription of FDA approved opioid overdose reversing medication in determining rates without any additional actuarial information. The exception is when an individual has a demonstrated history of opioid use disorder. |  |
| Entire contract - Changes | [Title 24-A § 2705](https://legislature.maine.gov/statutes/24-A/title24-Asec2705.html) | The following must be included: Entire contract; changes: This policy, including the endorsements and the attached papers, if any, constitutes the entire contract of insurance. No change in this policy shall be valid until approved by an executive officer of the insurer and unless such approval be endorsed hereon or attached hereto. No agent has authority to change this policy or to waive any of its provisions. |  |
| Examination, autopsy | [Title 24-A § 2714](https://legislature.maine.gov/statutes/24-A/title24-Asec2714.html)  [Title 24-A § 2826](https://legislature.maine.gov/statutes/24-A/title24-Asec2826.html) | The following must be included:  Physical examination and autopsy: The insurer at its own expense shall have the right and opportunity to examine the person of the insured when and as often as it may reasonably require during the pendency of a claim hereunder and to make an autopsy in case of death where it is not forbidden by law. |  |
| Genetic Information Protections | [Title 24-A § 2159](https://legislature.maine.gov/statutes/24-A/title24-Asec2159-C.html)-C(3)  [Title 24-A § 2159](https://legislature.maine.gov/statutes/24-A/title24-Asec2159.html)-C(4) | An insurer may not make or permit any unfair discrimination against an individual in the application of genetic information or the results of a genetic test in the issuance, withholding, extension or renewal of an insurance policy. An insurer may not request, require, purchase or use information obtained from an entity providing direct-to-consumer genetic testing without the informed written consent of the individual who has been tested. |  |
| Legal Actions | [Title 24-A § 2715](https://legislature.maine.gov/statutes/24-A/title24-Asec2715.html) | There shall be a provision as follows:  Legal actions: No action at law or in equity shall be brought to recover on this policy prior to the expiration of sixty days after written proof of loss has been furnished in accordance with the requirements of this policy. No such action shall be brought after the expiration of 3 years after the time written proof of loss is required to be furnished. |  |
| Live Organ Donation Prohibition | [Title 24-A § 2159](https://legislature.maine.gov/statutes/24-A/title24-Asec2159-D.html)-D | Notwithstanding any other provision of law, an insurer authorized to do business in this State may not: A. Limit coverage or refuse to issue or renew coverage of an individual under any life insurance, disability insurance or long-term care insurance policy due to the status of that individual as a living organ donor; B. Preclude an individual from donating all or part of an organ as a condition of receiving coverage under a life insurance, disability insurance or long-term care insurance policy; C. Consider the status of an individual as a living organ donor in determining the premium rate for coverage of that individual under a life insurance, disability insurance or long-term care insurance policy; or D. Otherwise discriminate in the offering, issuance, cancellation, amount of coverage, price or any other condition of a life insurance, disability insurance or long-term care insurance policy based solely and without any additional actuarial justification upon the status of an individual as a living organ donor. |  |
| Misstatement of age | [Title 24-A § 2720](https://legislature.maine.gov/statutes/24-A/title24-Asec2720.html) | f the age of the insured has been misstated, all amounts payable under this policy shall be such as the premium paid would have purchased at the correct age. |  |
| Optional policy provisions | [Title 24-A § 2718](https://legislature.maine.gov/statutes/24-A/title24-Asec2718.html) | Except as provided in section 2704, subsection 2, no such policy delivered or issued for delivery to any person in this State shall contain provisions respecting the matters set forth in sections 2719 to 2728, unless such provisions are in the words in which the same appear in the applicable section, except that the insurer may, at its option, use in lieu of any such provision a corresponding provision of different wording approved by the superintendent which is not less favorable in any respect to the insured or the beneficiary. Any such provision contained in the policy shall be preceded individually by the appropriate caption or, at the option of the insurer, by such appropriate individual or group captions or subcaptions as the superintendent may approve. |  |
