

By: Representative Formby

To: Insurance

HOUSE BILL NO. 1459

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 OF OR PAYMENTS UNDER A POLICY OR CONTRACT BECOME PAYABLE,
4 IF THE INSURER MAKES PAYMENTS IN ACCORDANCE WITH THE TERMS OF THE
5 POLICY OR CONTRACT OR ANY WRITTEN ASSIGNMENT; AND FOR RELATED
6 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 or annuity contract:

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

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

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

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