

SENATE No. 889

The Commonwealth of Massachusetts

SENATE, March 18, 1965.

The committee on Bills in the Third Reading, to whom was referred the Senate Bill amending the law regulating variable annuity insurance companies concerning voting rights and kinds of business that may be combined (Senate, No. 880), reports recommending that the same be amended by substituting therefor a new draft entitled "An Act relative to voting rights in and the kinds of business that may be combined by variable annuity insurance companies" (Senate, No. 889), and that, when so amended, the same will be correctly drawn.

For the committee,

JOHN E. HARRINGTON, JR.

The Commonwealth of Massachusetts

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

AN ACT RELATIVE TO VOTING RIGHTS IN AND THE KINDS OF BUSINESS THAT MAY BE COMBINED BY VARIABLE ANNUITY 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 1. Section 61 of chapter 175 of the General Laws,
2 as appearing in the Tercentenary Edition, is hereby amended
3 by inserting after the first sentence the following sentence: —
4 A company authorized under clause Eighteenth of section
5 forty-seven may grant to its variable annuity contract owners
6 such voting rights as it deems necessary to qualify under the
7 Investment Company Act of 1940 of the United States, as
8 amended.

1 SECTION 2. The first paragraph of section 48 of said chapter
2 175, as amended by section 2 of chapter 471 of the acts of
3 1946, is hereby further amended by striking out, in line 12,
4 the word "or", and by adding after the word "thereof", in
5 line 13, the following: — , or (f) to transact the business set
6 forth in the sixteenth and eighteenth clauses thereof, to the
7 extent set forth in clause (h) of section fifty-one.

1 SECTION 3. Section 51 of said chapter 175 is hereby amend-
2 ed by inserting after clause (g) the following clause: — (h)
3 The sixteenth and the eighteenth, if the company is incorpo-
4 rated for the purpose set forth in the eighteenth clause; pro-
5 vided, that in combining these kinds of business any business
6 transacted under the sixteenth clause shall be only to the ex-
7 tent necessary to provide that owners of variable annuity
8 contracts covered by the eighteenth clause may elect payout
9 provisions including fixed payments like those required for
10 annuities described in the sixteenth clause, if elected to be

11 effective when such payments commence; and provided,
12 further, that it conforms to the requirements of section forty-
13 eight in respect to paid-up capital and net cash surplus for
14 companies organized under said eighteenth clause.