| Proof of loss | [Title 24-A § 2711](https://legislature.maine.gov/statutes/24-A/title24-Asec2711.html) | The following must be included: Proofs of loss: Written proof of loss must be furnished to the insurer at its said office in case of claim for loss for which this policy provides any periodic payment contingent upon continuing loss within 90 days after the termination of the period for which the insurer is liable and in case of claim for any other loss within 90 days after the date of such loss. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity, later than one year from the time proof is otherwise required. |  |
| Rebates | [Title 24-A § 2160](https://legislature.maine.gov/statutes/24-A/title24-Asec2160.html)  [Title 24-A § 2163-A](https://legislature.maine.gov/statutes/24-A/title24-Asec2163-A.html)  [Bulletin 426](https://www.maine.gov/pfr/insurance/sites/maine.gov.pfr.insurance/files/inline-files/426.pdf)  [Bulletin 382](https://www.maine.gov/pfr/insurance/themes/insurance/pdf/382.pdf) | Are there any provisions that give the insured a benefit not associated with indemnification or loss? Yes \_\_\_No \_\_\_ |  |
| Required Provisions | [Title 24-A § 2704](https://legislature.maine.gov/statutes/24-A/title24-Asec2705.html) | The policy must contain the provisions specified in sections 2705 to 2716 using the same wording and captions, unless the Superintendent approves substitutions that are not less favorable in any respect to the insured, or the Superintendent approves omission of a provision or part of a provision because it is in whole or in part inapplicable to or inconsistent with the coverage of the policy. |  |
| Third Party 21 Day Notice of Cancellation; Reinstatement for Cognitive Impairment or Functional Incapacity | [Title 24-A § 2556](https://legislature.maine.gov/statutes/24-A/title24-Asec2556.html)  [Rule 585](https://www.maine.gov/sos/cec/rules/02/031/031c585.doc) | All policies shall include notice of the right to seek reinstatement after cancellation, termination, or lapse, if loss of coverage is attributable to the policyholder’s affliction with Cognitive Impairment or Functional Incapacity. Policies must include notice of the right to: 1. receive notification that an individual life insurance policy that has been in force for at least one year may not be terminated for nonpayment of premium, unless at least 21 days prior to the expiration of the policy’s grace period, the insurer has mailed a notice of cancellation to the policyholder and any third party designated by the policyholder by name and address in writing; 2. designate a third party to receive notification pursuant to Section 4 of the Rule; and 3. change the designation. |  |
| Time Limit on Certain Defenses | [Title 24-A § 2706](https://legislature.maine.gov/statutes/24-A/title24-Asec2706.html) | After 3 years from the date of issue of policy no misstatements, except fraudulent misstatements, made by the applicant in the application for such policy shall be used to void the policy or to deny a claim for loss incurred or disability, commencing after the expiration of such 3-year period. |  |
| Time of Payment of Claims | [Title 24-A § 2712](https://legislature.maine.gov/statutes/24-A/title24-Asec2712.html) | The policy must contain the following provision: Time of payment of claims: Indemnities payable under this policy for any loss other than loss for which this policy provides any periodic payment, will be paid immediately upon receipt of due written proof of such loss. Subject to due written proof of loss, all accrued indemnities for loss for which this policy provides periodic payment will be paid (insert period for payment which must not be less frequently than monthly) and any balance remaining unpaid upon the termination of liability will be paid immediately upon receipt of due written proof. |  |
| **CLAIMS** |  |  |  |
| Claim Forms | [Title 24-A § 2710](https://legislature.maine.gov/statutes/24-A/title24-Asec2710.html) | The policy must include the “Claim forms” provision set forth in Section 2710. |  |
| Notice of claim | [Title 24-A § 2709](https://legislature.maine.gov/statutes/24-A/title24-Asec2709.html) | There shall be a provision that written notice of claim must be given to the insurer within 20 days after the occurrence or commencement of any loss covered by the policy, or as soon thereafter as is reasonably possible. Notice given by or on behalf of the insured or the beneficiary to the insurer at (insert the location of such office as the insurer may designate for the purpose), or to any authorized agent of the insurer, with information sufficient to identify the insured, shall be deemed notice to the insurer.  In a policy providing a loss-of-time benefit which may be payable for at least 2 years, an insurer may, at its option, add additional language to the required “Notice of claim” provision, as provided in Section 2709. |  |
| **APPLIES TO BOTH CREDIT LIFE & DISABILITY** |  |  |  |
| Acquired Immune Deficiency Syndrome | [Title 24-A § 2526](https://legislature.maine.gov/statutes/24-A/title24-Asec2526-A.html)-A  [Title 24-A § 2750](https://legislature.maine.gov/statutes/24-A/title24-Asec2750.html) | No individual policy of life insurance and individual or family health insurance policy delivered or issued for delivery in this State may provide more restrictive coverage for death resulting from Acquired Immune Deficiency Syndrome (AIDS), AIDS Related Complex (ARC) or HIV related diseases than for death resulting from any other disease or sickness or exclude coverage for death resulting from AIDS, ARC or HIV related diseases. This section shall not apply to death by accident or accidental means. |  |
