

598.20B Beneficiary revocation — other contracts.

1. Except as preempted by federal law, if a decree of dissolution, annulment, or separate maintenance is issued after a participant, annuitant, or account holder has designated the participant's, annuitant's, or account holder's spouse or one or more relatives of the participant's, annuitant's, or account holder's spouse as beneficiary under any individual retirement account, stock option plan, transfer on death account, payable on death account, or annuity in force at the date of the decree, a provision in the retirement account, stock option plan, transfer on death account, payable on death account, or annuity designating the participant's, annuitant's, or account holder's spouse or one or more relatives of the participant's, annuitant's, or account holder's spouse as beneficiary is voided by the issuance of the decree unless any of the following apply:

a. The decree designates the participant's, annuitant's, or account holder's spouse or one or more relatives of the participant's, annuitant's, or account holder's spouse as beneficiary.

b. After issuance of the decree, the participant, annuitant, or account holder executes a designation of beneficiary form provided by the plan or company naming the participant's, annuitant's, or account holder's former spouse or one or more relatives of the participant's, annuitant's, or account holder's former spouse as the beneficiary.

c. The participant, annuitant, or account holder and the participant's, annuitant's, or account holder's former spouse remarry.

d. Prior to the issuance of the decree, annuity payments have irrevocably commenced based on the joint life expectancies of the participant, annuitant, or account holder and the participant's, annuitant's, or account holder's former spouse.

2. If a beneficiary designation is not effective pursuant to subsection 1, the benefits or proceeds from the individual retirement account, stock option plan, transfer on death account, payable on death account, or annuity are payable to an alternate beneficiary, or if there is no alternate beneficiary, to the estate of the participant, annuitant, or account holder.

3. A business entity, employer, insurer, financial institution, or other person or entity obligated to pay the benefits or proceeds from an individual retirement account, stock option plan, transfer on death account, payable on death account, or annuity to a beneficiary under a designation that is void pursuant to subsection 1 is not liable for payment of the benefits or proceeds to a beneficiary as provided under subsection 2 unless both of the following apply:

a. At least ten days prior to payment of the benefits or proceeds to the designated beneficiary, the business entity, employer, insurer, financial institution, or other person or entity obligated to pay the benefits or proceeds receives written notice at the home office of the business entity, employer, insurer, financial institution, or other person or entity that the designation of the beneficiary is not effective pursuant to subsection 1.

b. The business entity, employer, insurer, financial institution, or other person or entity has failed to interplead the benefits or proceeds in a court of competent jurisdiction in accordance with the rules of civil procedure.

4. This section does not limit the right of a beneficiary to seek recovery from any person or entity that erroneously receives or collects the benefits or proceeds of an individual retirement account, stock option plan, transfer on death account, payable on death account, or annuity.

5. This section does not affect the right of the participant's, annuitant's, or account holder's former spouse to assert an ownership interest in an individual retirement account, stock option plan, transfer or payable on death account, or annuity that is not disclosed to the participant's, annuitant's, or account holder's spouse prior to the issuance of the decree of dissolution, annulment, or separate maintenance and that is not addressed by the decree.

6. For purposes of this section, "*relative of the participant's, annuitant's, or account holder's spouse*" means a person who is related to the participant's, annuitant's, or account holder's former spouse by blood, adoption, or affinity, and who, subsequent to a decree of dissolution, annulment, or separate maintenance ceases to be related to the participant, annuitant, or account holder by blood, adoption, or affinity.

2007 Acts, ch 134, §5, 28

[SP] Section applies to all decrees of dissolution, annulment, or separate maintenance entered on or after July 1, 2007; 2007 Acts, ch 134, §28