

# HOUSE . . . . No. 443

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By Mr. Gallagher of Boston, petition of Owen Gallagher relative to contents of endowment policies and limited payment life policies issued by domestic and foreign insurance companies. Insurance.

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## The Commonwealth of Massachusetts

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

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An Act relative to Contents of Endowment Policies and Limited Payment Life Policies issued by Domestic and Foreign 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 Chapter one hundred and seventy-five, Tercente-  
2 nary edition, of the General Laws is hereby amended  
3 by adding to section one hundred and thirty-two,  
4 after provision eleven, the following:

5 12. A provision in the endowment and limited pay-  
6 ment life policies by all domestic and foreign insur-  
7 ance companies doing business in the commonwealth  
8 and issuing endowment and limited payment life  
9 policies for five hundred dollars or over, in Massa-  
10 chusetts, on risks, eligible to straight life insurance  
11 shall, if the insured dies before the expiration of the  
12 endowment period or limited payment life period,  
13 pay to the beneficiary the full face of the policy less  
14 any indebtedness due the company by the insured

15 with a return of the premiums to the beneficiary for  
16 the years paid by the insured over and above what  
17 it would cost the insured on a straight life policy at  
18 the age the endowment or limited payment life  
19 policy was issued to the insured.

20 13. If the insured at the time the endowment or  
21 limited payment life policy was issued by the company  
22 was a risk not eligible to straight life insurance but  
23 was substandard risk and dies before the expiration  
24 of the endowment period or limited payment life  
25 period, the company shall pay to the beneficiary the  
26 full face of the policy less any indebtedness due to  
27 the company by the insured with a return of the  
28 premiums for the years paid by the insured over  
29 and above what it would cost the insured on a sub-  
30 standard policy at the age the endowment or lim-  
31 ited payment life policy was issued to the insured.

32 14. A provision that the company shall specify in  
33 any endowment policy or limited payment life policy  
34 issued to an individual in Massachusetts, whether  
35 the individual insured was eligible to straight life  
36 insurance or a substandard risk and the premiums  
37 it would charge the insured for a straight life policy  
38 or substandard policy at the time the endowment or  
39 limited payment life policy was issued.

40 15. Endowment and limited payment life shall be  
41 construed to mean under provisions twelve, thirteen  
42 and fourteen of this act, any policy that shall not  
43 read "Whole life policy."