

Town appropriations to pay insurance companies acting as sureties, etc.

G. L. 41, new section after § 109.

Certain city, town and district employees to furnish bond with surety company as surety.

Payment of premium.

so as to read as follows:— (1) To pay a proper charge of an insurance company for acting as surety on the official bond of any town officer.

SECTION 9. Chapter forty-one of the General Laws is hereby amended by inserting after section one hundred and nine the following new section:— *Section 109A.* Every officer or employee of a city, town or district required to furnish a fidelity bond with a surety or sureties shall furnish a bond with a surety company authorized to transact business in the commonwealth, as surety. The premium on such bond shall in every case be paid by the city, town or district. *Approved May 26, 1924.*

Chap.405 AN ACT AUTHORIZING THE CITY OF BOSTON TO PAY AN ANNUITY TO THE WIDOW OF CHRISTOPHER MELIA.

Be it enacted, etc., as follows:

City of Boston may pay annuity to widow of Christopher Melia.

SECTION 1. The city of Boston may pay in equal monthly instalments to Catherine Melia of Boston, widow of Christopher Melia, who died April fifteenth, nineteen hundred and twenty-two, from illness contracted from a severe wetting received the preceding February second, while fighting a fire in the course of his duties as a member of the fire department of said city, an annuity of six hundred dollars, the same to terminate on the remarriage of the annuitant.

Submission to city council, etc.

Proviso.

SECTION 2. This act shall take effect upon its acceptance by vote of the city council of said city, subject to the provisions of its charter; provided, that such acceptance occurs prior to December thirty-first in the current year.

Approved May 26, 1924.

Chap.406 AN ACT MAKING CERTAIN CORRECTIONS AND AMENDMENTS IN THE INSURANCE LAWS.

Be it enacted, etc., as follows:

G. L. 175, § 3, amended.

SECTION 1. Section three of chapter one hundred and seventy-five of the General Laws is hereby amended by striking out the word "and" where it occurs the second time in the sixth line and inserting in place thereof a comma, by inserting after the word "seventy-seven" in the sixth line the words:— or one hundred and seventy-eight, — and by striking out the last sentence, so as to read as follows:— *Section 3.* No company shall make a contract of insurance upon or relative to any property or interests or lives in the commonwealth, or with any resident thereof, and no person shall negotiate, solicit, or in any manner aid in the transaction of such insurance or of its continuance or renewal, except as authorized by this chapter or chapters one hundred and seventy-six, one hundred and seventy-seven or one hundred and seventy-eight.

Insurance contracts contrary to G. L. 175 to 178, incl., forbidden.

G. L. 175, new section after § 3.

SECTION 2. Said chapter one hundred and seventy-five is hereby further amended by inserting after section three under the present heading "POWERS AND DUTIES OF COMMISSIONER OF INSURANCE" the following new section:— *Section 3A.* The commissioner shall administer and enforce the

Commissioner of insurance to

provisions of this chapter and chapters one hundred and seventy-six and one hundred and seventy-seven, and, so far as is provided therein, chapter one hundred and seventy-eight. If upon complaint, examination or other evidence exhibited to him he is of the opinion that any provision of said chapters has been violated, he shall forthwith report the facts to the attorney general, to the proper district attorney or to the commissioner of public safety, who shall cause the offender to be prosecuted therefor.

enforce certain provisions of law.
To report certain violations to attorney general, etc.

SECTION 3. Said chapter one hundred and seventy-five is hereby further amended by striking out section ten and inserting in place thereof the following: — *Section 10*. The commissioner shall determine the liability of a company other than a life company, upon its contracts of insurance, excepting marine insurance, and the amount the company shall hold as a reserve for reinsurance by charging as a liability fifty per cent of the premiums written in its policies, or the actual unearned portions of such premiums. He shall charge as a liability fifty per cent of the amount of the premiums written in its policies of marine insurance upon yearly risks, and upon risks covering more than one passage not terminated, and the full amount of premiums written in policies upon all other marine risks not terminated, except that in the case of a foreign fire and marine company with less than three hundred thousand dollars capital, admitted to transact fire insurance only, he shall charge as a liability the full amount of premiums written in its marine and inland navigation and transportation insurance policies.

G. L. 175, § 10, amended.

Commissioner to determine liability of companies other than life on contracts of insurance and to determine amount to be held by them as reserves, etc.

