

By: Representative Formby

To: Insurance

HOUSE BILL NO. 1214

1 AN ACT TO PROVIDE FULL DISCHARGE OF AN INSURER FROM ALL  
2 CLAIMS UNDER A LIFE INSURANCE POLICY, ACCIDENT AND SICKNESS  
3 INSURANCE POLICY OR ANNUITY CONTRACT WHEN THE PROCEEDS OF OR  
4 PAYMENTS UNDER A POLICY OR CONTRACT BECOME PAYABLE, IF THE INSURER  
5 MAKES PAYMENTS IN ACCORDANCE WITH THE TERMS OF THE POLICY OR  
6 CONTRACT OR ANY WRITTEN ASSIGNMENT; AND FOR RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 **SECTION 1.** (1) An insurer shall be fully discharged for all  
9 claims under a life insurance policy, accident and sickness  
10 insurance policy or annuity contract:

11 (a) When the proceeds of or payments under a policy or  
12 contract become payable in accordance with (i) the terms of the  
13 policy or contract; or (ii) the exercise of any right or privilege  
14 under the contract; and

15 (b) If the insurer makes payments in accordance with  
16 the terms of the policy or contract or any written assignment to  
17 the person designated in the policy or contract or by assignment  
18 as being entitled to the proceeds or payments.

19 (2) An insurer shall not be fully discharged from all claims  
20 under a life insurance policy, accident and sickness insurance  
21 policy or annuity contract before payment is made and if the  
22 insurer has received, at its home office, written notice that some  
23 other person claims to be entitled to payment or some interest in  
24 the policy or contract.

25 **SECTION 2.** This act shall take effect and be in force from  
26 and after July 1, 2004.