

SENATE No. 383

The Commonwealth of Massachusetts.

SENATE, March 28, 1916.

The committee on Insurance, to which was recommitted the petition (with accompanying bill, Senate, No. 186), of William T. Trull relative to contracts of insurance of life insurance companies, reports the accompanying bill (new draft).

For the committee,

WALTER E. McLANE.

The Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Sixteen.

AN ACT

Relative to the Contracts of Insurance of Life 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 Section thirty-four of chapter five hundred and
2 seventy-six of the acts of the year nineteen hun-
3 dred and seven, as amended by chapter eighty-one
4 of the acts of the year nineteen hundred and eight,
5 by chapter four hundred and eighty-eight of the
6 acts of the year nineteen hundred and nine, by
7 chapter four hundred and ninety-nine of the acts
8 of the year nineteen hundred and ten, by chapter
9 two hundred and five of the acts of the year nine-
10 teen hundred and eleven, by chapter five hundred
11 and twenty-four of the acts of the year nineteen
12 hundred and twelve, and by chapter four hundred
13 and eighty-nine of the acts of the year nineteen
14 hundred and thirteen, is hereby further amended
15 by adding at the end of the paragraph beginning
16 with the words "Contracts of insurance", the
17 words: — and any such company may provide for

18 the payment of a larger sum if death is caused by
19 accident than if it results from other causes, pro-
20 vided that the sum thus payable in event of such
21 death by accident shall not exceed on any one life
22 three per cent of the company's aggregate expected
23 mortality as shown by its last annual statement
24 to the insurance department of the common-
25 wealth. The consideration for such special benefit
26 shall be separately stated in the policy, — so that
27 the paragraph as amended shall read as follows: —
28 Contracts of insurance for each of the classes
29 specified in section thirty-two shall be in separate
30 and distinct policies notwithstanding any pro-
31 vision of this act which permits a company to
32 transact more than one of said classes of insur-
33 ance, except that any domestic life insurance
34 company, notwithstanding any limitations of its
35 charter to the contrary, and any foreign life in-
36 surance company authorized to transact business
37 in this commonwealth, if it is permitted so to do
38 by its charter or by the state in which it is incor-
39 porated, whether or not it has a capital stock, may
40 incorporate in its policies of insurance provisions
41 for the waiver of premiums or for the granting of
42 special surrender values therefor in the event that
43 the insured thereunder shall from any cause be-
44 come totally and permanently disabled, which
45 provisions shall state the special benefits to be
46 granted thereunder and the cost of such conces-
47 sions to the insured, and shall define in such pol-
48 icies what shall constitute total and permanent
49 disability, and any such company may provide

50 for the payment of a larger sum if death is caused
51 by accident than if it results from other causes
52 provided that the sum thus payable in the event
53 of such death by accident shall not exceed on any
54 one life three per cent of the company's aggregate
55 expected mortality as shown by its last annual
56 statement to the insurance department of the
57 commonwealth. The consideration for such spe-
58 cial benefit shall be separately stated in the policy.