

By: Senator(s) Kirby

To: Insurance

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2224

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

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

7 **SECTION 1.** (1) An insurer shall be fully discharged from  
8 all claims under a life insurance policy or annuity contract:

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

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

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

23 (3) An insurer shall not be fully discharged from all claims  
24 under a life insurance policy if the insurer has not complied with  
25 Section 83-7-6.

26 **SECTION 2.** This act shall take effect and be in force from  
27 and after July 1, 2005.