

STATE OF MAINE

—  
IN THE YEAR OF OUR LORD  
TWO THOUSAND AND ELEVEN

—  
H.P. 648 - L.D. 881

**An Act To Amend Certain Insurance Provisions Relating to Variable  
Annuity Death Benefits and Multiple Employer Trusts**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 24-A MRSA §2537, sub-§10**, as repealed and replaced by PL 2007, c. 544, §1, is amended to read:

**10.** A variable annuity contract delivered or issued for delivery in this State may include as an incidental benefit a provision for payment on death during the deferred period of an amount equal to ~~the greater of either the value of the contract at the time of death or the sum of the premiums or stipulated payments paid under the contract and the value of the contract at the time of death less adjusted withdrawals from the policy, whichever is greater.~~ the value of the contract at the time of death or the sum of the premiums or stipulated payments paid under the contract and the value of the contract at the time of death less adjusted withdrawals from the policy, whichever is greater. The beneficiary under the contract may not be paid any other amount. A variable annuity contract that includes such incidental benefit may not be deemed to be life insurance and therefore is not subject to the provisions of this Title governing life insurance contracts. A variable annuity contract with a provision for any other benefit on death during the deferred period is subject to the provisions of this Title governing life insurance contracts. A payment on death pursuant to a variable annuity contract under this subsection must be made in accordance with section 2436. This subsection applies to variable annuity contracts delivered or issued for delivery in this State on or after January 1, 2009.

**Sec. 2. 24-A MRSA §2606-A, first ¶**, as enacted by PL 1981, c. 150, §7, is amended to read:

The lives of a group of individuals may be insured under a policy issued to a trust or to the trustee or trustees of a fund established or adopted by 2 or more employers, or by one or more labor unions or similar employee organizations, or by one or more employers and one or more labor unions or similar employee organizations, which trust or trustees are considered the policyholder, to insure employees of the employers or members of the unions or organizations for the benefit of persons other than the employers or the unions or organizations, subject to the following requirements.

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In House of Representatives, ..... 2011

Read twice and passed to be enacted.

..... Speaker

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In Senate, ..... 2011

Read twice and passed to be enacted.

..... President

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Approved ..... 2011

..... Governor