| Amount of Insurance | [Rule 220](https://www.maine.gov/sos/cec/rules/02/031/031c220.doc) § 7(C) | If the benefit under credit life or credit disability insurance will be insufficient to extinguish the amount of indebtedness at the time of death or disability (excluding any indebtedness due only to delinquency in payments by the debtor), this fact must be prominently disclosed in the group certificate or individual policy. |  |
| Amounts of Insurance | [Title 24-A § 2855](https://legislature.maine.gov/statutes/24-A/title24-Asec2855.html) | 1. Credit Life Insurance - The amount of credit life insurance shall at no time exceed the unpaid amount financed plus earned interest and an allowance for delinquencies as determined by the superintendent or, in the case of open-end credit, the balance upon which a finance charge may be imposed, plus earned interest and an allowance for delinquencies as determined by the superintendent.  2. Agricultural Credit Commitments - Notwithstanding subsection 1, paragraph A, insurance on agricultural credit transaction commitments not exceeding 2 years in duration may be written up to the amount of the loan commitment, on a nondecreasing or level term plan.  3. Educational Credit Commitments - Notwithstanding subsection 1, paragraph A, insurance on educational credit transaction commitments may be written for the amount of the portion of such commitment that has not been advanced by the creditor.  4. Credit Health Insurance - Coverage limited. The total amount of indemnity payable by credit health insurance in the event of disability, as defined in the policy, shall not exceed the aggregate of the periodic scheduled unpaid installments of the indebtedness; and the amount of each periodic indemnity payment shall not exceed the original indebtedness divided by the number of periodic installments. |  |
| Application or Notice of Proposed Insurance | [Title 24-A § 2857](https://legislature.maine.gov/statutes/24-A/title24-Asec2857.html)(4)  [Rule 220](https://www.maine.gov/sos/cec/rules/02/031/031c220.doc) § 5 | The copy of the application or notice of proposed insurance to be separate from the credit instrument, unless the information is prominently set forth in it. |  |
| Definition of Total Disability | [Rule 220](https://www.maine.gov/sos/cec/rules/02/031/031c220.doc) § 4(M) | “Total Disability” shall be defined no more restrictively than: (1) In the case of an insured who was gainfully employed prior to disability, “the inability to engage in any gainful occupation for which he or she is reasonably suited by training, education, and experience,” or (2) In the case of an insured who was not gainfully employed prior to disability, “the inability to engage in activities of a gainfully employed a person of like age, training, education, and experience.” |  |
| Eligibility for Coverage | [Rule 220](https://www.maine.gov/sos/cec/rules/02/031/031c220.doc) § 10(H)(3) | Do not condition eligibility for coverage on an employment requirement more restrictive than one requiring that the debtor be employed full-time on the effective date of coverage. Full-time means a regular work week of not less than 30 hours. |  |
| Filing of Forms | [Title 24-A § 2858](https://legislature.maine.gov/statutes/24-A/title24-Asec2858.html) | All policies, certificates of insurance, notices of proposed insurance, applications for insurance, endorsements and riders delivered or issued for delivery in this State and the schedules of premium rates pertaining thereto shall be filed with the superintendent. |  |
| Forms Available | [Title 24-A § 2854](https://legislature.maine.gov/statutes/24-A/title24-Asec2854.html) | Consumer credit insurance may be issued only in the following forms: 1. Individual life. Individual policies of life insurance issued to debtors on the term plan; 2. Individual accident and health. Individual policies of health insurance issued to debtors on a term plan, or disability benefit provisions in individual policies of credit life insurance; 3. Group life. Group policies of life insurance issued to creditors providing insurance upon the lives of debtors on the term plan; 4. Group accident and health. Group policies of health insurance issued to creditors on a term plan insuring debtors, or disability benefit provisions in group credit life insurance policies to provide such coverage; 4-A. Individual credit property insurance. Individual policies of property insurance on property that is purchased on credit or pledged as collateral on a loan when the insurance is purchased by or issued to the debtor in connection with that loan or credit transaction; 4-B. Group credit property insurance. Group policies of property insurance on property that is purchased on credit or pledged as collateral on a loan when the insurance is purchased by or issued to the debtor in connection with that loan or credit transaction; 4-C. Individual credit involuntary unemployment insurance. Individual involuntary unemployment policies insuring a debtor pursuant to or in connection with a specific loan or other credit transaction but not including disability insurance policies; 4-D. Group credit involuntary unemployment insurance. Group involuntary unemployment policies insuring a debtor pursuant to or in connection with a specific loan or other credit transaction but not including disability insurance policies; or 5. Combination. A combination under subsections 1 and 2, or under 3 and 4. |  |
