CARLTON FIELDS

Intentional Killing a Grave Mistake Under Slayer Statutes

October 04, 2019

Recent decisions provide worthwhile guidance for insurers handling slayer claims.

According to traditional inheritance law, a "slayer" is one who intentionally kills, or conspires to kill, feloniously or unjustifiably, someone from whom the slayer would inherit or acquire an interest in assets or property. States prohibit a slayer from acquiring this interest to prevent unjust enrichment and to discourage schemes to kill by those who stand to benefit financially. A life insurer typically encounters slayer laws in addressing a potential slayer's entitlement to death benefit proceeds. In the event the beneficiary is deemed a slayer, the proceeds are typically payable to the secondary or contingent beneficiaries. Insurers faced with competing claims may interplead the funds with the court and obtain a discharge of liability.

One recent ruling argues in favor of taking a patient approach in handling slayer issues and considering interpleader, even if the beneficiary appears likely eligible. In *Banner Life Insurance Co. v. Shelton*, the Northern District of Illinois permitted the insurer to interplead death benefits following the killing of the insured, notwithstanding that the husband, the primary beneficiary, had not been charged with any crime or identified as a person of interest in the police investigation. After the funds were interpleaded, the court continued to deny summary judgment to the husband, finding that the funds could not yet be paid while the police investigation remained open and the husband had not explicitly been ruled out.

Other recent cases illustrate that state slayer doctrines may vary and that an insurer faced with a slayer claim should analyze the applicable jurisdiction's case and statutory law. For example, two recent decisions highlight different interpretations of "intentional" killing within the meaning of slayer statutes. In *In re Estate of Ivy*, an Illinois appellate court reversed the trial court's determination that a criminal court's ruling that a charge of first-degree murder had been established disqualified the killer in civil proceedings as a slayer who "intentionally and unjustifiably" caused the death of the victim. The court explained that the criminal proceedings did not specifically find that the killer *intentionally* killed the decedent. Rather, the first-degree murder charge "could have resulted where only great bodily harm was intended or was the known result" of the killer's actions. Consequently, there was no prior determination that the putative slayer "intentionally and unjustifiably" killed the decedent that could "be resolved as a matter law."

In contrast, in *Prudential Insurance Co. of America v. Grohman*, a Florida district court held that the intent to inflict injury, and not specifically the intent to kill, could be deemed an "intentional" killing within the meaning of the applicable slayer statute. There, the infant child of two married service members was covered under a group life insurance policy issued by the insurer, with the father as the primary beneficiary. The father was convicted of aggravated child abuse in connection with the child's death, but the father still made a claim for the insurance proceeds. After the insurer interpleaded the funds to the court, the court disqualified the father from receiving the death benefit, holding that the father's intentional abuse that resulted in death was sufficient to establish intent within the meaning of the applicable slayer statute.

Two other recent decisions show that the burden of proof applicable to slayer determinations may vary among different states. In *In re Estate of Barnett*, a Georgia appellate court relied on the "clear and convincing evidence" standard to affirm the trial court's entry of summary judgment in favor of the alleged slayer. In contrast, a recent case in Iowa cited only a "preponderance of the evidence" test as applicable to the slayer determination. In *Prudential Insurance Co. of America v. Williams*, the Northern District of Iowa permitted the insurer to interplead insurance proceeds and noted that "the putative beneficiary under the slayer statute need only prove that the named beneficiary caused the death at issue by a preponderance of the evidence." Although an insurer typically interpleads funds prior to a court ruling on whether a party has met its burden of proof, the different burdens may still be relevant to an insurer's assessment of competing claims, and the state-specific law ought to be considered.

Authored By

Michael N. Wolgin

Related Practices

Life, Annuity, and Retirement Litigation
Securities Transactions and Compliance
Financial Services Regulatory

Related Industries

Life, Annuity, and Retirement Solutions
Securities & Investment Companies