

40-742. Operation for benefit of members; authorized insurance business and purposes; specification of persons who may be covered; adoption of laws and rules governing society's operation. (a) A society shall operate for the benefit of members and their beneficiaries by:

(1) Providing the following benefits:

(A) Death benefits;

(B) endowment benefits;

(C) annuity benefits;

(D) temporary or permanent disability benefits;

(E) hospital, medical or nursing benefits; and

(F) such other benefits as authorized for life insurers and which are not inconsistent with this article;

(2) operating for one or more social, intellectual, educational, charitable, benevolent, moral, fraternal, patriotic or religious purposes for the benefit of its members, which may also be extended to others.

Such purposes may be carried out directly by the society, or indirectly through subsidiary corporations or affiliated organizations.

(b) A society shall specify in its rules those persons who may be issued, or covered by, the contractual benefits in subsection (a), consistent with providing benefits to members and their dependents. A society may provide benefits on the lives of children under the minimum age for adult membership upon application of an adult person.

(c) Every society shall have the power to adopt laws and rules for the government of the society, the admission of its members, and the management of its affairs. It shall have the power to change, alter, add to or amend such laws and rules and shall have such other powers as are necessary and incidental to carrying into effect the objects and purposes of the society.

History: L. 1988, ch. 154, § 5; Jan. 1, 1989.