| Policy Provisions | [Title 24-A § 2857](https://legislature.maine.gov/statutes/24-A/title24-Asec2857.html) | Policy or certificate must be delivered to the debtor. Content of Certificate must include: Name and Home Office address of insurer; Name of the debtor; Premium or amount of payment (separated for life & health, if separate identifiable charges);Description of the coverage, including amount and term of coverage; Exceptions, limitations and restrictions of policy (Suicide exclusion is limited to two (2) years -- [Rule 220](https://www.maine.gov/sos/cec/rules/02/031/031c220.doc) & 24-A §2525)Conditions under which the policy may be terminated must be in bold print. Must state that the benefit is paid to the creditor to reduce or extinguish the unpaid indebtedness must disclose that the coverage under the policy may not completely pay off the indebtedness and, wherever the amount of insurance may exceed the unpaid indebtedness, that any excess is payable to a beneficiary, other than the creditor, named by the debtor or to the debtor's estate. Must state that the insured has a 30-day "free look" and the insured may cancel the contract for any reason for a full refund of premium. |  |
| Refund | [Rule 220](https://www.maine.gov/sos/cec/rules/02/031/031c220.doc) § 11(G) | No refund of less than $5 need be made. |  |
| Refund of Unearned Premium |  | With regard to the requirement that the insured notify the Insurance Company of the early payoff of the loan in order to receive a refund of unearned premium, we do not believe shifting the burden to the insured is the right solution. Even if this obligation were clearly and prominently disclosed at issue, it is not realistic to expect the insured to remember this several years later. The responsibility to notify the carrier of an early payoff of a loan should remain with the lender. |  |
| Reinstatement Due to Cognitive Impairment or Functional Incapacity | [Title 24-A § 2556](https://legislature.maine.gov/statutes/24-A/title24-Asec2556.html) (2)  [Title 24-A § 2707](https://legislature.maine.gov/statutes/24-A/title24-Asec2707-A.html)-A  [Rule 585](https://www.maine.gov/sos/cec/rules/02/031/031c585.doc) | Pursuant to the requirements in [Rule 585](https://www.maine.gov/sos/cec/rules/02/031/031c585.doc) all policies shall include notice of the right to seek reinstatement after cancellation, termination, or lapse, if loss of coverage is attributable to the policyholder’s affliction with cognitive impairment or functional incapacity. |  |
| Scope of Provisions | [Title 24-A § 2851](https://legislature.maine.gov/statutes/24-A/title24-Asec2851.html) | All life insurance and all health insurance in connection with loans or other credit transactions, credit property insurance, credit involuntary unemployment insurance and other consumer credit insurance specifically authorized by the superintendent in rules adopted pursuant to section 2865 are subject to this chapter, except the following: Long-term loan. Insurance in connection with a loan or other credit transaction of more than 15 years' duration; Isolated transactions. Insurance issued in an isolated transaction on the part of the insurer not related to an agreement or a plan for insuring debtors of the creditor; Real estate loan. Insurance in connection with real estate loans when the charge, if any, to the debtor is periodic and not financed; Casualty insurance. Insurance issued pursuant to section 707, subsection 1, paragraph I against loss or damage resulting from failure of debtors to pay their obligations to the insured; or Debt cancellation agreements. Debt cancellation agreements entered into between financial institutions or credit unions and their debtors |  |
| Term of Insurance | [Title 24-A § 2856](https://legislature.maine.gov/statutes/24-A/title24-Asec2856.html) | The term of insurance shall commence on the date when the debtor becomes obligated to the creditor. If evidence of insurability is required and such evidence is furnished more than 30 days after the date when the debtor becomes obligated to the creditor, the insurance may commence on the date the insurer determines the evidence to be satisfactory. There shall be a refund or adjustment of any charge to the debtor for insurance during the period which s/he was not covered. The term of insurance shall not extend more than 15 days beyond the scheduled maturity date, except when extended at no cost to the debtor. If the indebtedness is discharged due to renewal or refinancing prior to the scheduled maturity date, the insurance in force shall be terminated before any new insurance may be issued in connection with the renewed or refinanced indebtedness. In all cases of termination prior to maturity, a refund shall be paid or credited promptly. Formulas for computing refunds will be filed. The Rule of 78 is not allowed for calculating refund factors. This has been disallowed since 1987. |  |
