

SENATE . . . . No. 92.

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Commonwealth of Massachusetts.

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IN SENATE, March 3, 1869.

The Committee on Insurance, to whom was committed the petition of the various insurance companies of Boston for the amendment of their charters, so as to allow them to issue perpetual policies of insurance, have given due consideration to the subject, and to prevent continuous applications, have drawn up a general law on the subject, and report the accompanying Bill.

Per order,

SAMUEL D. CRANE, *Chairman.*

## Commonwealth of Massachusetts.

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In the Year One Thousand Eight Hundred and Sixty-Nine.

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### AN ACT

Concerning Perpetual Insurance.

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

1    SECT. 1. Any insurance company which is author-  
2 ized by the laws of this Commonwealth to insure  
3 against loss or damage by fire, and which now is or  
4 hereafter may be within the provisions of this act,  
5 may issue policies of perpetual insurance against loss  
6 or damage by fire, containing no limitation or restric-  
7 tion as regards the term of the risk: *provided*, that no  
8 such policy shall be issued until the insured has made  
9 a deposit in cash with the company, the annual inter-  
10 est of which, to be received by the company, shall be  
11 not less than an adequate yearly rate of premium on  
12 the risk incurred; and that no part of such deposit  
13 shall be returned to the insured while such risk con-  
14 tinues in force.

1    SECT. 2. No insurance company shall issue  
2 perpetual policies or contract for perpetual insur-  
3 ance as aforesaid, unless, after providing for all  
4 losses, expenses and liabilities incurred or outstand-  
5 ing, it then has an unimpaired cash capital or perma-  
6 nent cash guarantee fund of not less than two hun-  
7 dred thousand dollars; nor unless such capital or  
8 guarantee fund, either alone or in conjunction with  
9 the net surplus over the same, after providing for  
10 losses, expenses and liabilities as aforesaid, is then  
11 equal to at least three hundred thousand dollars;  
12 such capital, guarantee fund and surplus being duly  
13 invested in the manner prescribed by law for invest-  
14 ing the capital of joint-stock insurance companies. In  
15 computing the liabilities of the company for the pur-  
16 poses of this act, a re-insurance fund or reserve of all  
17 premiums received on risks not absolutely terminated,  
18 shall be counted as a liability.

1    SECT. 3. The two hundred and seventieth chap-  
2 ter of the acts of the year eighteen hundred and  
3 sixty-eight is hereby repealed.

