**Section 1705.40 Construction of All Forms Issued by Fraternal Benefit Societies**

a) Certificates issued under Section 288(2) of the Illinois Insurance Code may be issued in connection with or separate from life certificates issued under Section 288(1). Because such certificates must conform, as far as practical, to Article XX and Department Rules and Regulations pertaining to Accident and Health Benefits, (50 Ill. Adm. Code Subchapter z) it is urged that they not be issued as a part of, supplemental to, or attached to life certificates.

b)

1) Societies may provide for only one application to be made for both the life and the accident and health insurance, a copy of the application is made a part of each certificate. This procedure may be used only when the life and the accident and health certificates are to be issued concurrently.

2) A combined application must set forth the amount of life insurance and the amount of the accident and health insurance in addition to the contribution for each class of insurance.

c) Societies must state on the face of the certificate, in addition to the name of the Society, "Fraternal Benefit Society".

d)

1) Riders, endorsements or supplemental agreements, must contain the name of the Society, a descriptive title, the date of execution, the signature of at least one officer of the Society, and a statement indicating the form is attached to and made a part of certificate number \_\_\_\_\_\_\_, issued on the life of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

2) Endorsements printed or rubber stamped on the policy do not require the name of the Society or a statement with reference to the endorsement being attached to and made a part of the policy. Such imprinted or stamped endorsements must receive approval by this Department.

e) Application questions:

1) Applications must be composed of questions by the Society in the form of clear and direct interrogatories permitting the answers by the applicant only in the form of direct statements and may not contain any questions or representations based upon indefinite or ambiguous terms.

2) Questions in the application must be broken down so that each answer thereto pertains to related disease or conditions.

f) All forms submitted to the Department for approval must be submitted in duplicate with illustrative data filled in as when prepared for issue and must be accompanied by a "Certificate of Compliance" in substantially the form appended hereto as Exhibit A.

g) The Certificate must have a copy of the application, including evidence of insurability, attached to the form when submitted. Where provisions of the constitution or by-laws will affect the status of the members, in respect to his insurance, and those provisions are not contained in the certificate, reference to the constitution and/or by-laws must be made in the letter of transmittal in order that the Department may properly determine the effect of those provisions on the certificate.

h) Each form submitted to the Department must contain a form number which is to appear in the lower left corner of the first page and the filing back in addition to a descriptive title to be imprinted thereon. The form number may appear in as many additional places on the form as the Society may desire.

i) The letter of submission for new forms should include the form number and approval date of any form being discontinued or being replaced.

j) All copies of forms submitted to the Department will be retained by the Department. Under no circumstances will copies of forms be returned to Societies with the Department stamp of approval thereon. Notice of approval will be given by letter only.