191—8.6(512A) Reserve fund. Any moneys remaining after the payment of a benefit by the association, except the expense contribution and any reasonable corporate dividends or undivided profits, shall be maintained as a reserve fund to be used only for the benefit of the members of the specific group or unit from which it was collected. Such reserve funds shall be used periodically as determined by the board of directors to pay benefits to a claiming member or the beneficiary of a member without making an assessment against the membership of the group or unit.

Any association in existence before January 1, 1967, having presently in use an equally equitable plan for the periodic distribution of the reserve funds, can continue to use such plan provided it is fully disclosed in writing to the commissioner and has been approved by the commissioner for use.