§2431. Exemption of proceeds, individual annuity contracts; assignability of rights

1. The benefits, rights, privileges and options which under any individual annuity contract heretofore or hereafter issued are due or prospectively due the annuitant, shall not be subject to execution nor shall the annuitant be compelled to exercise any such rights, powers, or options, nor shall creditors be allowed to interfere with or terminate the contract, except:

A. As to amounts paid for or as premium on any such annuity with intent to defraud creditors, with interest thereon, and of which the creditor has given the insurer written notice received at its home office prior to the making of the payment to the annuitant out of which the creditor seeks to recover. Any such notice shall specify the amount claimed or such facts as will enable the insurer to ascertain such amount, and shall set forth such facts as will enable the insurer to ascertain the annuity contract, the annuitant and the payment sought to be avoided on the ground of fraud. [PL 1969, c. 132, §1 (NEW).]

B. The total exemption of benefits presently due and payable to any annuitant periodically or at stated times under all annuity contracts under which the annuitant is an annuitant, may not at any time exceed $450 per month for the length of time represented by such installments, and that such periodic payments in excess of $450 per month are subject to garnishee execution to the same extent as are wages and salaries. [RR 2021, c. 1, Pt. B, §221 (COR).]

C. If the total benefits presently due and payable to any annuitant under all annuity contracts under which the annuitant is an annuitant, at any time exceed payment at the rate of $450 per month, then the court may order such annuitant to pay to a judgment creditor or apply on the judgment, in installments, such portion of such excess benefits as to the court may appear just and proper, after due regard for the reasonable requirements of the judgment debtor and the judgment debtor's family, if dependent upon the judgment debtor, as well as any payments required to be made by the annuitant to other creditors under prior court orders. [RR 2021, c. 1, Pt. B, §222 (COR).]

[RR 2021, c. 1, Pt. B, §§221, 222 (COR).]

2. If the contract so provides, the benefits, rights, privileges or options accruing under such contract to a beneficiary or assignee shall not be transferable nor subject to commutation, and if the benefits are payable periodically or at stated times, the same exemptions and exceptions contained herein for the annuitant, shall apply with respect to such beneficiary or assignee.

[PL 1969, c. 132, §1 (NEW).]

SECTION HISTORY

PL 1969, c. 132, §1 (NEW). RR 2021, c. 1, Pt. B, §§221, 222 (COR).

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