

11 NCAC 12 .1205 CRITERIA FOR PAYMENT

- (a) Lump Sum Settlement Option Required. Contract payment options shall include the option to take the benefit as a lump sum. The benefit shall not be made available as an annuity that is contingent upon the life of the insured.
- (b) Restrictions on Use of Proceeds. No restrictions by the insurer are permitted on the use of the proceeds by the insured.
- (c) Accidental Death Benefit Provisions. If any death benefit remains after payment of an accelerated benefit, any accidental death benefit provision in the policy or rider shall not be affected by the payment of the accelerated benefit.

History Note: *Authority G.S. 58-2-40; 58-3-150; 58-7-15(1); 58-58-1;*
 Eff. March 1, 1992;
 Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. May 1,
 2018.