

Department of Veterans Affairs

§ 6.21

the insured or such beneficiary has elected to continue the installments under the option selected by the insured. If no designated beneficiary survives, the present value of any remaining unpaid installments shall be paid to the estate of the insured, provided such payment would not escheat.

[61 FR 29025, June 7, 1996]

INDEBTEDNESS

§ 6.17 Collection of any indebtedness.

At the maturity of a United States Government life insurance policy by total permanent disability or death, any indebtedness, unless paid off in cash, shall be liquidated by reducing the amount of each monthly installment in the proportion which the indebtedness bears to the commuted value of monthly installments as may then be payable under the policy, excluding dividend accumulations. If the policy is payable in one sum at death, any indebtedness shall be deducted from the amount payable under the policy.

[13 FR 7096, Nov. 27, 1948. Redesignated at 61 FR 29025, June 7, 1996]

TOTAL PERMANENT DISABILITY BENEFITS

§ 6.18 Other disabilities deemed to be total and permanent.

(a) In addition to the conditions specified in 38 U.S.C. 1958, the following also will be deemed to be total and permanent disabilities: Organic loss of speech; permanently helpless or permanently bedridden.

(b) Organic loss of speech will mean the loss of the ability to express oneself, both by voice and whisper, through the normal organs of speech if such loss is caused by organic changes in such organs. Where such loss exists, the fact that some speech can be produced through the use of an artificial appliance or other organs of the body will be disregarded.

[61 FR 29025, June 7, 1996]

DEATH BENEFITS

§ 6.19 Evidence to establish death of the insured.

Whenever a claim is filed on account of the death of a person insured under yearly renewable term insurance or United States Government life insurance, the proof of death shall be established in accordance with the provisions of Part 3 of this chapter.

[26 FR 1856, Mar. 3, 1961. Redesignated and amended at 61 FR 29025, June 7, 1996]

DETERMINATION OF LIABILITY UNDER SECTIONS 302 AND 313, WORLD WAR VETERANS' ACT, 1924, SECTIONS 607 AND 602 (V)(2), NATIONAL SERVICE LIFE INSURANCE ACT, 1940, AS AMENDED, AND SECTIONS 1921 AND 1957 OF TITLE 38 UNITED STATES CODE.

§ 6.20 Jurisdiction.

The Insurance Claims Sections are vested with exclusive jurisdiction in determining the liability of the United States and the United States Government Life Insurance Fund for waiver of payment of premiums, payment of total, total permanent disability, and death insurance benefits under United States Government life insurance and to determine the liability of the United States and the National Service Life Insurance Fund for waiver of payment of premiums due to total disability, payment of total disability insurance benefits, and death insurance benefits under National Service life insurance.

(Authority: 38 U.S.C. 1944)

[27 FR 9604, Sept. 28, 1962, as amended at 48 FR 1965, Jan. 17, 1983. Redesignated at 61 FR 29025, June 7, 1996]

APPEALS

§ 6.21 Guardian: definition and authority.

(a) Definition. For the purpose of this section, the term guardian includes any fiduciary certified by the appropriate Veterans Services Officer under § 13.55 of this title to receive benefits in a fiduciary capacity for an insured or beneficiary.

(b) *Authority.* For the purpose of this part, a guardian of an insured or beneficiary shall have authority to: Apply for conversion of a policy or change of plan; reinstate a policy; withdraw dividends held on deposit or credit; select or change a dividend option; obtain a policy loan; cash surrender a policy; authorize a deduction from benefits or allotment from military retired pay to pay premiums; apply for and receive payment of the proceeds on a matured policy; select or change the premium payment option; apply for waiver of premiums; select or change the settlement option for beneficiaries; assign a beneficiary's interest as provided under section 1953 of title 38 U.S.C.

(Authority: 38 U.S.C. 1944)

[56 FR 9627, Mar. 7, 1991. Redesignated at 61 FR 29025, June 7, 1996]

PART 7—SOLDIERS' AND SAILORS' CIVIL RELIEF

SOLDIERS' AND SAILORS' CIVIL RELIEF ACT AMENDMENTS OF 1942

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AUTHORITY: 50 U.S.C. app. 511, 540-547, unless otherwise noted.

SOURCE: 13 FR 7103, Nov. 27, 1948, unless otherwise noted.

SOLDIERS' AND SAILORS' CIVIL RELIEF ACT AMENDMENTS OF 1942

§ 7.2 Certification of military service.

(a) A statement over the signature of the Commanding Officer or a commissioned officer of equal or higher rank than the insured, on the insured's application, may be accepted as a certification that the insured is a person in the military service.

(b) If the insured is unavailable because of service, the application may be certified by the person who has custody of the insured's service record.

(c) If an application is submitted by a person designated by the insured or by the insured's beneficiary, the Department of Veterans Affairs will obtain

from the service department evidence that the insured is a person in the military service.

(Authority 50 U.S.C. app. 547)

[61 FR 29026, June 7, 1996]

§ 7.3 The policy.

(a) Any provision in a policy that may limit or eliminate a benefit other than the primary death benefit will not, because of such provision, place the policy outside the protection of the Act if it is otherwise eligible for protection.

(b) An annuity contract, if it provides payment of a substantial death benefit in the nature of life insurance, may be included within the provisions of the Act if otherwise eligible. Group insurance will not be included unless an individual and separate contract of insurance is completely released to the insured and thereafter comes within the provisions of the Act as a policy.

(c) The phrase *Face amount of insurance* as used in the regulations in this part will mean the amount of insurance payable as a death benefit; *Provided*, That any indebtedness, or any accruals (such as paid-up additions, dividend accumulations, etc.) that may be added to or taken from the amount payable as the death benefits will not be used in calculating the face amount of a policy.

[13 FR 7103, Nov. 27, 1948, as amended at 21 FR 7297, Sept. 25, 1956. Redesignated and amended at 61 FR 29026, June 7, 1996]

§ 7.4 The premium.

The term premium as defined under 50 U.S.C. app. 540(b) shall include membership dues and assessments in an association.

(a) The premium on a policy will be calculated on an annual basis, and if the annual premium is not stated on the policy, the insurer will make a calculation of the premiums for payment in advance and discounted at not less than 3½ percent, subject to approval by the Department of Veterans Affairs.

(b) Premiums will not be guaranteed for benefits additional to the primary death benefit if, when combined with the amount of the primary death benefit, the total benefit would result in a