SECTION 4. Section twenty-six of said chapter one hundred and seventy-five is hereby amended by inserting at the end thereof the words: — without any proceedings under section five or six, — so as to read as follows: — *Section 26*. A company neglecting to make and file its annual statement in the form and within the time provided by the preceding section shall forfeit one hundred dollars for each day during which such neglect continues, and, upon notice by the commissioner to that effect, its authority to do new business shall cease while such default continues without any proceedings under section five or six.

G. L. 175, § 26 amended.

Penalty for neglect by insurance companies to file annual statements.

SECTION 5. Section forty-eight of said chapter one hundred and seventy-five, as amended by section two of chapter two hundred and fifteen and by section four of chapter two hundred and seventy-seven, both of the acts of nineteen hundred and twenty-one, and by section one of chapter thirty-nine of the acts of nineteen hundred and twenty-three, is hereby further amended by striking out the first paragraph thereof and inserting in place thereof the following: — *Section 48*. Ten or more persons residents of this commonwealth may form a stock company (a) to transact the business set forth in any one of the clauses of section forty-seven excepting the third, (b) to transact the business set forth in the first and eighth clauses thereof, (c) to transact the business set forth in the first and second clauses thereof, or in the first, second and eighth clauses thereof, or, (d) to transact the business set forth in any two or more of the fourth, fifth, sixth, seventh, eighth, ninth, tenth, twelfth and thirteenth

G. L. 175, § 48, etc., amended.

clauses thereof, — by striking out the fourth paragraph and inserting in place thereof the following:— Under the first, first and eighth, fourth, fifth, sixth, except as otherwise provided herein, eighth, ninth, tenth, or twelfth clauses, not less than two hundred thousand dollars, — by striking out the fifth paragraph and inserting in place thereof the following:— Under the second clause, and under the first and second clauses excepting ocean marine insurance, and under the first, second excepting ocean marine insurance, and eighth clauses, not less than three hundred thousand dollars, — by striking out the sixth paragraph and inserting in place thereof the following:— Under the first and second clauses, and under the first, second and eighth clauses, not less than four hundred thousand dollars, — and by striking out the letter “(c)” in the twenty-ninth line and inserting in place thereof the letter:— (d), — so as to read as follows:— *Section 48.* Ten or more persons residents of this commonwealth may form a stock company (a) to transact the business set forth in any one of the clauses of section forty-seven excepting the third, (b) to transact the business set forth in the first and eighth clauses thereof, (c) to transact the business set forth in the first and second clauses thereof, or in the first, second and eighth clauses thereof, or, (d) to transact the business set forth in any two or more of the fourth, fifth, sixth, seventh, eighth, ninth, tenth, twelfth and thirteenth clauses thereof.

Capital of
stock
insurance
companies.

Companies organized under this section shall have a paid-up capital as follows:

\$100,000.

Under the sixth clause, to insure only against sickness and against the bodily injury or death by accident of the insured; and under the seventh and thirteenth clauses, not less than one hundred thousand dollars.

\$200,000.

Under the first, first and eighth, fourth, fifth, sixth, except as otherwise provided herein, eighth, ninth, tenth, or twelfth clauses, not less than two hundred thousand dollars.

\$300,000.

Under the second clause, and under the first and second clauses excepting ocean marine insurance, and under the first, second excepting ocean marine insurance, and eighth clauses, not less than three hundred thousand dollars.

\$400,000.

Under the first and second clauses, and under the first, second and eighth clauses, not less than four hundred thousand dollars.

Not over
\$1,000,000,
except, etc.

Under the eleventh clause, not exceeding one million dollars; and if insurance against the insufficiency of mortgages as security or against any other loss in connection with mortgages, except insurance of titles is transacted, not less than two hundred thousand dollars.

\$500,000.

Under the fourteenth or fifteenth clause, not less than five hundred thousand dollars.

Amount in
certain cases.

Under two or more of the clauses enumerated herein under (d), the paid-up capital shall not be less than the largest amount required for the transaction of the kinds of business specified in any one clause which it is authorized to transact, and an additional amount equal to one half of the minimum capital required above for the transaction of the kinds of business specified in each additional clause which it is authorized to transact.

SECTION 6. Said chapter one hundred and seventy-five is hereby further amended by inserting after section forty-eight the following new section: — *Section 48A.* Ten or more persons residents of this commonwealth may form a mutual company (a) to transact the business specified in the first, second, third, fifth or sixth clause of section forty-seven, or (b) to transact the business specified in the first and eighth clauses thereof.

