

AN ACT

To amend the act, approved the seventeenth day of May, one thousand nine hundred and twenty-one (Pamphlet Laws, six hundred eighty-two), entitled "An act relating to insurance; amending, revising, and consolidating the law providing for the incorporation of insurance companies, and the regulation, supervision, and protection of home and foreign insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and fire insurance rating bureaus, and the regulation and supervision of insurance carried by such companies, associations, and exchanges, including insurance carried by the State Workmen's Insurance Fund; providing penalties; and repealing existing laws," providing the manner in which dividends on contributory group insurance policies are to be apportioned.

Act of May 17,
1921 (P. L.
682), amended
by adding a new
section num-
bered 356.

Section 1. Be it enacted, &c., That the act, approved the seventeenth day of May, one thousand nine hundred and twenty-one (Pamphlet Laws, six hundred eighty-two), entitled "An act relating to insurance; amending, revising, and consolidating the law providing for the incorporation of insurance companies, and the regulation, supervision, and protection of home and foreign insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and fire insurance rating bureaus, and the regulation and supervision of insurance carried by such companies, associations, and exchanges, including insurance carried by the State Workmen's Insurance Fund; providing penalties; and repealing existing laws," is further amended by adding a new section to be known as section three hundred and fifty-six, which is to read as follows:

Section 356. Distribution of Dividends on Group Insurance Policies and Group Annuity Contracts.—Any dividends hereafter declared or rate reductions hereafter made or continued for the first or any subsequent contract year under any group policy or group annuity contract heretofore or hereafter issued, may be applied to reduce the employer's part of the cost: Provided, That if, at any time, under a policy or contract, towards the cost of which the employes contribute, the aggregate of any dividends or rate reductions so applied is in excess of the employer's share of the aggregate cost, such excess shall be applied by the employer for the sole benefit of the employes.

Proviso.

APPROVED—The 26th day of May, A. D. 1937.

GEORGE H. EARLE