

By: Senator(s) Kirby

To: Insurance

SENATE BILL NO. 2832

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 UNDER THE
4 POLICY OR CONTRACT BECOME PAYABLE AND THE INSURER MAKES PAYMENTS
5 IN ACCORDANCE WITH THE TERMS OF THE POLICY OR CONTRACT; AND FOR
6 RELATED PURPOSES.

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

8 **SECTION 1.** (1) An insurer shall be fully discharged from
9 all 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 may 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.