

40-414a. Trust provisions in contracts; restrictions on alienation; exemptions. When a contract of annuity, a policy of insurance, or other contract of a life insurance company authorized to do business in this state is entered into with any person for the benefit of another, and such contract so provides, a person entitled to any of the proceeds retained thereunder by said company or to interest thereon shall not be permitted to commute, anticipate, encumber, alienate, or assign the principal or interest thereon, or any part thereof, nor shall any part of such principal or interest be subject to the claims of creditors of any such person, nor be in any way subject to such person's debts, contracts, or engagements, or to any judicial process to levy upon or attach such proceeds for payment of such claims or demands, and such contracts shall be valid and enforceable.

History: L. 1933, ch. 204, § 1; June 5.