

retary during any policy year upon request by the insurance company or companies issuing the policy, if experience indicates that the assumptions made in determining the tentative average premium rate for that policy year were incorrect.

(d) Each policy so purchased shall contain a provision stipulating the maximum expense and risk charges for the first policy year, which charges shall have been determined by the Secretary on a basis consistent with the general level of such charges made by life insurance companies under policies of group life insurance issued to large employers. Such maximum charges shall be continued from year to year, except that the Secretary may redetermine such maximum charges for any year either by agreement with the insurance company or companies issuing the policy or upon written notice given by the Secretary to such companies at least one year in advance of the beginning of the year for which such redetermined maximum charges will be effective.

(e) Each such policy shall provide for an accounting to the Secretary not later than ninety days after the end of each policy year, which shall set forth, in a form approved by the Secretary, (1) the amounts of premiums actually accrued under the policy from its date of issue to the end of such policy year, (2) the total of all mortality and other claim charges incurred for that period, and (3) the amounts of the insurers' expense and risk charge for that period. Any excess of the total of item (1) over the sum of items (2) and (3) shall be held by the insurance company or companies issuing the policy as a special contingency reserve to be used by such insurance company or companies for charges under such policy only, such reserve to bear interest at a rate to be determined in advance of each policy year by the insurance company or companies issuing the policy, which rate shall be approved by the Secretary as being consistent with the rates generally used by such company or companies for similar funds held under other group life insurance policies. If and when the Secretary determines that such special contingency reserve has attained an amount estimated by the Secretary to make satisfactory provision for adverse fluctuations in future charges under the policy, any further excess shall be deposited to the credit of the revolving fund established under section 1969(d)(1) of this title. If and when such policy is discontinued, and if after all charges have been made, there is any positive balance remaining in such special contingency reserve, such balance shall be deposited to the credit of the revolving fund, subject to the right of the insurance company or companies issuing the policy to make such deposit in equal monthly installments over a period of not more than two years.

(Added Pub. L. 89-214, §1(a), Sept. 29, 1965, 79 Stat. 884, §771; amended Pub. L. 93-289, §8, May 24, 1974, 88 Stat. 169; renumbered §1971 and amended Pub. L. 102-83, §§4(b)(1), (2)(E), 5(a), (c)(1), Aug. 6, 1991, 105 Stat. 404-406; Pub. L. 104-275, title IV, §405(b)(1)(E), Oct. 9, 1996, 110 Stat. 3339.)

Editorial Notes

AMENDMENTS

1996—Subsec. (b). Pub. L. 104-275 substituted "Servicemembers' Group" for "Servicemen's Group".

1991—Pub. L. 102-83, §5(a), renumbered section 771 of this title as this section.

Subsec. (a). Pub. L. 102-83, §5(c)(1), substituted "1966" for "766".

Pub. L. 102-83, §4(b)(1), (2)(E), substituted "Secretary" for "Administrator" in two places.

Subsec. (b). Pub. L. 102-83, §5(c)(1), substituted "1969(b)" for "769(b)".

Pub. L. 102-83, §4(b)(1), (2)(E), substituted "Secretary" for "Administrator".

Subsecs. (c), (d). Pub. L. 102-83, §4(b)(1), (2)(E), substituted "Secretary" for "Administrator" wherever appearing.

Subsec. (e). Pub. L. 102-83, §5(c)(1), substituted "1969(d)(1)" for "769(d)(1)".

Pub. L. 102-83, §4(b)(1), (2)(E), substituted "Secretary" for "Administrator" wherever appearing.

1974—Subsec. (b). Pub. L. 93-289, §8(1), substituted "premiums for Servicemen's Group Life Insurance" for "premiums for the policy or policies".

Subsec. (e). Pub. L. 93-289, §8(2), substituted "section 769(d)(1) of this title" for "section 766 of this title".

§ 1972. Benefit certificates

The Secretary shall arrange to have each member insured under a policy purchased under section 1966 of this title receive a certificate setting forth the benefits to which the member is entitled thereunder, to whom such benefit shall be payable, to whom claims should be submitted, and summarizing the provisions of the policy principally affecting the member. Such certificate shall be in lieu of the certificate which the insurance company or companies would otherwise be required to issue.

(Added Pub. L. 89-214, §1(a), Sept. 29, 1965, 79 Stat. 885, §772; renumbered §1972 and amended Pub. L. 102-83, §§4(b)(1), (2)(E), 5(a), (c)(1), Aug. 6, 1991, 105 Stat. 404-406.)

Editorial Notes

AMENDMENTS

1991—Pub. L. 102-83, §5(a), renumbered section 772 of this title as this section.

Pub. L. 102-83, §5(c)(1), substituted "1966" for "766".

Pub. L. 102-83, §4(b)(1), (2)(E), substituted "Secretary" for "Administrator".

§ 1973. Forfeiture

Any person guilty of mutiny, treason, spying, or desertion, or who, because of conscientious objections, refuses to perform service in the Armed Forces of the United States or refuses to wear the uniform of such force, shall forfeit all rights to Servicemembers' Group Life Insurance and Veterans' Group Life Insurance under this subchapter. No such insurance shall be payable for death inflicted as a lawful punishment for crime or for military or naval offense, except when inflicted by an enemy of the United States.

(Added Pub. L. 89-214, §1(a), Sept. 29, 1965, 79 Stat. 885, §773; renumbered §1973, Pub. L. 102-83, §5(a), Aug. 6, 1991, 105 Stat. 406; amended Pub. L. 104-275, title IV, §405(b)(1)(F), Oct. 9, 1996, 110 Stat. 3339; Pub. L. 110-389, title IV, §403(d), Oct. 10, 2008, 122 Stat. 4174.)