

CHAPTER 602—H. F. No. 1096

An act relating to life insurance and to amend Minnesota Statutes of 1941, Section 61.38.

Be it enacted by the Legislature of the State of Minnesota :

Section 1. Minnesota Statutes of 1941, Section 61.38, is hereby amended to read as follows :

61.38. **Exceptions.** Subdivision 1. Sections 61.26 to 61.30 and 61.34 to 61.39 shall not apply to annuities, industrial or group term policies, or to corporations or associations operating on the assessment or fraternal plan, and in every case where a contract provides for both insurance and annuities, sections 61.26 to 61.30 and 61.34 to 61.39 shall apply only to that part of the contract which provides for insurance, but every contract containing a provision for a deferred annuity on the life of the insured only, unless paid for by a single premium, shall provide that, in event of the non-payment of any premium after three full years' premium shall have been paid, the annuity shall automatically become converted into a paid-up annuity for that proportion of the original annuity as the number of completed years' premiums paid bears to the total number of premiums required under the contract.

Subd. 2. No group life insurance policy shall be issued for delivery in this state until the form thereof and the form of any certificates issued thereunder have been filed in accordance with and subject to the provisions of Section 61.36 of the Minnesota Statutes of 1941. Each person insured under such a group life insurance policy (excepting policies which insure the lives of debtors of a creditor or vendor to secure payment of indebtedness) shall be furnished a certificate of insurance issued by the insurer and containing the following :

- (a) *Name and location of the insurance company;*
- (b) *A statement as to the insurance protection to which the certificate holder is entitled, including any changes in such protection depending on the age of the person whose life is insured;*
- (c) *Any and all provisions regarding the termination or reduction of the certificate holder's insurance protection;*
- (d) *A statement that the master group policy may be examined at a reasonably accessible place;*
- (e) *The maximum rate of contribution to be paid by the certificate holder;*

(f) *Beneficiary and method required to change such beneficiary;*

(g) *In the case of a group term insurance policy if the policy provides that insurance of the certificate holder will terminate, in case of a policy issued to an employer, by reason of termination of the certificate holder's employment, or in case of a policy issued to an organization of which the certificate holder is a member, by reason of termination of his membership, a provision to the effect that in case of termination of employment or membership the certificate holder shall be entitled to have issued to him by the insurer, without evidence of insurability, upon application made to the insurer within 31 days after termination of employment or membership, and upon payment of the premium applicable to the class of risk to which he belongs and to the form and amount of the policy at his then attained age, a policy of life insurance only, in any one of the forms customarily issued by the insurer except term insurance, in an amount equal to the amount of his life insurance protection under such group insurance policy at the time of such termination; and shall contain a further provision to the effect that upon the death of the certificate holder during such 31 day period and before any such individual policy has become effective, the amount of insurance for which the certificate holder was entitled to make application shall be payable as a death benefit by the insurer.*

Approved April 23, 1945.

CHAPTER 603—H. F. No. 1201

An act relating to the State Employees Retirement Fund, providing for a tax levy and appropriating the proceeds therefrom; and amending Minnesota Statutes 1941, Section 352.04, as amended by Laws 1943, Chapter 622, Section 3.

Be it enacted by the Legislature of the State of Minnesota :

Section 1. Minnesota Statutes 1941, Section 352.04, as amended by Laws 1943, Chapter 622, Section 3, is amended to read as follows :

352.04. Payments into retirement fund. Subdivision 1. *From and after July 1, 1945, members shall pay into the retirement fund five per cent of the compensation paid them including compensation for overtime and any allowance for*