| Truncated Coverage Notice | [Rule 220](https://www.maine.gov/sos/cec/rules/02/031/031c220.doc) | A. For truncated credit life insurance and/or credit disability insurance, a notice must appear in bold print on the face of the individual policy or group certificate or as an endorsement attached to the face page of the individual policy or group certificate. If the same policy or certificate form is used for both truncated and other types of coverage, a check box may be used such that the notice applies only if the box is checked.  B. Unless alternative language is approved by the Superintendent, the notice shall be worded as follows:  (1) For truncated credit life insurance: “Notice: The term of your loan is longer than the term of this insurance. The death benefit is only payable if death occurs during the term of the insurance.”  (2) For truncated credit disability insurance: “Notice: The term of your loan is longer than the term of this insurance. Disability benefits will not be paid for any period of disability beginning or continuing after the termination date of this insurance.”  (3) For truncated credit life and disability insurance: "Notice: The term of your loan is longer than the term of this insurance. The death benefit is only payable if death occurs during the term of the insurance. Disability benefits will not be paid for any period of disability beginning or continuing after the termination date of this insurance.” |  |
| Unfair discrimination | [Title 24-A § 2159](https://legislature.maine.gov/statutes/24-A/title24-Asec2159.html) | 1. No person shall make or permit any unfair discrimination between individuals of the same class and equal expectation of life in the rates charged for any contract of life insurance or of life annuity or in the dividends or other benefits payable thereon, or in any other of the terms and conditions of such contract.  2. No person may make or permit any unfair discrimination between individuals of the same class and of essentially the same hazard in the amount of premium, policy fees, or rates charged for any policy or contract of health insurance or in the benefits payable thereunder, or in any of the terms or conditions of such contract, or in any other manner whatever. Nothing in this provision prohibits an insurer from providing incentives for insureds to use the services of a particular provider.  3. It shall be an unfair trade practice in the business of insurance for any insurer to discriminate unfairly against any person who has tested positive for the presence of the human immunodeficiency antigen or the presence of an antibody to the human immunodeficiency virus or who has Acquired Immune Deficiency Syndrome or AIDS, AIDS Related Complex (ARC) or HIV related diseases provided that nothing in this subsection prohibits an insurer from treating individuals of different classes and of unequal expectations of life, or essentially different hazards, differently in accordance with subsection 1 or 2. |  |
| Waiting Period | [Title 9-A](https://legislature.maine.gov/statutes/9-A/title9-Ach0sec0.html) § 4-104 | The waiting period can be no less than 30 days. |  |
| **APPLIES TO ONLY CREDIT DISABILITY** |  |  |  |
| Scope, format of policy | [Title 24-A § 2703](https://legislature.maine.gov/statutes/24-A/title24-Asec2703.html) | No policy of health insurance shall be delivered or issued for delivery to any person in this State unless it otherwise complies with this Title, and complies with the following: 1. The entire money and other considerations therefore shall be expressed therein; 2. The time when the insurance takes effect and terminates shall be expressed therein; 3. It shall purport to insure only one person, except that a policy may insure, originally or by subsequent amendment, upon the application of an adult member of a family, who shall be deemed the policyholder, any 2 or more eligible members of that family, including husband, wife, dependent children or any children under a specified age which shall not exceed 23 years and any other person dependent upon the policyholder; 4. The style, arrangement and overall appearance of the policy shall give no undue prominence to any portion of the text, and every printed portion of the text of the policy and of any endorsements or attached papers shall be plainly printed in light-faced type of a style in general use, the size of which shall be uniform and not less than ten-point with a lower case unspaced