

# HOUSE . . . . No. 2048

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## The Commonwealth of Massachusetts

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HOUSE OF REPRESENTATIVES, May 18, 1938.

The committee on Insurance, to whom was referred the report of the joint special committee appointed to investigate relative to the incorporation and business methods of the Commonwealth Mutual Liability Insurance Company (House, No. 185), report (in part, — Appendix 3) the accompanying bill (House, No. 2048).

For the committee,

HOLLIS M. GOTT.

## The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Thirty-Eight.

AN ACT SUBJECTING INCORPORATORS AND EMPLOYEES OF CERTAIN MUTUAL INSURANCE COMPANIES TO CERTAIN PROVISIONS OF LAW RELATIVE TO MUTUAL FIRE INSURANCE COMPANIES.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 Section ninety of chapter one hundred and seventy-  
2 five of the General Laws, as appearing in the Ter-  
3 centenary Edition, is hereby amended by inserting  
4 after the word "agents" in the fifth and in the tenth  
5 lines, in each instance, the word: — employees, — and  
6 by inserting before the word "officers" in the fourth  
7 and in the tenth lines, in each instance, the word: —  
8 incorporators, — so as to read as follows: — *Section 90.*  
9 Mutual companies, other than life, formed to transact  
10 or transacting business under any one or more of  
11 clauses three, four, five, six, seven, eight, nine, ten,  
12 twelve and thirteen of section forty-seven, or under  
13 clause (a), (b), (d) or (e) of section fifty-four, and the  
14 incorporators, officers, directors, agents, employees  
15 and members of such companies shall, except as pro-  
16 vided in clause (e) of said section fifty-four and in  
17 sections ninety A, ninety B, ninety-two, ninety-three,  
18 ninety-three A, ninety-three B, ninety-three C, ninety-

19 three D and one hundred and thirteen B, be subject  
20 to all the provisions of this chapter relating to mutual  
21 fire companies and their incorporators, officers, di-  
22 rectors, agents, employees, and members, so far as  
23 applicable.

24 A policyholder in any domestic mutual company  
25 specified in the first paragraph of section fifty-five  
26 or in any domestic mutual company incorporated  
27 on or after April sixth, nineteen hundred and eleven  
28 and prior to January first, nineteen hundred and  
29 twenty-seven under a special charter and authorized  
30 to transact the same kinds of business as the mutual  
31 companies specified as aforesaid shall not be liable  
32 to pay his proportionate part of any assessments  
33 which may be laid by such companies unless he is  
34 notified of such assessment within one year after the  
35 expiration or cancellation of his policy.

