

304.14-250 Assignability -- Rights of insurer, assignee.

- (1) A policy may be assignable or not assignable, as provided by its terms.
- (2) Subject to its terms relating to assignability, a life or health insurance policy, whether heretofore or hereafter issued, under the terms of which the beneficiary may be changed upon the sole request of the insured or owner, may be assigned either by pledge or transfer of title, by an assignment executed by the insured or owner alone and delivered to the insurer, whether or not the pledgee or assignee is the insurer.
- (3) Any assignment of a policy which is otherwise lawful and of which the insurer has received notice, shall entitle the insurer to deal with the assignee as the owner or pledgee of the policy in accordance with the terms of the assignment, until the insurer has received at its principal office written notice of the termination of the assignment or pledge, or written notice by or on behalf of some interest in the policy in conflict with the assignment.
- (4) Any individual insured under a group insurance policy or group annuity contract shall have the right, unless expressly prohibited under the terms of the policy or contract, to assign to any other person his rights and benefits under the policy or contract, including, but not limited to, the right to designate the beneficiary or beneficiaries and the rights as to conversion provided for in KRS 304.16-180 to 304.16-200, inclusive. While the assignment is in effect, and whether heretofore or hereafter made, the insurer shall be entitled to deal with the assignee as the owner of such rights and benefits in accordance with the terms of the assignment; but without prejudice to the insurer on account of any lawful action taken or payment made by it prior to receipt by it at its principal office or written notice of the assignment or of the termination thereof. This section acknowledges, confirms and codifies the existing right of assignment of interests under group life insurance policies.

Effective: June 18, 1970

History: Created 1970 Ky. Acts ch. 301, subtit. 14, sec. 25, effective June 18, 1970.