

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.4040 Safeguard against lapse; special surrender value; optional provisions; supplemental contract.

Sec. 4040. (1) Any life insurer may include in its policy a provision intended to safeguard such life insurance against lapse, or provisions that shall provide a special surrender value therefor in the event that the insured thereunder shall, by reason of accidental bodily injury or disease, be unable to continue the premium payments thereon.

(2) A life insurance policy may also contain, or provide through contracts supplemental thereto, such provisions relating to accident and sickness insurance as are authorized under section 602(2) (accidental death, dismemberment, or loss of sight; certain benefits in event of total and permanent disability). No such supplemental contract shall be issued or delivered to any person in this state unless and until a copy of the form thereof has been submitted to and approved by the commissioner, under such reasonable rules and regulations as he shall make concerning the provisions in such contracts and their submission to and approval by him.

History: 1956, Act 218, Eff. Jan. 1, 1957.

Popular name: Act 218