

To accompany the petition of Clarence W. Wyatt for legislation to permit domestic life insurance companies to pay the cash surrender values of policies of life or endowment insurance without the written consent of the persons to whom such policies are payable. Insurance.

The Commonwealth of Massachusetts

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

AN ACT TO PERMIT DOMESTIC LIFE INSURANCE COMPANIES TO MAKE EXTENDED TERM INSURANCE THE AUTOMATIC NON-FORFEITURE BENEFIT UNDER CERTAIN POLICIES OF LIFE OR ENDOWMENT INSURANCE.

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 1. Section one hundred and forty-four
2 of chapter one hundred and seventy-five of the Gen-
3 eral Laws, as appearing in the Tercentenary Edition
4 thereof, is hereby amended by inserting after the
5 word "option (b)", in the forty-fifth line, the words:
6 —, unless the policy provides that it shall be binding
7 as aforesaid as provided in option (c), — so that the
8 first sentence of the second paragraph will read as
9 follows: — If the holder shall not within thirty days
10 from default surrender the policy to the company for
11 cash as provided in option (a), or elect, by a writing
12 filed with the company at its home office, to take ex-
13 tended term insurance as provided in option (c), the

14 insurance will be binding upon the company from the
15 date of default without any further stipulation or act
16 as provided in option (b), unless the policy provides
17 that it shall be binding as aforesaid as provided in
18 option (c).

1 SECTION 2. Any domestic life insurance company
2 may, upon the written request of the holder of any
3 policy of life or endowment insurance, described in
4 section one hundred and forty-four of chapter one
5 hundred and seventy-five of the General Laws and
6 issued by it prior to the effective date of this act,
7 amend such policy to provide that option (c) of said
8 section one hundred and forty-four shall be auto-
9 matically operative in default of an election under said
10 section instead of option (b) specified therein.