

HOUSE No. 1196.

[Ordered printed on motion of Mr. Horgan of Boston.]

Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred.

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,
2 within the meaning of section one, chapter five
3 hundred and twenty-two of the acts of eighteen
4 hundred and ninety-four, shall be allowed to
5 transact the classes of insurance known as corpo-
6 rate suretyship or accident to persons, as is more
7 fully specified in the third and fifth paragraphs
8 of section twenty-nine, chapter five hundred and

9 twenty-two, acts of eighteen hundred and ninety-
10 four, until it shall have deposited with the treas-
11 urer of this Commonwealth, subject to the
12 limitations of section ninety-four of chapter five
13 hundred twenty-two, acts of eighteen hundred
14 and ninety-four, a sum equal to not less than one
15 twentieth of its capital, and not less than fifty
16 thousand dollars in any case, and such deposit
17 shall be made in the securities and subject to the
18 limitations specified in section thirty-four of
19 chapter five hundred and twenty-two, acts of
20 eighteen hundred and ninety-four: *provided,*
21 *however,* that nothing in this act shall be so con-
22 strued as to require that a deposit shall be made
23 by any company transacting solely a fidelity in-
24 surance business, as distinguished from corporate
25 suretyship, as provided in the third paragraph of
26 section twenty-nine of chapter five hundred
27 twenty-two, acts of eighteen hundred and ninety-
28 four. This deposit must be in exclusive trust for
29 the benefit and security of all the company's
30 policy holders in the United States, and no por-
31 tion thereof shall be withdrawn until the period
32 of time provided for in chapter one hundred and
33 ninety-seven of the Public Statutes shall have
34 elapsed, or during the existence of any out-
35 standing liability of any such company in the
36 United States.

1 SECTION 2. Foreign insurance companies now
2 transacting any of the classes of insurance speci-
3 fied in section one of this act shall comply with

4 the provisions of this act within sixty days after
5 its passage, or shall cease to do further business
6 in this Commonwealth, as provided in section
7 seven, chapter five hundred and twenty-two, acts
8 of eighteen hundred and ninety-four.

1 SECTION 3. All acts and parts of acts incon-
2 sistent herewith are hereby repealed.

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

