

HOUSE No. 1106.

[Mr. HORGAN of Boston gives notice that he will move to substitute this bill for the report of the committee on Insurance, leave to withdraw.]

Commonwealth of Massachusetts.

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

AN ACT

To furnish Further Protection to Massachusetts Policy Holders in Foreign Insurance Companies Transacting a Surety or Accident Insurance to Persons in this Commonwealth.

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. No foreign insurance company, within
2 the meaning of section one, chapter five hundred and
3 twenty-two of the acts of eighteen hundred and ninety-
4 four, shall be allowed to transact the classes of insurance
5 known as corporate suretyship or accident to persons, as
6 is more fully specified in the third and fifth paragraphs
7 of section twenty-nine, chapter five hundred and twenty-
8 two, acts of eighteen hundred and ninety-four, until it
9 shall have deposited with the treasurer of this Common-

10 wealth, subject to the limitations of section ninety-four
 11 of chapter five hundred twenty-two, acts of eighteen
 12 hundred and ninety-four, a sum equal to not less than
 13 one-tenth of its capital, and not less than one hundred
 14 thousand dollars in any case, and such deposit shall be
 15 made in the securities and subject to the limitations
 16 specified in section thirty-four of chapter five hundred
 17 and twenty-two, acts of eighteen hundred and ninety-
 18 four: *provided, however*, that nothing in this act shall be
 19 so construed as to require that a deposit shall be made
 20 by any company transacting solely a fidelity insurance
 21 business, as distinguished from corporate suretyship,
 22 as provided in the third paragraph of section nine
 23 of chapter five hundred twenty-two, acts of eighteen
 24 hundred and ninety-four. This deposit must be in ex-
 25 clusive trust for the benefit and security of all the com-
 26 pany's policy holders in the United States, and no
 27 portion thereof shall be withdrawn until the period of
 28 time provided for in chapter one hundred and ninety-
 29 seven of the Public Statutes shall have elapsed, or
 30 during the existence of any outstanding liability of any
 31 such company in the United States.

1 SECTION 2. Foreign insurance companies now trans-
 2 acting any of the classes of insurance specified in section
 3 one of this act shall comply with the provisions of this
 4 act within sixty days after its passage, or shall cease to
 5 do further business in this Commonwealth, as provided
 6 in section seven, chapter five hundred and twenty-two,
 7 acts of eighteen hundred and ninety-four.

1 SECTION 3. All acts and parts of acts inconsistent
 2 herewith are hereby repealed.

1 SECTION 4. This act shall take effect upon its passage.

