

MINNESOTA RULES 1988

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SALES OF CREDIT LIFE INSURANCE 2760.0300

CHAPTER 2760 DEPARTMENT OF COMMERCE SALES OF CREDIT LIFE INSURANCE

2760 0300 RATE LIMITATIONS

2760.0300 RATE LIMITATIONS.

[For text of subpart 1, see M.R. 1987]

Subp. 2. Decreasing term credit life. For decreasing term credit life insurance, a single premium of 40 cents per annum per \$100 of initial insured indebtedness. A premium payable monthly at the rate of 61.5 cents per \$1,000 of outstanding unpaid insured indebtedness will be deemed the actuarial equivalent of the foregoing rate. The premium rate standard set forth is applicable to a plan of death benefits with or without requirements for evidence of insurability:

A. that contains no exclusions, or no exclusions other than for suicide, flight in nonscheduled aircraft, war, or military service; and

B. contains no age restrictions, or only age restrictions making ineligible for the coverage debtors 65 or over at the time the indebtedness is incurred, or debtors who will have attained age 66 or over on the maturity date of the indebtedness.

Subp. 3. Level amount credit life. For level amount term credit life insurance, a single premium of 73.8 cents per annum per \$100 of initial insurance. A premium payable monthly at the rate of 61.5 cents per \$1,000 of initial insurance will be deemed the actuarial equivalent of the foregoing rate. The premium rate standard set forth is applicable to a plan of death benefits, with or without requirements for evidence of insurability that:

A. contains no exclusions, or no exclusions other than for suicide, flight in nonscheduled aircraft, war, or military service; and

B. contains no age restrictions, or only age restrictions making ineligible for the coverage debtors 65 or over at the time the indebtedness is incurred, or debtors who will have attained age 66 or over on the maturity date of the indebtedness.

Subp. 4. Decreasing term joint credit. For decreasing term joint credit life insurance, a single premium of 66.7 cents per annum per \$100 of initial insured indebtedness. A premium payable monthly at the rate of 102.6 cents per \$1,000 of initial joint credit life insurance will be deemed the actuarial equivalent of the foregoing rate. The premium rate standard set forth above is applicable to a plan of death benefits, with or without requirements for evidence of insurability that:

A. contains no exclusions, or no exclusions other than for suicide, flight in nonscheduled aircraft, war, or military service; and

B. contains no age restrictions, or only age restrictions making ineligible for the coverage debtors 65 or over at the time the indebtedness is incurred, or debtors who will have attained age 66 or over on the maturity date of the indebtedness.

[For text of subps 5 to 9, see M.R. 1987]

Subp. 10. [Repealed, 12 SR 2393]

Subp. 10a. New policies. This part applies to all individual credit insurance policies sold after June 2, 1988, and to all debtors enrolled under group certificates or policies issued or renewed after June 2, 1988.

[For text of subp 11, see M.R. 1987]

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Statutory Authority: *MS s 45.023; 62B.12*

History: *12 SR 2393*