G. L. 175, new section after § 48.
Mutual insurance companies, formation, kinds of business, etc.

Companies organized under this section to transact business under the first or third clause of said section forty-seven, or as provided by (b) hereof, shall be subject to the provisions of sections seventy-three and seventy-nine, those organized under this section to transact business under the second clause of said section forty-seven shall be subject to section eighty-six and those organized under this section to transact business under the fifth or sixth clause of said section forty-seven shall be subject to sections ninety-two and ninety-three, respectively, relative to the issuing of policies.

Certain mutual companies subject to certain laws relative to issuing of policies.

SECTION 7. Said chapter one hundred and seventy-five, as amended in section forty-nine by section five of chapter two hundred and seventy-seven of the acts of nineteen hundred and twenty-one, is hereby further amended by striking out said section forty-nine and inserting in place thereof the following: — *Section 49.* The company shall be formed in the manner described in and be subject to section nine of chapter one hundred and fifty-five, and sections six and eight to twelve, inclusive, of chapter one hundred and fifty-six, except the provisions thereof relative to the issue of capital stock without a par value and except as otherwise expressly provided in this chapter.

G. L. 175, § 49, etc., amended.

The name of the corporation shall be subject to approval by the commissioner and shall contain the word "insurance" or "assurance" or, if organized on the mutual plan, the words "mutual insurance" or, if organized under the fifteenth clause of section forty-seven, the word "reinsurance".

Incorporation of insurance companies.

Name.

The agreement of association shall state the classes of insurance it proposes to transact and on what business plan or principle; and, if a mutual company, the amount of capital stock and the par value of shares shall be omitted.

Agreement of association.

At the first meeting, only the directors and such other officers as the by-laws require shall be chosen, and the president, secretary and such other officers as the by-laws authorize them to choose shall be chosen by the directors.

First meeting, election of officers.

The president, secretary and a majority of the directors shall execute and make oath to the articles of organization specified in section ten of said chapter one hundred and fifty-six, which shall, with the records and by-laws of the company, be submitted to the commissioner instead of to the commissioner of corporations and taxation, and he shall have the powers and perform the duties relative thereto specified in section eleven of said chapter one hundred and fifty-six.

Articles of organization.

The certificate issued by the state secretary under section twelve of said chapter one hundred and fifty-six shall be modified to conform to the requirements of this section.

Certificate of incorporation.

Fee.

The fee to be paid to the state secretary upon the filing of the articles of organization shall be twenty-five dollars.

G. L. 175,
§ 100, etc.,
amended.

SECTION 8. Said chapter one hundred and seventy-five, as amended in section one hundred by chapter one hundred and fifty-two and section one of chapter one hundred and ninety-eight, both of the acts of nineteen hundred and twenty-three, is hereby further amended by striking out said section one hundred and inserting in place thereof the following:— *Section 100.* In

Appointment
of referees
under standard
fire insurance
policies.

case of any claim for loss or damage under any fire policy issued on property or interests in the commonwealth in the standard form set forth in the preceding section, and the failure of the parties to agree as to the amount of loss, the company shall, within ten days after a written request to appoint referees under the provision for arbitration in such policy, name three men no one of whom shall, without the written consent of the insured, be a person who has served in that capacity for said company within four months, each of whom shall be a resident of the commonwealth and willing to act as one of such referees, of whom the insured shall, within ten days after receiving said names, make known to the company his choice of one to act as one of such referees; and such company shall, within ten days after receiving the names of three men named by the insured, make known to the insured its choice of one of them to act as one of such referees. And in case of the failure of two referees chosen, respectively, by the company and the insured to agree upon and select, within ten days from the appointment of the second referee, a third referee willing to act in said capacity, either of said referees or parties may make written application, setting forth the facts, to the commissioner to appoint such third referee; and said commissioner shall thereupon make such appointment, and shall send written notification thereof to the parties.

Third referee,
appointment
by commis-
sioner of
insurance,
when.

Compensation
and expenses
of third referee.

The third referee shall forthwith upon the publication of the award furnish the company and the insured with a written statement of his claim for compensation and expenses. The company and the insured shall each be liable in any case to the third referee for one half of his compensation and expenses. The company shall not pay an award in favor of the insured prior to the expiration of twenty days from its publication, nor until the decision of the commissioner on a petition for review as herein-after provided, whether or not the sixty day period prescribed in said standard form and in section one hundred and two has expired, but the company shall not be liable for interest during said period of twenty days and pending the decision of the commissioner on a petition as aforesaid.