alphabet length not less than one hundred and twenty-point; the "text" shall include all printed matter except the name and address of the insurer, name or title of the policy, the brief description, if any, and captions and subcaptions; 5. The exceptions and reductions of indemnity shall be set forth in the policy and, other than those contained in sections 2705 to 2729, shall be printed, at the insurer's option, either included with the benefit provision to which they apply, or under an appropriate caption such as "Exceptions", or "Exceptions and Reductions", except that if an exception or reduction specifically applies only to a particular benefit of the policy, a statement of such exception or reduction shall be included with the benefit provision to which it applies; 6. Each such form, including riders and endorsements, shall be identified by a form number in the lower left-hand corner of the first page thereof; and 7. The policy shall contain no provision purporting to make any portion of the charter, rules, constitution or bylaws of the insurer a part of the policy unless such portion is set forth in full in the policy, except in the case of the incorporation of, or reference to, a statement of rates or classification of risks, or short-rate table filed with the superintendent. |  |
| **APPLIES TO ONLY CREDIT LIFE** |  |  |  |
| Entire Contract | [Title 24-A § 2506](https://legislature.maine.gov/statutes/24-A/title24-Asec2506.html) | There shall be a provision that except as otherwise expressly provided by law, the policy and the application therefore, if a copy of such application is endorsed upon or attached to the policy when issued, shall constitute the entire contract between the parties, and that all statements contained in the application shall, in the absence of fraud, be deemed representations and not warranties. |  |
| Excluded or restricted coverage | [Title 24-A § 2516](https://legislature.maine.gov/statutes/24-A/title24-Asec2516.html) | A clause in any policy of life insurance policy or annuity contract providing that such policy or contract shall be incontestable after a specified period shall preclude only a contest of the validity of the policy or contract, and shall not preclude the assertion at any time of defenses based upon provisions in the policy or contract which exclude or restrict coverage, whether or not such restrictions or exclusions are excepted in such clause. |  |
| Grace Period | [Title 24-A § 2505](https://legislature.maine.gov/statutes/24-A/title24-Asec2505.html) | There shall a grace period of 30 days, or of one month of not less than 30 days, or of 4 weeks in the case of industrial life insurance policies. The insurer may impose an interest charge not in excess of 6% per annum for the number of days of grace elapsing before the payment of the premium, and, whether or not such interest charge is imposed, if a claim arises under the policy during such period of grace the amount of any premium due or overdue, together with interest and any deferred installment of the annual premium, may be deducted from the policy proceeds. |  |
| Incontestability | [Title 24-A § 2507](https://legislature.maine.gov/statutes/24-A/title24-Asec2507.html) | There shall be a provision that the policy shall be incontestable after it has been in force during the lifetime of the insured for a period of not more than 2 years after its date of issue, except for nonpayment of premiums and, at the insurer's option, provisions relating to benefits in the event of total and permanent disability and provisions granting additional benefits specifically against death by accident or accidental means. |  |
| Limitation of liability | [Title 24-A § 2525](https://legislature.maine.gov/statutes/24-A/title24-Asec2525.html) | 1. No policy of life insurance shall be delivered or issued for delivery in this State if it contains any of the following provisions:  A. A provision limiting the time within which an action at law or in equity may be commenced on such a policy to less than 3 years after the cause of action has accrued.  B. A provision that excludes or restricts liability for death caused in a certain specified manner or occurring while the insured has a specified status, except that a policy may contain provisions excluding or restricting coverage as specified therein in the event of death under any one or more of the following circumstances:  (1) Death as a result, directly or indirectly, of war, declared or undeclared, or of action by military forces, or of any act or hazard of such war or action, or of service in the military, naval or air forces or in civilian forces auxiliary thereto, or from any cause while a member of such military, naval or air forces of any country at war, declared or undeclared, or of any country engaged in such military action;  (2) Death as a result of aviation or any air travel or flight;  (3) Death as a result of a specified hazardous occupation or occupations or avocation;  (4) Death while the insured is a resident outside continental United States and Canada;  (5) Death within 2 years from the date of issue of the policy as a result of suicide, while sane or insane; or  (6) Death within 2 years from the date of issue of an increase in policy face amount, as a result of suicide, while sane or insane.  3. This section shall not apply to group life insurance, health insurance, reinsurance, or annuities, or to any provision in a life insurance policy or contract supplemental thereto relating to disability benefits or to additional benefits in the event of death by accident or accidental means.  4. Nothing contained in this section shall prohibit any provision which in the opinion of the superintendent is more favorable to the policyholder than a provision permitted by this section |  |
