

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

CODIFICATION

Section was formerly classified to section 538 of the former Appendix to this title prior to editorial reclassification and renumbering as this section.

SUBCHAPTER IV—LIFE INSURANCE

**§ 3971. Definitions**

For the purposes of this subchapter:

**(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

(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 subchapter.

**(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.)

CODIFICATION

Section was formerly classified to section 541 of the former Appendix to this title prior to editorial reclassification and renumbering as this section.

PRIOR PROVISIONS

A prior section 401 of act Oct. 17, 1940, ch. 888, art. IV, 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, applications, and amount of insurance protected, prior to the general amendment of this Act by Pub. L. 108-189. See section 3972 of this title.

Provisions similar to this section were contained in section 400 of act Oct. 17, 1940, ch. 888, art. IV, 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, prior to the general amendment of this Act by Pub. L. 108-189.

**§ 3972. Insurance rights and protections**

**(a) Rights and protections**

The rights and protections under this subchapter 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 subchapter, unless the Secretary of Veterans Affairs determines that the insured’s policy is not entitled to protection under this subchapter.

**(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 subchapter. 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 subchapter 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.)

CODIFICATION

Section was formerly classified to section 542 of the former Appendix to this title prior to editorial reclassification and renumbering as this section.

PRIOR PROVISIONS

A prior section 402 of act Oct. 17, 1940, ch. 888, art. IV, 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 deeming of policy modified upon application for protection, prior to the general amendment of this Act by Pub. L. 108-189. See section 3973 of this title.

**§ 3973. Application for insurance protection**

**(a) Application procedure**

An application for protection under this subchapter 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 subchapter.

**(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 subchapter.

**(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