

HOUSE No. 415

Accompanying the petition of Samuel Susser relative to the misleading of injured persons, executors and administrators of estates of deceased persons by casualty insurance companies, to aiding persons to satisfy their judgments secured in actions of tort, and to preventing unnecessary litigation. The Judiciary (Joint). January 11.

The Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Twenty-Three.

AN ACT

To prevent the Misleading of Injured Persons, Executors and Administrators of Estates of Deceased Persons by Casualty Insurance Companies, to aid Such Persons to satisfy their Judgments secured in Actions of Tort, and to prevent Unnecessary Litigation.

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. Whenever a casualty insurance company
2 undertakes, either directly or indirectly, to represent or
3 defend a person against whom a claim is made or suit
4 is brought, or one who may become liable for damages
5 resulting from an accident, or any person who is or al-
6 leged to be involved in an accident, either by negotiating
7 for a settlement with the injured person or his attorney
8 or by an appearance in court filed by its attorney in

9 behalf of the defendant, such company shall be estopped
10 from denying that it covered by insurance the person so
11 represented or defended when a suit in equity is com-
12 menced against the insurance company under the pro-
13 visions of sections one hundred and twelve and one
14 hundred and thirteen of chapter one hundred and seventy-
15 five of the General Laws, unless before such negotiations
16 are commenced or appearance in court is filed, the in-
17 surance company shall notify in writing the injured
18 person or the executor or administrator of a deceased
19 person, or his or their attorney, that it does not intend
20 to satisfy or pay the judgment that may be recovered in
21 the action already commenced or which may be brought
22 as a result of such accident and a further statement
23 therein setting forth the reasons therefor.

1 SECTION 2. Wherever the word "person" appears in
2 this act, it shall mean and include natural persons,
3 associations, co-partnerships and corporations, and shall
4 also mean and include executors and administrators of
5 estates of deceased persons wherever the context shall
6 admit.

1 SECTION 3. This act shall not affect any claim or suit
2 for damages for injuries sustained or for death resulting
3 therefrom which had occurred, and for which claim has
4 been made or suit commenced, prior to the date upon
5 which this act shall take effect.