Company not
to pay
award until,
etc.

Compensation
and expenses of
third referee.

The company shall in all cases withhold from the amount of such an award one half of the compensation as demanded, or, in case of a review, as approved by commissioner, and one half of the expenses, of the third referee, and it shall upon payment of the balance of the award to the insured also pay to the said referee the full amount of the compensation to which he is entitled and his expenses.

Review by
commissioner
of compensa-

A company or an insured objecting to the compensation demanded by the third referee in any case may, within twenty

days from the publication of the award, file a written petition with the commissioner, in such form as he may require, to review such compensation, and the commissioner after due hearing thereon shall review and approve or disapprove in whole or in part such compensation, and his decision in respect thereto shall be final and conclusive upon the parties. Written notice of such petition and of the hearing thereon shall forthwith be given by the commissioner to the company, the third referee and the insured, and he shall give like notice to the aforesaid parties of his decision thereon, which shall be rendered as soon as may be after said hearing.

tion of third referee.

If a policy of fire insurance contains a reduced rate or co-insurance clause, and if, in case of loss, the parties do not agree as to the sound value of the property affected, such value shall be determined by the referees chosen to determine the loss or damage. If the parties agree as to the loss or damage, but do not agree as to the amount of the sound value, said value shall be determined by referees appointed as provided in and subject to the provisions of this section and of said standard form. An award in writing of a majority of the referees shall be final and conclusive on the parties as to the amount of the sound value.

Referees to determine sound value, when.

A company which in compliance with this section joins in reference proceedings shall not thereby be held to have waived any legal defense to the claim in respect to which the reference proceedings are held and such proceedings shall fix only the amount of the loss or damage sustained by the insured and the sound value of the property as hereinbefore provided, unless both parties shall agree in writing that the reference shall be held and shall proceed under the provisions of chapter two hundred and fifty-one.

Legal defenses not waived by company joining in reference proceedings, etc.

A company, or an officer, agent, adjuster or representative thereof having authority to represent the company in respect to a reference under this section, who wilfully refuses to comply with the provisions of this section shall be punished by a fine of not less than one hundred nor more than five hundred dollars.

Penalty for refusal to comply with provisions as to references.

The appointment of a receiver for a domestic fire company, whether before or after referees are chosen or appointed under this section, shall not affect the requirements of said section, and the receiver shall be under the same duties and obligations and have the same rights and powers in relation to referees as are imposed and conferred by said section upon the company. Any claim of a referee, whether chosen or appointed before or after the receiver's appointment, for his compensation and expenses due from the company or the receiver shall be deemed and treated as preferred over claims for losses.

Reference proceedings in case of company in receivership.

SECTION 9. Section one hundred and five of said chapter one hundred and seventy-five is hereby amended by striking out the last two paragraphs and inserting in place thereof the following new paragraph:—The commissioner shall transmit forthwith to each register of probate and insolvency, to the clerk of each district court, to each clerk of the courts, to the clerks of the superior court for civil and criminal business in the county of Suffolk and to the clerk of the supreme judicial

G. L. 175, § 105, amended.

Notice by commissioner, etc., of corporate surety companies becoming or ceasing to be qualified to do business

in Massachu-
setts.

G. L. 175,
§ 114, amended.

Title insurance
companies not
subject to
G. L. 175,
except, etc.

G. L. 175,
§ 152, amended.

Kinds of busi-
ness by foreign
insurance
companies in
Massachusetts.

G. L. 175,
§ 154, amended.

Service of proc-
ession on commis-
sioner of insur-
ance as
attorney for
foreign
companies.

court for the county of Suffolk, the names of all corporate surety companies as they become or cease to be qualified to do business in the commonwealth.

SECTION 10. Said chapter one hundred and seventy-five is hereby further amended by striking out section one hundred and fourteen and inserting in place thereof the following:—
Section 114. A company organized under the eleventh clause of section forty-seven or under earlier laws relating to such companies shall not be subject to this chapter, except this section and sections three A, four, six, fifteen, sixteen, eighteen, nineteen, nineteen A, twenty-two, twenty-five, twenty-six, thirty, thirty-two, thirty-three, forty-four, forty-seven to forty-nine, inclusive, fifty-seven to sixty-one, inclusive, sixty-two so far as applicable, sixty-three to sixty-five, inclusive, sixty-nine to seventy-two, inclusive, one hundred and sixteen, one hundred and eighty-nine, one hundred and ninety-three A and one hundred and ninety-four. Such company may transact all the kinds of business specified in said eleventh clause.

