

**§ 546. Deduction of unpaid premiums****(a) Settlement of proceeds**

If a policy matures as a result of a service-member's death or otherwise during the period of protection of the policy under this title [sections 541 to 549 of this Appendix], the insurer in making settlement shall deduct from the insurance proceeds the amount of the unpaid premiums guaranteed under this title, together with interest due at the rate fixed in the policy for policy loans.

**(b) Interest rate**

If the interest rate is not specifically fixed in the policy, the rate shall be the same as for policy loans in other policies issued by the insurer at the time the insured's policy was issued.

**(c) Reporting requirement**

The amount deducted under this section, if any, shall be reported by the insurer to the Secretary of Veterans Affairs.

(Oct. 17, 1940, ch. 888, title IV, §406, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2853.)

## PRIOR PROVISIONS

A prior section 546, acts Oct. 17, 1940, ch. 888, art. IV, §406, 54 Stat. 1184; Oct. 6, 1942, ch. 581, §13, 56 Stat. 775; Apr. 3, 1948, ch. 170, §6, 62 Stat. 160, related to guaranty of premiums and interest by United States, settlement of amounts due upon expiration of protection, subrogation of United States, and crediting debt repayments, prior to the general amendment of this Act by Pub. L. 108-189. See section 547 of this Appendix.

**§ 547. Premiums and interest guaranteed by United States****(a) Guarantee of premiums and interest by the United States****(1) Guarantee**

Payment of premiums, and interest on premiums at the rate specified in section 406 [section 546 of this Appendix], which become due on a policy under the protection of this title [sections 541 to 549 of this Appendix] is guaranteed by the United States. If the amount guaranteed is not paid to the insurer before the period of insurance protection under this title expires, the amount due shall be treated by the insurer as a policy loan on the policy.

**(2) Policy termination**

If, at the expiration of insurance protection under this title, the cash surrender value of a policy is less than the amount due to pay premiums and interest on premiums on the policy, the policy shall terminate. Upon such termination, the United States shall pay the insurer the difference between the amount due and the cash surrender value.

**(b) Recovery from insured of amounts paid by the United States****(1) Debt payable to the United States**

The amount paid by the United States to an insurer under this title [sections 541 to 549 of this Appendix] shall be a debt payable to the United States by the insured on whose policy payment was made.

**(2) Collection**

Such amount may be collected by the United States, either as an offset from any amount

due the insured by the United States or as otherwise authorized by law.

**(3) Debt not dischargeable in bankruptcy**

Such debt payable to the United States is not dischargeable in bankruptcy proceedings.

**(c) Crediting of amounts recovered**

Any amounts received by the United States as repayment of debts incurred by an insured under this title [sections 541 to 549 of this Appendix] shall be credited to the appropriation for the payment of claims under this title.

(Oct. 17, 1940, ch. 888, title IV, §407, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2853.)

## PRIOR PROVISIONS

A prior section 547, acts Oct. 17, 1940, ch. 888, art. IV, §407, 54 Stat. 1185; Oct. 6, 1942, ch. 581, §13, 56 Stat. 775; Pub. L. 85-857, §14(76), Sept. 2, 1958, 72 Stat. 1272; Pub. L. 102-12, §9(17), Mar. 18, 1991, 105 Stat. 40, related to regulations and finality of determinations, prior to the general amendment of this Act by Pub. L. 108-189. See sections 548 and 549 of this Appendix.

**§ 548. Regulations**

The Secretary of Veterans Affairs shall prescribe regulations for the implementation of this title [sections 541 to 549 of this Appendix].

(Oct. 17, 1940, ch. 888, title IV, §408, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2854.)

## PRIOR PROVISIONS

A prior section 548, acts Oct. 17, 1940, ch. 888, art. IV, §408, 54 Stat. 1185; Oct. 6, 1942, ch. 581, §13, 56 Stat. 776, related to law governing applications for protection prior to Oct. 6, 1942, prior to repeal by Pub. L. 102-12, §9(18), Mar. 18, 1991, 105 Stat. 40.

**§ 549. Review of findings of fact and conclusions of law**

The findings of fact and conclusions of law made by the Secretary of Veterans Affairs in administering this title [sections 541 to 549 of this Appendix] are subject to review on appeal to the Board of Veterans' Appeals pursuant to chapter 71 of title 38, United States Code, and to judicial review only as provided in chapter 72 of such title.

(Oct. 17, 1940, ch. 888, title IV, §409, as added Pub. L. 108-189, §1, Dec. 19, 2003, 117 Stat. 2854.)

## PRIOR PROVISIONS

Prior sections 549 to 554 of this Appendix were omitted in the general amendment of article IV of this Act by act Oct. 6, 1942, ch. 581, §13, 56 Stat. 773.

Section 549, act Oct. 17, 1940, ch. 888, art. IV, §409, 54 Stat. 1185, related to deduction of unpaid premiums from proceeds of policies.

Section 550, act Oct. 17, 1940, ch. 888, art. IV, §410, 54 Stat. 1185, related to lapsing of policy for failure to pay past due premiums upon termination of service.

Section 551, act Oct. 17, 1940, ch. 888, art. IV, §411, 54 Stat. 1185, related to accounts stated between insurers and United States.

Section 552, act Oct. 17, 1940, ch. 888, art. IV, §412, 54 Stat. 1185, related to payment of balances due insurers by Secretary of the Treasury.

Section 553, act Oct. 17, 1940, ch. 888, art. IV, §413, 54 Stat. 1186, related to policies excepted from application of article.

Section 554, act Oct. 17, 1940, ch. 888, art. IV, §414, 54 Stat. 1186, related to insurers within application of article.