(b) Under such regulations as the Secretary may promulgate, the cash surrender value of any policy of insurance or the proceeds of an endowment contract which matures by reason of completion of the endowment period may be paid to the insured (1) in equal monthly installments of from thirty-six to two hundred and forty in number, in multiples of twelve; or (2) as a refund life income in monthly installments payable for such periods certain as may be required in order that the sum of the installments certain, including a last installment of such reduced amount as may be necessary, shall equal the cash value of the contract, less any indebtedness, with such payments continuing throughout the lifetime of the insured. However, all settlements under option (2) above shall be calculated on the basis of The Annuity Table for 1949. If the option selected requires payment of monthly installments of less than $10, the amount payable shall be paid in such maximum number of monthly installments as are a multiple of twelve as will provide a monthly installment of not less than $10.

(c)(1) Following the death of the insured and in a case not covered by section 1950 of this title—

(A) if the first beneficiary otherwise entitled to payment of the insurance does not make a claim for such payment within two years after the death of the insured, payment may be made to another beneficiary designated by the insured, in the order of precedence as designated by the insured, as if the first beneficiary had predeceased the insured; and

(B) if, within four years after the death of the insured, no claim has been filed by a person designated by the insured as a beneficiary and the Secretary has not received any notice in writing that any such claim will be made, payment may (notwithstanding any other provision of law) be made to such person as may in the judgment of the Secretary be equitably entitled thereto.

(2) Payment of insurance under paragraph (1) shall be a bar to recovery by any other person.

(Pub. L. 85–857, Sept. 2, 1958, 72 Stat. 1161, § 752; Pub. L. 91–291, § 12, June 25, 1970, 84 Stat. 332; Pub. L. 97–66, title IV, § 403(b), Oct. 17, 1981, 95 Stat. 1031; Pub. L. 99–576, title VII, § 701(32), Oct. 28, 1986, 100 Stat. 3293; renumbered § 1952 and amended Pub. L. 102–83, §§ 4(b)(1), (2)(E), 5(a), Aug. 6, 1991, 105 Stat. 404–406; Pub. L. 108–183, title I, § 103(b), Dec. 16, 2003, 117 Stat. 2655.)

AMENDMENTS

2003—Subsec. (c). Pub. L. 108–183 added subsec. (c).

1991—Pub. L. 102–83 renumbered section 752 of this title as this section and substituted ''Secretary'' for ''Administrator'' in subsecs. (a) and (b).

1986—Subsec. (a). Pub. L. 99–576 substituted ''the right'' for ''his right'' in two places.

1981—Subsec. (a). Pub. L. 97–66 inserted provision empowering beneficiaries, in the case of insurance maturing after Sept. 30, 1981, and for which the insured has not exercised the right of election of the insured as provided in this subchapter, to elect to receive payment of the insurance in one sum.

1970—Pub. L. 91–291 designated existing provisions as subsec. (a) and added subsec. (b).

EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by Pub. L. 108–183 effective Oct. 1, 2004, see section 103(c) of Pub. L. 108–183, set out as a note under section 1917 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97–66 effective Oct. 17, 1981, see section 701(b)(1) of Pub. L. 97–66, set out as a note under section 1114 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91–291 effective first day of first calendar month which begins more than six calendar months after June 25, 1970, see section 14(a) of Pub. L. 91–291, set out as a note under section 1317 of this title.

TRANSITION PROVISION

For transition provision relating to subsec. (c)(1) of this section, see section 103(d) of Pub. L. 108–183, set out as a note under section 1917 of this title.

§ 1953. Assignments

Any person to whom United States Government life insurance shall be payable may assign such person's interest in such insurance to the spouse, child, grandchild, parent, brother, sister, uncle, aunt, nephew, niece, brother-in-law, or sister-in-law of the insured. Insofar as applicable, the definitions contained in section 3 of the World War Veterans' Act, 1924, in effect on December 31, 1958, shall apply to this section.

(Pub. L. 85–857, Sept. 2, 1958, 72 Stat. 1161, § 753; Pub. L. 96–128, title III, § 304, Nov. 28, 1979, 93 Stat. 986; renumbered § 1953, Pub. L. 102–83, § 5(a), Aug. 6, 1991, 105 Stat. 406.)

REFERENCES IN TEXT

Section 3 of the World War Veterans' Act, 1924, referred to in text, is section 3 of act June 7, 1924, ch. 320, 43 Stat. 607, which was classified to section 424 of former Title 38, Pensions, Bonuses, and Veterans' Relief, and which was repealed and the provisions thereof reenacted as section 101 of this title by Pub. L. 85–857, Sept. 2, 1958, 72 Stat. 1105.

AMENDMENTS

1991—Pub. L. 102–83 renumbered section 753 of this title as this section.

1979—Pub. L. 96–128 substituted ''such person's'' for ''his''.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–128 effective Nov. 28, 1979, see section 601(b) of Pub. L. 96–128, set out as a note under section 1114 of this title.

§ 1954. Forfeiture

No yearly renewable term insurance or United States Government life insurance shall be payable for death inflicted as a lawful punishment for crime or military offense, except when inflicted by the enemy. In such cases the cash surrender value of United States Government life insurance, if any, on the date of such death shall be paid to the designated beneficiary if living, or if there be no designated beneficiary alive at the death of the insured the said value shall be paid to the estate of the insured.

(Pub. L. 85–857, Sept. 2, 1958, 72 Stat. 1161, § 754; renumbered § 1954, Pub. L. 102–83, § 5(a), Aug. 6, 1991, 105 Stat. 406.)