| Misstatement of age | [Title 24-A § 2508](https://legislature.maine.gov/statutes/24-A/title24-Asec2508.html) | There shall be a provision that if the age of the insured or of any other person whose age is considered in determining the premium or benefit has been misstated, any amount payable or benefit accruing under the policy shall be such as the premium would have purchased at the correct age or ages. |  |
| Notice Requirements | [Rule 585](https://www.maine.gov/sos/cec/rules/02/031/031c585.doc) | All policies subject to this Rule shall include notice of the right:1. To receive notification that an individual life insurance policy that has been in force for at least one year may not be terminated for nonpayment of premium, unless at least 21 days prior to the expiration of the policy’s grace period, the insurer has mailed a notice of cancellation to the policyholder and any third party designated by the policyholder by name and address in writing;2. To designate a third party to receive notification pursuant to Section 4 of the Rule; and 3. To change a third-party designation. |  |
| Payment of claim | [Title 24-A § 2513](https://legislature.maine.gov/statutes/24-A/title24-Asec2513.html) | There shall be a provision that when the benefits under the policy shall become payable by reason of the death of the insured, settlement shall be made upon receipt of due proof of death and, at the insurer’s option, surrender of the policy and proof of the interest of the claimant.  If an insurer shall specify a particular period prior to the expiration of which settlement shall be made, such period shall not exceed 2 months from the receipt of such proofs. |  |
| Prohibited provisions | [Title 24-A § 2526](https://legislature.maine.gov/statutes/24-A/title24-Asec2526.html) | 1. No life insurance policy, other than industrial insurance, shall be delivered or issued for delivery in this State, if it contains any of the following provisions:  A. A provision by which the policy purports to be issued or to take effect more than one year before the original application for the insurance was made.  B. A provision for any mode of settlement at maturity of the policy of less value than the amount insured under the policy, plus dividend additions, if any, less any indebtedness to the insurer on or secured by the policy and less any premium that may by the terms of the policy be deducted.  C. A provision to the effect that the agent soliciting the insurance is the agent of the person insured under the policy, or making the acts or representations of such agent binding upon the person so insured under the policy. |  |
| Rate Increases | [Rule 220](https://www.maine.gov/sos/cec/rules/02/031/031c220.doc) § 9(D)(9) | Upward deviations shall not be applied to debtors with closed-end loans whose coverage is already in force on the effective date of the deviation. Downward deviations need not be applied to debtors with closed-end loans whose coverage is already in force on the effective date of the deviation.It must be noted that while the current rule is unclear as to whether rate deviations should be implemented with respect to existing loans, [Title 24-A § 2859](https://legislature.maine.gov/statutes/24-A/title24-Asec2859.html)(1) makes it clear that this cannot be done with respect to upward deviations on closed-end loans. We have therefore clarified the rule to say that rate deviations do not apply to existing closed-end loans. (See sections 9(D) and 10(F).) |  |
| Title | [Title 24-A § 2515](https://legislature.maine.gov/statutes/24-A/title24-Asec2515.html) | There shall be a title on the policy, briefly describing the same. |  |
| **Optional Policy Provisions 24-A M.R.S.A. §2718**  **Except as provided in section 2704, subsection 2, no such policy delivered or issued for delivery to any person in this State shall contain provisions respecting the matters set forth in sections 2719 to 272** | | | |
| Illegal occupation | [Title 24-A § 2727](https://legislature.maine.gov/statutes/24-A/title24-Asec2727.html) | There may be a provision as follows: Illegal occupation: The insurer shall not be liable for any loss to which a contributing cause was the insured's commission of or attempt to commit a felony or to which a contributing cause was the insured's being engaged in an illegal occupation. |  |