

By Mr. LaFontaine of Gardner, petition of Raymond M. LaFontaine relative to the investments of life insurance companies. Insurance.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Two.

AN ACT RELATIVE TO THE INVESTMENTS OF LIFE 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 63 of Chapter 175 of the General Laws, is hereby amend-
2 ed by adding the following paragraph 16: —

3 16. In any of the below listed investments provided that each
4 such investment matures in two (2) years or less from the date of
5 acquisition:

6 1. obligations (including certificates of deposit and bankers
7 acceptances) of banks or trust companies incorporated and doing
8 business under the laws of the United States of America or one of
9 the states thereof which at the date of the investment have capital,
10 surplus and undivided profits (as of the date of their most recent
11 published financial statements) in excess of \$100,000,000, includ-
12 ing obligations of foreign branches of United States banks and
13 United States branches or agencies of foreign banks if such banks
14 meet the stated qualifications;

15 2. commercial paper which at the date of the investment is
16 rated (or guaranteed by a company whose commercial paper is
17 rated) A-1 by Standard & Poor's Corporation, P-1 by Moody's
18 Investors Service, Inc., or F-1 by Fitch's Investors Service or, if not
19 rated, is issued by a company which at the date of the investment
20 has an outstanding debt issue rated AAA or AA by Standard &
21 Poor's or Aaa or Aa by Moody's;

22 3. corporate obligations maturing in one year or less which at

23 the date of the investment are rated A or higher by Standard &
 24 Poor's or A or higher by Moody's; and
 25 4. repurchase agreements with respect to any of the foregoing
 26 obligations.