SECTION 11. Section one hundred and fifty-two of said chapter one hundred and seventy-five is hereby amended by inserting before the word "Any" in the first line the following new sentence:—No foreign company shall transact in this commonwealth any kind of business not specified in its charter and in its license, — so as to read as follows:—
Section 152. No foreign company shall transact in this commonwealth any kind of business not specified in its charter and in its license. Any foreign stock company admitted to this commonwealth, or any company admitted under section one hundred and fifty-five, may, if its charter permits, transact the kinds of business permitted to domestic stock companies under section fifty-one, and shall be subject to said section fifty-one and to section fifty-two. Any foreign mutual company admitted to this commonwealth may, if its charter permits, transact the kinds of business permitted to domestic mutual companies by clauses (a), (d), (e), (f) and (g) of section fifty-four. Any foreign life company admitted to this commonwealth may, if its charter permits, transact the kinds of business permitted to domestic life companies under section one hundred and nineteen.

SECTION 12. Section one hundred and fifty-four of said chapter one hundred and seventy-five is hereby amended by inserting after the word "forward" in the third line the words:—by mail, postage prepaid, — by striking out the words "to its secretary" in the fourth line and inserting in place thereof the words:—addressed to the company at its last home office address appearing on his records, — and by inserting after the word "States" in the sixth line the words:—, addressed to him at the last address appearing on said records, — so as to read as follows:—
Section 154. When legal process is served upon the commissioner as attorney for a foreign company under the third clause of section one hundred and fifty-one, he shall forthwith forward by mail, postage prepaid, one of the duplicate copies of the process served on him, addressed to the company at its last home office address appearing on his records, or, in the case of a

company of a foreign country, to its resident manager in the United States, addressed to him at the last address appearing on said records, or to such other person as may previously have been designated by the company by written notice filed in the office of the commissioner. As a condition of valid and effectual service and of the duty of the commissioner in the premises, the plaintiff in each such process shall pay to the commissioner at the time of service thereof the sum of two dollars, which the said plaintiff shall recover as taxable costs if he prevails in his suit. The commissioner shall keep a record of all such processes showing the day and hour of service.

SECTION 13. Section one hundred and seventy-four of said chapter one hundred and seventy-five is hereby further amended by inserting after the word "necessary" in the twenty-fourth line the words: —, and for this purpose shall have the powers conferred by section four, — so as to read as follows: — *Section 174.* The licenses described in sections one hundred and sixty-three, one hundred and sixty-six, one hundred and sixty-seven, one hundred and sixty-eight and one hundred and seventy-two may be issued to any corporation which is incorporated exclusively for the purpose of acting as an insurance agent, broker or adjuster of fire losses and which, in case of a corporation incorporated to act as an insurance agent or broker, by its by-laws and articles of organization limits the holding and ownership of its capital stock to insurance agents and brokers or persons employed in good faith by such agents or brokers. Such license, together with the corporation and officers of the corporation named in the license, shall be subject to said sections, except as otherwise provided herein. Each license shall specify the officers, not exceeding five, who may act thereunder in the name and on behalf of the corporation. Minors may be designated as such officers in the license. Each officer shall file the statement or application required by law. A certified copy of the by-laws, articles of organization and charter shall be filed with the said statements or applications. The license may be revoked or suspended as to the corporation or as to any officer named therein. No foreign corporation shall be licensed as an insurance agent of a foreign company under said section one hundred and sixty-three or as a special insurance broker under said section one hundred and sixty-eight. The commissioner may at any time require such information as he deems necessary in respect to the corporation, its officers or affairs, and may make such examination of its books and affairs as he deems necessary, and for this purpose shall have the powers conferred by section four. The clerk or other corresponding officer shall file with the commissioner, within thirty days after the adoption thereof, certified copies of all amendments to the by-laws or charter, and shall at once notify the commissioner in writing in case of the dissolution or revocation of the charter of the corporation. Upon receipt of such notice, the commissioner shall forthwith revoke its license without a hearing. Every officer specified in the license shall be personally liable to the penalties of the insurance laws for any violation thereof, although the act of violation is done in the

G. L. 175,
§ 174, amended.

Certain corporations may be licensed as insurance agents, brokers, etc.

