According to 18 Del. C., Chapter 55, a Mutual Benefit Association is defined as a corporation, society, order or association which:

1. Has no capital stock
2. Issues certificates of membership providing for payment of benefits in case of sickness, disability or death of its members
3. Accumulates funds by the collection of fees or dues from its members, at either stated or irregular intervals, with which to discharge its liabilities on its membership certificates and with which to pay the administrative expenses.

Fraternal benefit societies as defined in Chapter 62 of Title 18 are not considered mutual benefit associations.

Mutual Benefit Associations are not subject to insurance premium tax.

For more information on Mutual Benefit Associations see:

http://delcode.delaware.gov/title18/c055/index.shtml#TopOfPage