
By Mr. Green of Cambridge, petition of William T. Eldridge relative to the right of fraternal benefit societies to grant extended or paid-up protection to its members. Insurance. Jan. 15, 1924.

The Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Twenty-Four.

An Act relating to the Right of a Fraternal Society to Grant to its Members as a Society, or to the Members of a Segregated Class thereof, Extended or Paid-up Protection or such Withdrawal Equities as its Constitution or By-laws may provide.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Amend section sixteen, chapter one hundred and
2 seventy-six of the General Laws, by inserting after the
3 word "maintaining" in the third line, the following
4 words:— either as regards the entire society or a segre-
5 gated class thereof, as authorized under section forty of
6 this act, — also by inserting after the words "which
7 members" in the sixth line from the end, the words:—
8 or other members of such segregated class, — so that the
9 entire section will read as follows:—Any society which
10 shows by the annual valuation hereinafter provided for
11 that it is accumulating and maintaining, either as regards
12 the entire society or a segregated class thereof, as au-
13 thorized under section forty of this act, the tabular
14 reserve required by a table of mortality not lower than
15 the American experience table and four per cent interest,
16 and which has provided for stated periodical mortuary

17 contributions based upon said standard, or which shows
18 that its stated periodical contributions for the period
19 of the five years next preceding, at rates at no time
20 higher than those in use following said period, were
21 sufficient to pay the actual claims and maintain the
22 aforesaid reserve for said period, without recourse to the
23 reserve released by the lapsing of certificates, and with-
24 out falling below said standard for any two consecutive
25 years of said period, may grant to its members, or to the
26 members of such segregated class, such extended or paid-
27 up protection or such withdrawal equities as its constitu-
28 tion and by-laws may provide; provided, that such grants
29 shall be equitable and shall in no case exceed in value the
30 portion of the reserve derived from the payments of the
31 individual members to whom they are made.