Copy of by-laws, etc., to be filed.

Revocation or suspension of license.

Restrictions as to foreign corporations.

Examination, etc., by commissioner.

Copies of amendments to by-laws, etc., to be filed.

Revocation of license.

Liability of officers, etc.

name and in behalf of the corporation. The corporation shall be liable for any such violation, the responsibility for which cannot be placed on any individual officer.

Penalty for failure to file copies of amendments to by-laws, etc.

Whoever, being clerk or corresponding officer of a corporation licensed under this section, fails to file with the commissioner copies of all amendments to the by-laws or charter of such corporation as provided herein, or fails to notify the commissioner of the dissolution or revocation of the charter of the corporation, or whoever, being specified in the license of such corporation as an officer, acts under said license after the dissolution or the revocation of the charter of such corporation, shall be punished by a fine of not less than twenty nor more than five hundred dollars.

G. L. 175, § 178, etc., amended.

SECTION 14. Section one hundred and seventy-eight of said chapter one hundred and seventy-five, as amended by section eighty-eight of chapter three hundred and sixty-two of the acts of nineteen hundred and twenty-three, is hereby further amended by inserting after the word "receivers" in the third line, the words: — , except those rendered by the commissioner when appointed under section one hundred and seventy-nine, — so as to read as follows: — *Section 178.* The compensation of receivers of insolvent companies shall be fixed by the supreme judicial court. All accounts rendered to the court by such receivers, except those rendered by the commissioner when appointed under section one hundred and seventy-nine, shall be referred to the commissioner.

Compensation and accounts of receivers of insurance companies.

Such receivers, at the expiration of one year after final settlement ordered by the court, shall report to the court the names and residences, if known, of the persons entitled to money or dividends from the estate of such companies remaining in their hands uncalled for, with the amount due to each. The court shall thereupon order a notice to be given by the receivers and, upon the expiration of one year after the time of giving such notice, the receivers shall in like manner report the amounts still uncalled for. Unless cause shall appear for decreeing otherwise, such amounts shall then be ordered to be paid to the commonwealth, and schedules signed by the receivers shall at the same time be deposited with the state treasurer and comptroller, setting forth the decree of the court and the names and residences, so far as known, of the persons or parties entitled thereto, alphabetically arranged, and the amount due to each. The comptroller shall forthwith cause notice of such deposit to be mailed to such persons, and, upon certification by him that a claimant is entitled to any part of said deposit, it shall be paid in the same manner as other claims against the commonwealth. Upon the payment to the commonwealth of such unclaimed money or dividends by the receiver and the allowance by the court of his final account, or at the expiration of one year after the final settlement ordered by the court, if he then has in his hands no unclaimed money or dividends, he shall deposit with the commissioner all books and papers of such company, including those relative to his receivership, which shall be preserved by the commissioner.

Duties of receivers as to unclaimed money.

Payment to Commonwealth, etc.

Notice to persons in interest by comptroller, etc.

Deposit of books and papers of company, when.

SECTION 15. Section one hundred and eighty of said chapter one hundred and seventy-five is hereby amended by striking out the second paragraph thereof and inserting in place thereof the following: — For the above purposes, he, his deputy or examiner shall have free access to the official books and papers of such receivers relative to their transactions and shall have all the powers conferred by section four.

G. L. 175, § 180, amended.

Examination of accounts, etc., of receivers of insurance companies.

SECTION 16. Section one hundred and eighty-nine of said chapter one hundred and seventy-five is hereby amended by striking out, in the third and fourth lines, the words “in the following section”, by inserting after the word “as” in the third line the word: — otherwise, — and by striking out, in the fourth line, the word “two” and inserting in place thereof the word: — five, — so as to read as follows: — *Section 189*. A company or any officer or agent thereof who makes, issues or delivers a policy of insurance or an annuity or pure endowment contract in violation of this chapter shall, except as otherwise provided, forfeit not less than fifty nor more than five hundred dollars.

G. L. 175, § 189, amended.

Penalty for making, etc., insurance policies in violation of law.

SECTION 17. Sections eight, ninety-one, one hundred and fifteen and one hundred and ninety of said chapter one hundred and seventy-five, and section fifteen of chapter one hundred and seventy-seven of the General Laws, are hereby repealed.

