

Life Exclusions Checklist

Important Notes

- Every effort has been made to ensure the accuracy of the information in this document. All parties should consult the Texas Insurance Code (TIC), the Texas Administrative Code (TAC), and other applicable laws.
- Terrorism and declared or undeclared war exclusions are not allowed [TIC Section 1101.055\(b\)\(2\)](#).
- Life exclusions or limitations allowed under [TIC Section 1101.055](#), only apply to the base policy faceamount and do not apply to additional amounts, such as accidental death benefits.

Brief Description - [28 TAC Section 3.127](#)

Page _____ : The brief description must describe the type of rider and may not be misleading or contradict the policy provisions.

Note: The remaining items may not apply if the rider will always be attached at issue.

General Provisions - [TIC Chapter 1701](#) and [28 TAC Section 3.2\(9\)\(C\)](#)

Page _____ : The rider must clarify the effective date.

Page _____ : The rider must clarify which provisions (or terms) apply, if there is a conflict between the policy and rider provisions.

Incontestability - [TIC Section 1101.006](#) and [28 TAC Section 3.104](#)

Page _____ : If applicable, the rider must state it is incontestable not later than two years from the rider effective date.

Misstatement of Age - [TIC Section 1101.008](#)

Page _____ : If applicable, the rider must describe any changes based on misstatement of age.

Exclusions or Limitations - [TIC Section 1101.055](#) and [28 TAC Section 3.121](#)

Page _____ : If applicable, the rider must describe any exclusions or limitations.

Reduced Death Benefit - [TIC Section 1101.055\(a\)](#)

Page _____ : The rider must define the reduced death benefit. The reduced death benefit may not be less than a return of premiums paid, minus any prior withdrawals. If the reduced death benefit is defined as equal to policy reserves, the base policy must define the reserves. The rider

may contain a provision which says benefit paid will never be greater than benefit otherwise payable.

Prohibited Provisions - [TIC Section 1701.062](#) and [28 TAC Section 3.1202-Section 3.1203](#)

Page _____ : Discretionary clauses are prohibited.

Page _____ : An insurer may not prevent an insured from donating all or part of an organ; or limit, cancel, refuse to renew, deny coverage, or vary an individual's or group's rate, based solely on the status of an individual as a living donor, unless actuarially justified. – [TIC Section 544.603](#), as added by HB 317.

Hazardous Occupation Exclusion - [TIC Section 1101.055\(b\)\(2\)](#)

Page _____ : Death caused by following a hazardous occupation that is stated in the policy.

Note: Pursuit of hobbies, avocations or recreational activities may not be excluded in payment of death benefit.

Aviation Activities Exclusion - [TIC Section 1101.055\(b\)\(3\)](#) and Texas AG Opinion 0-5060

Page _____ : Death by stated aviation activities.

Page _____ : Acceptable aviation activities may include:

- Having duties aboard an aircraft while serving as a pilot, officer or member of the crew;
- Operating, boarding, de-boarding, handling, or assisting in the operation of an aircraft;
- Giving or receiving any kind of training or instruction with respect to an aircraft ;
- Aboard an aircraft for any purpose other than being transported as a passenger;
- Hangliding; or
- Paraplane.

Note: [Descent, Descending, Falling] from an aircraft is not considered a proper aviation activity.

Aviation Activity Definitions:

Aircraft: A weight carrying structure for navigation of the air that is supported either by its own buoyancy or by the dynamic action of the air against its surfaces.

Airplane: A fixed-wing aircraft heavier than air that is driven by a propeller or by a high-velocity jet and supported by the dynamic reaction of the air against its wings.

Aviation: The development and operation of heavier than aircraft, including airplanes and piloted or guided rocketships.

Balloon: An airtight bag that rises and floats above the air when filled with hot air or a gas lighter than air, such as hydrogen or helium; a bag of this sort with an attached car or gondola for carrying passengers and instruments.

Hanglider: A kitelike glider from which a harnessed endorserment hangs while gliding down from a cliff or hill.

Parachute: A folding umbrella-shaped device of light fabric used especially for making a safe descent from an aircraft.

Helicopter: An aircraft whose support in the air is derived chiefly from the aerodynamic forces acting on one or more rotors turning about on a substantially vertical axis.

Parasail: A special parachute with winglike extensions that lifts an endorserment in its harness up and through the air when towed by an automobile or motorboat.