

SENATE No. 212

To accompany the petition of James D. Henderson and others that they be incorporated as a life insurance company with further power to do accident and health insurance business. Insurance.

The Commonwealth of Massachusetts.

In the Year One Thousand Nine Hundred and Seventeen.

AN ACT

To incorporate the Bay State Life Insurance Company.

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. James D. Henderson, Luke D.
2 Mullen, Archibald L. Stark, Forris W. Norris,
3 James G. Ferguson, J. Edward L. McLean,
4 Edward M. Hamlin, John J. Prindiville, Herbert
5 A. Rhoades and Francis L. Daly, their associates
6 and successors, are hereby created a corporation
7 under the name of the Bay State Life Insurance
8 Company, to be located in the city of Boston, for
9 the transaction of life insurance; with all the
10 rights, powers and privileges, and subject to all
11 the duties, liabilities and restrictions conferred or
12 imposed by the general laws now or hereafter
13 in force, applicable to domestic stock life insur-

14 ance companies, so far as said laws are not
15 inconsistent with the provisions of this act.

1 SECTION 2. The board of directors shall con-
2 sist of not less than fifteen members, who shall be
3 chosen by ballot from the stockholders, and a
4 majority of whom shall be residents of the
5 commonwealth. Not less than eight shall con-
6 stitute a quorum to do business, although a less
7 number may adjourn from time to time. The
8 number of directors and the number constituting
9 a quorum may be increased or diminished within
10 the said limits at any annual or special meeting
11 of the stockholders. The directors shall have
12 the power to choose from their number an exec-
13 utive committee of not less than seven, which
14 may exercise all the powers of the board of
15 directors whenever the board shall not be in
16 session, and also all powers expressly conferred
17 upon it by the by-laws. The corporation may
18 determine by its by-laws the manner of calling
19 and conducting all meetings, and the mode of
20 voting by proxy. Each stockholder shall be
21 entitled to one vote for every share of capital
22 stock owned by him.

1 SECTION 3. The capital stock of the corpora-
2 tion shall be two hundred and fifty thousand
3 dollars, divided into ten thousand shares of the
4 par value of twenty-five dollars each. The
5 capital stock shall be paid in in cash within
6 twelve months after the date of the passage of this

7 act; and no certificates of shares and no policies
8 shall be issued until the whole capital stock is
9 paid in.

1 SECTION 4. Until the net surplus of the cor-
2 poration shall amount to two hundred and fifty
3 thousand dollars no dividend exceeding six per
4 cent per annum shall be declared or paid on the
5 capital stock: *provided*, that if, in any year
6 before such time, the dividend paid shall be less
7 than six per cent it may be made good in any
8 subsequent year notwithstanding the foregoing
9 limitation. When the net surplus of the corpora-
10 tion shall equal twice the amount of its capital
11 stock said stock may be retired, and in such
12 case the policy holders shall become members of
13 the corporation and direct its affairs as in the
14 case of mutual companies.

1 SECTION 5. The corporation may issue policies
2 stipulated to be with or without participation in
3 the profits. Persons insured on the participating
4 plan shall be entitled to such share in the profits
5 distributable upon the contribution to surplus
6 plan and withdrawable at the end of such periods
7 as may be provided by the by-laws or agreed
8 upon between the insured and the corporation;
9 but they shall not by reason thereof be members
10 of the corporation.

1 SECTION 6. This act shall take effect upon its
2 passage.