G. L. 175, §§ 8, 91, 115, 190, and G. L. 177, § 15, repealed.

SECTION 18. Section twenty-two of said chapter one hundred and seventy-five is hereby amended by striking out the word “or” where it occurs the fourth time in the eighth line, and by inserting after the word “writing” in the tenth line, the words: — , or providing that any such policy or contract made in the commonwealth on lives, property or interests therein shall be governed by the laws of any state or country other than this commonwealth, — so as to read as follows: — *Section 22*. No company and no officer or agent thereof shall make, issue or deliver any policy of insurance or any annuity or pure endowment contract containing any condition, stipulation or agreement depriving the courts of the commonwealth of jurisdiction of actions against it; limiting the time for commencing actions against it to a period of less than two years from the time when the cause of action accrues; making any person appointed and licensed as its agent the agent of the applicant or insured or holder of the policy or contract for any purpose; providing that no person shall be deemed an agent of the company unless authorized by the company in writing, or providing that any such policy or contract made in the commonwealth on lives, property or interests therein shall be governed by the laws of any state or country other than this commonwealth. Any such condition, stipulation or agreement shall be void.

G. L. 175, § 22, amended.

Insertion of certain conditions, etc., in insurance policies prohibited.

SECTION 19. Chapter two hundred and five of the General Laws is hereby amended by inserting after section nineteen the following new section: — *Section 19A*. Any receiver, assignee, guardian, conservator, trustee, executor, administrator or other fiduciary, or party from whom a bond is required, may agree and arrange with his sureties for the deposit for safe keeping of any or all moneys, assets and other property for which he is or may be responsible with a bank, savings bank, safe deposit or

G. L. 205, new section after § 19.

Receivers, assignees, etc., may make certain agreements with sureties, etc.

trust company authorized by law to do business as such in the commonwealth, and in such manner as to prevent the withdrawal or alienation of such money, assets or other property, or any part thereof, without the written consent of such sureties, or an order of the court in which such bond is filed, or of a judge thereof, made on such notice to such sureties as the court or judge may direct.

Approved May 26, 1924.

Chap.407 AN ACT REDUCING THE MEMBERSHIP OF THE BOARD OF ALDERMEN OF THE CITY OF MELROSE.

Be it enacted, etc., as follows:

1899, 162, etc.,
§ 9, amended.

City of
Melrose, board
of aldermen,
membership,
election, terms,
etc.

SECTION 1. Chapter one hundred and sixty-two of the acts of eighteen hundred and ninety-nine, as affected by chapter four hundred and thirty-one of the acts of nineteen hundred and twenty-two, is hereby amended by striking out section nine and inserting in place thereof the following: — *Section 9.* The board of aldermen shall consist of eleven members, who shall be elected biennially in every even-numbered year as follows: — One member from each ward to be elected by and from the qualified voters of that ward, and four members at large to be elected by and from the qualified voters of the entire city. The aldermen so elected shall serve for terms of two years, beginning with the first Monday in January next following their election. A majority of the board shall constitute a quorum for the transaction of business, but a smaller number may adjourn from day to day.

Submission to
voters, etc.

SECTION 2. This act shall be submitted for acceptance to the voters of the city of Melrose at the biennial state election in the current year, in the form of the following question which shall be printed upon the official ballot to be used at said election: "Shall an act passed by the general court in the year nineteen hundred and twenty-four, entitled 'An Act reducing the membership of the board of aldermen of the city of Melrose', be accepted?" If a majority of the voters voting thereon vote in the affirmative in answer to said question, this act shall thereupon take effect for the purposes of the biennial municipal election in said city in the current year, and shall take full effect at the beginning of its municipal year of nineteen hundred and twenty-five; otherwise it shall not take effect.

Approved May 26, 1924.

Chap.408 AN ACT AUTHORIZING THE ONSET FIRE DISTRICT TO TAKE OVER THE ONSET WATER COMPANY AND THEREAFTER TO ESTABLISH AND MAINTAIN A GENERAL WATER SUPPLY SYSTEM.

Be it enacted, etc., as follows:

Onset Bay
Fire District,
certain acts
ratified.

SECTION 1. All acts and proceedings of the Onset Bay Fire District in the town of Wareham under the name of the Onset Fire District are hereby ratified and confirmed to the same extent as if the latter name had been the correct name of said district, and the name of the said district shall hereafter be the Onset Fire District.

Name changed
to Onset Fire
District.