

633.424 Contingent claims.

Contingent claims which cannot be allowed as absolute debts shall, nevertheless, be filed in the court and proved. If allowed as a contingent claim, the order of allowance shall state the nature of the contingency. If such claim shall become absolute before distribution of the estate, it shall be paid in the same manner as absolute claims of the same class. In all other cases, the court may provide for the payment of contingent claims in any one of the following methods:

1. The creditor and personal representative may determine, by agreement, arbitration, or compromise, the value of the claim, according to its probable present worth, and upon approval thereof by the court, the contingent claim may be allowed and paid in the same manner as an absolute claim.

2. The court may order the personal representative to make distribution of the estate but to retain sufficient funds to pay the claim if and when the same becomes absolute. However, for this purpose, the estate shall not be kept open longer than two years after distribution of the remainder of the estate. If the contingent claim has not become absolute within that time, distribution shall be made to the distributees of the funds so retained, after paying any costs and expenses accruing during such period. The distributees shall be liable to the creditor to the extent of the estate received by them, if the contingent claim becomes absolute after distribution. When distribution is so made to distributees, the court may require the distributees to give bond for the satisfaction of their liability to the contingent creditor.

3. The court may order distribution of the estate as though the contingent claim did not exist, but the distributees shall be liable to the creditor to the extent of the estate received by them, if the contingent claim becomes absolute after distribution. The court may require the distributees to give bond for the performance of their liability to the contingent creditor.

4. Such other method as the court may order.

[C51, §1365; R60, §2397; C73, §2414; C97, §3343; C24, 27, 31, 35, 39, §11965; C46, 50, 54, 58, 62, §635.61; C66, 71, 73, 75, 77, 79, 81, §633.424]

[2020 Acts, ch 1063, §346](#)