

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

Except as provided in KRS 304.17A-265, 304.17C-137, and 304.20-105:

- (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, regardless of when it was 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; and
- (4)
  - (a) 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 or her 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.
  - (b) While the assignment is in effect, and regardless of when it was made, the insurer shall be entitled to deal with the assignee as the owner of the rights and benefits in accordance with the terms of the assignment and without prejudice to the insurer on account of any lawful action taken or payment made by the insurer prior to receipt by the insurer at its principal office of written notice of the assignment or of the termination thereof.
  - (c) This subsection acknowledges, confirms, and codifies the existing right of assignment of interests under group life insurance policies.

**Effective:** January 1, 2026

**History:** Amended 2025 Ky. Acts ch. 147, sec. 2, effective January 1, 2026. -- Amended 2024 Ky. Acts ch. 27, sec. 5, effective April 2, 2024. -- Amended 2023 Ky. Acts ch. 86, sec. 2, effective June 29, 2023. -- Created 1970 Ky. Acts ch. 301, subtit. 14, sec. 25, effective June 18, 1970.

**Legislative Research Commission Note** (1/1/2026). 2025 Ky. Acts ch. 147, sec. 5, provides that the amendments to this statute in that Act shall apply to policies, plans, and contracts issued or renewed on or after January 1, 2026.

**Legislative Research Commission Note** (4/2/2024). 2024 Ky. Acts ch. 27, sec. 6, provides that amendments made to this statute in that Act shall apply to insurance policies issued or renewed on or after April 2, 2024.

**Legislative Research Commission Note** (6/29/2023). This statute was amended by 2023 Ky. Acts ch. 86, sec. 2. Section 8 of that Act provides that the Act applies to health insurance policies in effect on or after June 29, 2023, and to health insurance policies issued, delivered, or renewed on or after June 29, 2023.