

or other institutions to whom similar awards may have been approved.

(b) The monthly disability compensation, death compensation, dependency and indemnity compensation, retirement pay, disability pension, or death pension so due and payable must be equal to, or in excess of, the amount of the insurance premium figured on a monthly basis.

(c) The authorization may be cancelled by the insured at any time. Such cancellation will be effective on the first day of the month following the month in which it is received by the Department of Veterans Affairs.

(d) If the benefits payable to the insured are apportioned under the regulations of the Department of Veterans Affairs now in effect or hereafter issued, the deduction authorized by the insured shall be from that portion awarded to the insured under such regulations.

(e) The deduction authorized by a policyholder issued insurance under 38 U.S.C. 1925 will be automatically adjusted by the Department of Veterans Affairs to take cognizance of any premium adjustment made by the Secretary on such insurance provided the benefit payments due and payable to the insured are of an amount sufficient to pay the monthly insurance premium.

(Authority: 38 U.S.C. 1908)

[13 FR 7110, Nov. 27, 1948, as amended at 14 FR 5241, Aug. 24, 1949; 24 FR 7327, Sept. 9, 1959; 28 FR 1542, Feb. 19, 1963; 30 FR 3645, Mar. 19, 1965; 54 FR 46231, Nov. 2, 1989. Redesignated and amended at 61 FR 29290, 29291, June 10, 1996]

EDITORIAL NOTE: At 61 FR 29290, June 10, 1996, § 8.8 was redesignated as § 8.6. However, § 8.6 already exists in the volume revised as of July 1, 1995.

§ 8.7 Authorization for deduction of premiums from compensation, retirement pay, or pension.

Deductions from benefits for the payment of premiums shall be effective on the month the authorization for such deduction is received by the Department of Veterans Affairs or on any successive month specified by the insured. Such deduction shall be applied to the premium due in the succeeding calendar month and shall continue monthly so long as the benefit pay-

ments are due and payable to the insured and the amount is sufficient to pay the premium or until such authorization is revoked by the veteran or otherwise terminated. When premium deductions are authorized by the insured, the premium will be treated as paid for purposes of preventing lapse of the insurance, so long as there is due and payable to the insured a benefit amount sufficient to provide the premium payment. If authorization was executed by the Director of a VA hospital or domiciliary or chief officer of a State hospital or other institution to make deductions from an institutional award, the authorization will cease and terminate at the termination of the institutional award and the insurance shall lapse unless another authorization for deduction from monthly benefit payments is executed by the insured. The insured will be notified by letter directed to the last address of record of the termination of the authorization to deduct premiums, but failure to give such notice shall not prevent lapse.

[61 FR 29291, June 10, 1996]

CALCULATION OF TIME PERIOD

§ 8.8 Calculation of time period.

If the last day of a time period specified in §§ 8.3, 8.4 or 8.5 or allowed for filing an application for National Service life insurance or for applying for reinstatement thereof, or paying premiums due thereon, falls on a Saturday, Sunday, or legal holiday, the time period will be extended to include the following workday.

[33 FR 17916, Dec. 3, 1968. Redesignated and amended at 61 FR 29290, 29291, June 10, 1996]

GRACE PERIOD

§ 8.9 Establishment of grace period.

For the payment of any premium under a National Service Life Insurance policy, a grace period of 31 days from and after the date on which the premium was due will be allowed without interest during which time the policy will remain in force. When a payment of premium is mailed, the postmark date will be accepted as the date on which the payment was tendered. If