

MAINE STATE LEGISLATURE

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

Legislative Document

No. 803

S. P. 286

In Senate, February 13, 1947.

Referred to Committee on Mercantile Affairs and Insurance. Sent down for concurrence and ordered printed.

CHESTER T. WINSLOW, Secretary.

Presented by Senator Hopkins of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FORTY-SEVEN

AN ACT Relating to Rights of Creditors and Beneficiaries Under Policies of Life, Endowment, or Accident Insurance, and Under Annuity Contracts.

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

R. S., c. 56, § 137, amended. Section 137 of chapter 56 of the revised statutes is hereby amended to read as follows:

'Sec. 137. 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~~ **his** executors or administrators **of such insured or the person so effecting such insurance**, 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.'