

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

E I G H T Y - E I G H T H L E G I S L A T U R E

Legislative Document

No. 686

H. P. 1552

House of Representatives, February 16, 1937.

Referred to Committee on Mercantile Affairs and Insurance. Sent up for concurrence and 500 copies ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Thorne of Madison by request.

S T A T E O F M A I N E

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
THIRTY-SEVEN

AN ACT Relating to Rights of Creditors and Beneficiaries under Insurance Policies.

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

R. S., c. 60, § 144, amended. Section 144 of chapter 60 of the revised statutes is hereby amended to read as follows:

'Sec. 144. Policies are exempt from claims of creditors; rights of beneficiaries and assignees. Certain policies of insurance shall be exempt from claims of creditors, and the rights of beneficiaries and assignees thereof shall be protected, as herein set forth:

If a policy of life, endowment, or accident insurance whether heretofore or hereafter issued, is effected by any person on his own life or on another life, in favor of a person other than himself, or, except in cases of transfer with intent to defraud creditors, if a policy of life, endowment or accident insurance is assigned or in any way made payable to any such person, the lawful beneficiary or assignee thereof, other than the insured or the person so effecting such insurance, or his executors or administrators, shall be entitled to its proceeds and avails against the creditors and representatives of the insured and of the person effecting the same, whether or not the right

to change the beneficiary is reserved or permitted, and whether or not the policy is made payable to the person whose life is insured if the beneficiary or assignee shall predecease such person; provided, that, subject to the statute of limitations, the amount of any premiums for said insurance paid with intent to defraud creditors, with interest thereon, shall enure to their benefit from the proceeds of the policy; but the company issuing the policy shall be discharged of all liability thereon by payment of its proceeds in accordance with its terms, unless before such payment the company shall have written notice, by or in behalf of a creditor, of a claim to recover for transfer made or premiums paid with intent to defraud creditors, with specifications of the amount claimed.

If an annuity contract, whether heretofore or hereafter issued, is effected by any person, based upon his own life, or on another life, payable to a person other than himself, the lawful beneficiary or assignee thereof, other than the person so effecting such contract, or his executors or administrators, shall be entitled to its proceeds and avails against the creditors and representatives of the person effecting such contract, to the same extent and under the same conditions hereinbefore provided with reference to the proceeds and avails of policies of life and accident insurance.'