62B.09 ISSUANCE OF POLICIES.

Subdivision 1. **Regulation.** Policies of credit life insurance and credit accident and health insurance shall be delivered or issued for delivery in this state only by an insurer authorized to do an insurance business in this state and shall be issued only through holders of licenses or authorizations issued by the commissioner.

Subd. 2. **Characterization of premiums.** The premiums for individual policies of credit life or credit accident and health insurance issued to debtors or the cost to debtors under group policies of credit life or credit accident and health insurance issued to creditors, whether or not written by or through any lender or other creditor, its affiliate, associate or subsidiary or a director, officer or employee of any of them, shall not be deemed interest or charges nor consideration or any amount whatsoever for any examination, service, brokerage, commission, compensation for services, incidental expenses or other thing or otherwise, in addition to or in excess of permitted interest or charges in connection with the loan or credit transaction. Any gain, participation or advantage to any lender or other creditor, its affiliate, associates or subsidiary or to a director, officer or employee of any of them arising out of such premium or cost by way of commission, dividend or otherwise, shall not be deemed interest or charges nor consideration or any amount whatsoever for any examination, service, brokerage, commission, compensation for services, incidental expenses or other thing or otherwise, in addition to or in excess of permitted interest or charges in connection with the loan or credit transaction.

Subd. 3. **Creditor's authority.** Any creditor doing business in the state of Minnesota may, in the same office or place of business where such creditor transacts business, take applications or enrollments for credit life insurance, credit accident and health insurance, or credit involuntary unemployment insurance upon a borrower or purchaser or one of them if there are two or more in connection with the making of a loan or sale.

History: *Ex1967 c 2 s 9; 1993 c 343 s 23*