§ 5-1708-a. Waiver for families of victims of terrorist attacks. Notwithstanding the provisions of section four thousand two hundred twenty-four of the insurance law:

(a) An annuity issuer, or an employee or other representative of such issuer, shall be permitted to waive or offer to waive the commission or other compensation otherwise payable thereto as a result of the sale of a policy or contract subject to the provisions of section four thousand two hundred twenty-four of the insurance law to a member of the immediate family of a person who was a victim of the September eleventh, two thousand one terrorist attacks against the United States or any terrorist attack as defined by subdivision (e) of this section; and

(b) In connection with such waiver, the insurance company may, at the election of the policyowner or contract owner:

(i) contribute the amount of such waived commission or other compensation to a charitable organization that meets the requirements of section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and is organized for the benefit of families of victims of terrorist attacks; or

(ii) deduct from the premium an amount equal to such waived commission or other compensation otherwise payable thereto as a result of the sale.

(c) For purposes of this section, the term "victim" shall mean a decedent who died as a result of wounds or injury incurred as a result of any terrorist attacks, but shall not include any individual identified by the United States attorney general to have been a participant or conspirator in such attack or a representative of such an individual.

(d) An issuer seeking to avail itself of the provisions of this section shall first submit its plan of implementation to the superintendent of financial services for prior approval. If the plan is approved, such issuer shall thereafter, upon request of such superintendent, submit a report to such superintendent regarding its experience in the implementation of such provisions.

(e) For purposes of this section, the term "terrorist attack" shall mean premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents, listed on the U.S. Department of State's list of Foreign Terrorist Organizations or listed at the time of such attack.