

§ 58-58-380. Definitions.

The following definitions apply in this Part:

- (1) Account owner. – The owner of a retained asset account opened by a resident of this State.
- (2) Active premium payment. – Payment of premiums for policies or annuities that the insurer receives from outside the policy value, by check, payroll deduction, or any other similar method of deliberate payment.
- (3) Annuity. – Any active annuity contract issued in this State, other than an annuity used to fund an employment-based retirement plan or program where (i) the insurer does not perform the record-keeping services, (ii) the insurer is not committed by terms of the annuity contract to pay death benefits to the beneficiaries of specific plan participants, or (iii) the annuity is used to fund a preneed funeral contract as defined in G.S. 90-210.60.
- (4) Asymmetric conduct. – An insurer's selective use of information from the DMF prior to October 1, 2015, to identify whether certain persons are deceased, in order to terminate benefits, but not to determine whether insureds under the insurer's insurance policies in a non-active premium paying status are deceased for the purpose of paying benefits.
- (5) Beneficiary. – An individual or other entity entitled to benefits under a policy or annuity due to the death of the policy insured, annuity owner, annuitant, or account owner.
- (6) Death master file or DMF. – Any of the following:
 - a. The death master file from the United States Social Security Administration.
 - b. Any other database or service that an insurer may determine is substantially as inclusive as the death master file from the United States Social Security Administration for determining that a person has reportedly died.
- (7) Death master file match or DMF match. – A search of a DMF that results in a match of a person's Social Security number or name and date of birth.
- (8) Insurer. – Any insurance company authorized to transact life insurance business in this State.
- (9) Person. – The policy insured, annuity owner, annuitant, or account owner, as applicable under the policy, annuity, or retained asset account subject to this Part.
- (10) Policy. – any policy or certificate of life insurance issued in this State, but does not include any policy or certificate of life insurance that provides a death benefit under any of the following:
 - a. An employee benefit plan subject to the Employee Retirement Income Security Act of 1974, as periodically amended, compiled at 29 U.S.C. § 1002 et seq.
 - b. Any federal employee benefit program.
 - c. Government plans or church plans as defined in the Employee Retirement Income Security Act of 1974, as periodically amended, 29 U.S.C. § 1002 et seq.
 - d. A policy or certificate of life insurance that is used to fund a preneed funeral contract as defined in G.S. 90-210.60.
 - e. A policy or certificate of credit life or accident and health insurance.
- (11) Record-keeping services. – Those circumstances under which the insurer has agreed with a group life insurance policyholder to be responsible for

obtaining, maintaining, and administering in its own systems information about each individual insured under the policyholder's group life insurance contract that includes at least all of the following items:

- a. Individual insured's Social Security number or name and date of birth.
- b. Beneficiary designation information.
- c. Coverage eligibility.
- d. Benefit amount.
- e. Premium payment status.

(12) Retained asset account. – An account created when a life insurance company pays the proceeds from a life insurance policy or annuity contract to a beneficiary by establishing an account containing those proceeds in name of and for use by the beneficiary. (2015-236, s. 1.)