

MAINE STATE LEGISLATURE

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EIGHTY-FOURTH LEGISLATURE

Senate Document

No. 223

S. P. 556

In Senate, February 22, 1929.

Referred to Committee on Legal Affairs and 500 copies ordered printed. Sent down for concurrence.

ROYDEN V. BROWN, Secretary.

Presented by Senator Wheeler of Oxford.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND TWENTY-NINE

AN ACT in Relation to the rights of Creditors and Beneficiaries Under Policies of Life and Accident Insurance and Under Annuity Contracts.

Be it enacted by the People of the State of Maine, as follows:

Section 1. Rights of creditors and beneficiaries under
2 policies of life and accident insurance and under annuity
3 contracts. If a policy of life or accident insurance, whether
4 heretofore or hereafter issued, is effected by any person on
5 his own life or on another life, in favor of a person other
6 than himself, or, except in cases of transfer with intent to
7 defraud creditors, if a policy of life or accident insurance is
8 assigned or in any way made payable to any such person,

9 the lawful beneficiary or assignee thereof, other than the
10 insured or the person so effecting such insurance, or his
11 executors or administrators, shall be entitled to its pro-
12 ceeds and avails against the creditors and representatives
13 of the insured and of the person effecting the same, wheth-
14 er or not the right to change the beneficiary is reserved or
15 permitted, and whether or not the policy is made payable
16 to the person whose life is insured if the beneficiary or
17 assignee shall predecease such person; provided, that, sub-
18 ject to the statute of limitations, the amount of any prem-
19 iums for said insurance paid with intent to defraud credi-
20 tors, with interest thereon, shall enure to their benefit from
21 the proceeds of the policy; but the company issuing the
22 policy shall be discharged of all liability thereon by pay-
23 ment of its proceeds in accordance with its terms, unless
24 before such payment the company shall have written no-
25 tice, by or in behalf of a creditor, of a claim to recover
26 for transfer made or premiums paid with intent to defraud
27 creditors, with specifications of the amount claimed.

If an annuity contract, whether heretofore or hereafter
2 issued, is effected by any person, based upon his own life,
3 or on another life, payable to a person other than himself,
4 the lawful beneficiary or assignee thereof, other than the
5 person so effecting such contract, or his executors or ad-
6 ministrators, shall be entitled to its proceeds and avails
7 against the creditors and representatives of the person ef-
8 fecting such contract, to the same extent and under the

9 same conditions hereinbefore provided with reference to
10 the proceeds and avails of policies of life and accident in-
11 surance.

Sect. 2. Section one hundred forty-three of chapter
2 fifty-three of the revised statutes of Maine nineteen hun-
3 dred twenty-six relating to the exemption of life and acci-
4 dent policies is hereby repealed.

Sect. 3. This act shall take effect immediately.