

§2405. Insurable interest -- exception when certain institutions designated beneficiary

1. Life insurance contracts may be entered into in which the person, trust or trustee paying the consideration for the insurance has no insurable interest in the life of the individual insured, where charitable, benevolent, educational or religious institutions, or their agencies, are designated irrevocably as the beneficiaries thereof.

[PL 1993, c. 320, §3 (AMD); PL 1993, c. 320, §5 (AFF).]

2. In making such contracts, the person paying the premium shall make and sign the application therefor as owner or as settlor of a trust, and shall designate a charitable, benevolent, educational or religious institution, or any agency thereof, irrevocably as the beneficiary or beneficiaries of such contract. The application must be signed also by the individual whose life is to be insured.

[PL 1993, c. 320, §3 (AMD); PL 1993, c. 320, §5 (AFF).]

3. Nothing in this section shall be deemed to prohibit any combination of the applicant, premium payer, owner, and beneficiary from being the same person.

[PL 1969, c. 132, §1 (NEW).]

4. Such a contract shall be valid and binding among the parties thereto, notwithstanding the absence otherwise of an insurable interest in the life of the individual insured.

[PL 1969, c. 132, §1 (NEW).]

SECTION HISTORY

PL 1969, c. 132, §1 (NEW). PL 1993, c. 320, §3 (AMD). PL 1993, c. 320, §5 (AFF).

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