

ice to secure the payment of an obligation, the assignee of the policy (except the insurer in connection with a policy loan) may not exercise, during a period of military service of the servicemember or within one year thereafter, any right or option obtained under the assignment without a court order.

**(b) Exception**

The prohibition in subsection (a) shall not apply—

- (1) if the assignee has the written consent of the insured made during the period described in subsection (a);
- (2) when the premiums on the policy are due and unpaid; or
- (3) upon the death of the insured.

**(c) Order refused because of material affect**

A court which receives an application for an order required under subsection (a) may refuse to grant such order if the court determines the ability of the servicemember to comply with the terms of the obligation is materially affected by military service.

**(d) Treatment of guaranteed premiums**

For purposes of this subsection, premiums guaranteed under the provisions of title IV of this Act [sections 541 to 549 of this Appendix] shall not be considered due and unpaid.

**(e) Misdemeanor**

A person who knowingly takes an action contrary to this section, or attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

(Oct. 17, 1940, ch. 888, title III, §306, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2850; amended Pub. L. 111-275, title III, §303(b)(6), Oct. 13, 2010, 124 Stat. 2878.)

PRIOR PROVISIONS

A prior section 536, act Oct. 17, 1940, ch. 888, art. III, §306, as added Oct. 6, 1942, ch. 581, §12, 56 Stat. 773, related to extension of benefits to dependents, prior to the general amendment of this Act by Pub. L. 108-189. See section 538 of this Appendix.

AMENDMENTS

2010—Subsec. (e). Pub. L. 111-275 amended subsec. (e) generally. Prior to amendment, subsec. (e) related to penalties.

**§ 537. Enforcement of storage liens**

**(a) Liens**

**(1) Limitation on foreclosure or enforcement**

A person holding a lien on the property or effects of a servicemember may not, during any period of military service of the servicemember and for 90 days thereafter, foreclose or enforce any lien on such property or effects without a court order granted before foreclosure or enforcement.

**(2) Lien defined**

For the purposes of paragraph (1), the term “lien” includes a lien for storage, repair, or cleaning of the property or effects of a servicemember or a lien on such property or effects for any other reason.

**(b) Stay of proceedings**

In a proceeding to foreclose or enforce a lien subject to this section, the court may on its own motion, and shall if requested by a servicemember whose ability to comply with the obligation resulting in the proceeding is materially affected by military service—

- (1) stay the proceeding for a period of time as justice and equity require; or
- (2) adjust the obligation to preserve the interests of all parties.

The provisions of this subsection do not affect the scope of section 303 [section 533 of this Appendix].

**(c) Misdemeanor**

A person who knowingly takes an action contrary to this section, or attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

(Oct. 17, 1940, ch. 888, title III, §307, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2851; amended Pub. L. 111-275, title III, §303(b)(7), Oct. 13, 2010, 124 Stat. 2878.)

AMENDMENTS

2010—Subsec. (c). Pub. L. 111-275 amended subsec. (c) generally. Prior to amendment, subsec. (c) related to penalties.

**§ 538. Extension of protections to dependents**

Upon application to a court, a dependent of a servicemember is entitled to the protections of this title [sections 531 to 538 of this Appendix] if the dependent’s ability to comply with a lease, contract, bailment, or other obligation is materially affected by reason of the servicemember’s military service.

(Oct. 17, 1940, ch. 888, title III, §308, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2851.)

TITLE IV—LIFE INSURANCE

PRIOR PROVISIONS

A prior section 540, acts Oct. 17, 1940, ch. 888, art. IV, §400, 54 Stat. 1183; Oct. 6, 1942, ch. 581, §13, 56 Stat. 773; July 11, 1956, ch. 570, §1, 70 Stat. 528; Pub. L. 102-12, §9(11), Mar. 18, 1991, 105 Stat. 40, related to definitions, prior to the general amendment of this Act by Pub. L. 108-189. See section 541 of this Appendix.

**§ 541. Definitions**

For the purposes of this title [sections 541 to 549 of this Appendix]:

**(1) Policy**

The term “policy” means any individual contract for whole, endowment, universal, or term life insurance (other than group term life insurance coverage), including any benefit in the nature of such insurance arising out of membership in any fraternal or beneficial association which—

(A) provides that the insurer may not—

- (i) decrease the amount of coverage or require the payment of an additional amount as premiums if the insured engages in military service (except increases in premiums in individual term insurance based upon age); or