

HOUSE No. 405.

[Bill accompanying the petition of Field and Cowles. Insurance.]

Commonwealth of Massachusetts.

In the Year One Thousand Eight Hundred and Ninety-eight.

AN ACT

For the Further Prevention of Over-Insurance and to fix the Order of Payment of Losses to Mortgagees and Owners.

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. Where property within this Common-
2 wealth is, or may become subject to one or more mort-
3 gages, the amount of insurance to be issued thereon,
4 whether to the owner of said property upon his equity
5 of redemption therein, payable in case of loss to the
6 mortgagee or mortgagees, or to any mortgagee upon his
7 own interest as such, or to the owner in addition to, or
8 independently of, the amount of insurance payable to
9 any and all mortgagees, shall not exceed in the aggregate
10 the fair value of said property; and in case of loss upon
11 said property all policies of insurance thereon, whether

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12 payable to the mortgagee or mortgagees or not, shall,
13 upon satisfactory proof made of the rights and title of
14 all parties, become and be held liable to contribute to the
15 amount which shall be found due to the mortgagee or
16 mortgagees to the extent of their respective claims; and
17 all such mortgagees shall be paid the amounts respec-
18 tively due them in the order of their priority before the
19 owner of the equity of redemption in said property shall
20 receive anything; but nothing herein contained shall en-
21 large the amount which any of such insurers would
22 otherwise pay on account of any loss, and any payment
23 so made by any such insurer under its policy in accor-
24 dance with the provisions of this act, whether to the
25 person named in the policy or not, shall be deemed and
26 taken to be in payment and satisfaction of the liability
27 of such insurer under its policy to the full extent of such
28 payment.

1 SECTION 2. Section fifty-eight of chapter five hun-
2 dred and twenty-two of the acts of eighteen hundred and
3 ninety-four is hereby repealed.

