

**72A.207 GRADED DEATH BENEFITS.**

For the purpose of this section, a graded death benefit is a provision within a life insurance policy in which the death benefit, in the early years of the policy, is less than the face amount of the policy, but which increases with the passage of time.

No policy of life insurance paying a graded death benefit may be issued in this state unless the graded death benefit is equal to at least four times the first year premium. This section does not prohibit the return of premiums or premiums plus interest in connection with the voluntary or judicially ordered rescission of the policy, or according to the terms of the exclusions from coverage for suicide, aviation, or war risk.

A policy providing preneed insurance as defined in section 61A.258, or designed to cover, in whole or in part, the goods and services described in section 61A.258, subdivision 1, clause (3), is not subject to this section.

**History:** 1996 c 446 art 1 s 66; 2013 c 53 s 2