

HOUSE No. 394

By Mr. Carlin of Boston, petition of the New England Fraternal Congress for amendment of the law relative to granting of extended or paid-up protection or loans in fraternal benefit societies. Insurance.

The Commonwealth of Massachusetts

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

AN ACT RELATING TO THE GRANTING OF EXTENDED OR PAID-UP PROTECTION OR LOANS IN FRATERNAL BENEFIT SOCIETIES.

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 sixteen of chapter one hundred and seventy-
2 six of the General Laws is hereby amended by insert-
3 ing after the words "paid-up protection" in the fif-
4 teenth line the following:— or such loans on any
5 certificate of membership, — so that the entire sec-
6 tion will read as follows:— *Section 16. Certain*
7 *societies may grant extended or paid-up protection, etc.*
8 Any society which shows by the annual valuation
9 hereinafter provided for that it is accumulating and
10 maintaining the tabular reserve required by a table
11 of mortality not lower than the National Fraternal
12 Congress Table of Mortality as adopted by the Na-
13 tional Fraternal Congress August twenty-third, eight-
14 een hundred and ninety-nine and four per cent
15 interest, and which has provided for stated periodical

16 mortuary contributions based on said standard, or
17 which shows that its stated periodical mortuary con-
18 tributions for the period of the five years next preced-
19 ing, at rates at no time higher than those in use follow-
20 ing said period, were sufficient to pay the actual claims
21 and maintain the aforesaid reserve for said period
22 without recourse to the reserves released by the laps-
23 ing of certificates, and without falling below said
24 standard for any two consecutive years of said period,
25 may grant to its members such extended or paid-up
26 protection or such loans on any certificate of member-
27 ship or such withdrawal equities as its constitution
28 and by-laws may provide; provided, that such grants
29 shall be equitable, and shall in no case exceed in
30 value the portion of the reserve derived from the pay-
31 ments of the individual members to whom they are
32 made.