

At the request of Mr. Ames of Lynn, petition of Ralph S. Bauer, mayor of Lynn, and another for legislation relative to the sale of sprinklers or other fire prevention or extinguishing equipment in connection with the placing or negotiating of insurance, was taken from the files of the preceding year.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Thirty.

An Act relative to the Sale of Sprinklers or Other Fire Prevention or Extinguishing Equipment in Connection with the Placing or Negotiating of 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 one hundred and eighty-four of chapter one
2 hundred and seventy-five of the General Laws, as
3 amended by section two of chapter ninety-three of the
4 acts of nineteen hundred and twenty-six, is hereby
5 further amended by adding at the end thereof the
6 following: — , or (4) the sale by any company, officer,
7 agent or broker of sprinklers or other fire prevention or
8 extinguishing equipment in connection with the placing
9 or negotiating of insurance, — so as to read as follows:
10 — *Section 184.* The two preceding sections shall
11 apply to all kinds of insurance, including contracts of
12 corporate suretyship, except those specified in the
13 second clause of section forty-seven, as to which they
14 shall apply only to insurance against loss or damage to
15 motor vehicles, their fittings and contents and against

16 loss or damage caused by teams, automobiles or other
17 vehicles, excepting rolling stock of railways, as pro-
18 vided in said second clause. The said sections shall
19 not prohibit any company from paying a commission
20 to another company or to any person who is duly
21 licensed as an insurance agent of such company or as
22 an insurance broker and who holds himself out and
23 carries on business in good faith as such, or prohibit
24 any such person or any company from receiving a
25 commission in respect to any policy under which he
26 or it is insured, or in respect to any annuity or pure
27 endowment contract held by him; nor shall said
28 sections apply to (1) a distribution, without special
29 favor or advantage, by mutual companies to policy
30 holders of savings, earnings or surplus without specifi-
31 cation thereof in the policy, or (2) the furnishing to the
32 insured of information or advice by any company,
33 officer, agent or broker with regard to any risk for the
34 purpose of reducing the liability of loss, or (3) the
35 payment or allowance to the insured of a return pre-
36 mium upon the cancellation or surrender of a policy,
37 or of a cash surrender or other value upon the lapse
38 or surrender of a policy of life or endowment insurance
39 or upon the exchange, alteration or conversion of any
40 such policy under section one hundred and thirty-nine,
41 or (4) the sale by any company, officer, agent or broker
42 of sprinklers or other fire prevention or extinguishing
43 equipment in connection with the placing or negotiat-
44 ing of insurance.

