

(ii) limit or restrict coverage for any activity required by military service; and

(B) is in force not less than 180 days before the date of the insured's entry into military service and at the time of application under this title.

(2) Premium

The term "premium" means the amount specified in an insurance policy to be paid to keep the policy in force.

(3) Insured

The term "insured" means a servicemember whose life is insured under a policy.

(4) Insurer

The term "insurer" includes any firm, corporation, partnership, association, or business that is chartered or authorized to provide insurance and issue contracts or policies by the laws of a State or the United States.

(Oct. 17, 1940, ch. 888, title IV, §401, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2851.)

PRIOR PROVISIONS

A prior section 541, acts Oct. 17, 1940, ch. 888, art. IV, §401, 54 Stat. 1183; Oct. 6, 1942, ch. 581, §13, 56 Stat. 774; Pub. L. 102-12, §9(12), Mar. 18, 1991, 105 Stat. 40, related to persons entitled to benefits of former article IV of this Act, applications, and amount of insurance protected, prior to the general amendment of this Act by Pub. L. 108-189. See section 542 of this Appendix.

§ 542. Insurance rights and protections

(a) Rights and protections

The rights and protections under this title [sections 541 to 549 of this Appendix] apply to the insured when—

- (1) the insured,
- (2) the insured's legal representative, or
- (3) the insured's beneficiary in the case of an insured who is outside a State,

applies in writing for protection under this title, unless the Secretary of Veterans Affairs determines that the insured's policy is not entitled to protection under this title.

(b) Notification and application

The Secretary of Veterans Affairs shall notify the Secretary concerned of the procedures to be used to apply for the protections provided under this title [sections 541 to 549 of this Appendix]. The applicant shall send the original application to the insurer and a copy to the Secretary of Veterans Affairs.

(c) Limitation on amount

The total amount of life insurance coverage protection provided by this title [sections 541 to 549 of this Appendix] for a servicemember may not exceed \$250,000, or an amount equal to the Servicemember's Group Life Insurance maximum limit, whichever is greater, regardless of the number of policies submitted.

(Oct. 17, 1940, ch. 888, title IV, §402, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2852.)

PRIOR PROVISIONS

A prior section 542, acts Oct. 17, 1940, ch. 888, art. IV, §402, 54 Stat. 1183; Oct. 6, 1942, ch. 581, §13, 56 Stat. 774;

Pub. L. 102-12, §9(13), Mar. 18, 1991, 105 Stat. 40, related to form of application, reports to Secretary of Veterans Affairs by insurer, and policy deemed modified upon application for protection, prior to the general amendment of this Act by Pub. L. 108-189. See section 543 of this Appendix.

§ 543. Application for insurance protection

(a) Application procedure

An application for protection under this title [sections 541 to 549 of this Appendix] shall—

- (1) be in writing and signed by the insured, the insured's legal representative, or the insured's beneficiary, as the case may be;
- (2) identify the policy and the insurer; and
- (3) include an acknowledgement that the insured's rights under the policy are subject to and modified by the provisions of this title.

(b) Additional requirements

The Secretary of Veterans Affairs may require additional information from the applicant, the insured and the insurer to determine if the policy is entitled to protection under this title [sections 541 to 549 of this Appendix].

(c) Notice to the Secretary by the insurer

Upon receipt of the application of the insured, the insurer shall furnish a report concerning the policy to the Secretary of Veterans Affairs as required by regulations prescribed by the Secretary.

(d) Policy modification

Upon application for protection under this title [sections 541 to 549 of this Appendix], the insured and the insurer shall have constructively agreed to any policy modification necessary to give this title full force and effect.

(Oct. 17, 1940, ch. 888, title IV, §403, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2852.)

PRIOR PROVISIONS

A prior section 543, acts Oct. 17, 1940, ch. 888, art. IV, §403, 54 Stat. 1184; Oct. 6, 1942, ch. 581, §13, 56 Stat. 775; Pub. L. 102-12, §9(14), Mar. 18, 1991, 105 Stat. 40, related to determination of policies entitled to protection, notice to parties, and lapse of policies for nonpayment of premiums, prior to the general amendment of this Act by Pub. L. 108-189. See section 544 of this Appendix.

§ 544. Policies entitled to protection and lapse of policies

(a) Determination

The Secretary of Veterans Affairs shall determine whether a policy is entitled to protection under this title [sections 541 to 549 of this Appendix] and shall notify the insured and the insurer of that determination.

(b) Lapse protection

A policy that the Secretary determines is entitled to protection under this title [sections 541 to 549 of this Appendix] shall not lapse or otherwise terminate or be forfeited for the nonpayment of a premium, or interest or indebtedness on a premium, after the date on which the application for protection is received by the Secretary.

(c) Time application

The protection provided by this title [sections 541 to 549 of this Appendix] applies during the in-