

Section 202. Purposes for Which Companies May Be Incorporated.—

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(f) Domestic stock and mutual insurance companies, other than life or title, and, if their charters permit, foreign companies, may transact any or all of the kinds of insurance included in subdivisions (b) and (c) of this section upon compliance with all of the financial and other requirements prescribed by the laws of this Commonwealth for fire, marine, fire and marine, and casualty insurance companies transacting such kinds of insurance. [Any domestic mutual fire insurance company which takes advantage of the provisions of this subsection (f) shall not be required to license any of its agents.]

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APPROVED—The 23rd day of August, A. D. 1961.

DAVID L. LAWRENCE

No. 487

AN ACT

Amending the act of May 17, 1921 (P. L. 682), 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 the 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," subjecting domestic mutual fire insurance companies to the provisions thereof, requiring approval of policies, contracts or certificates of insurance by the Insurance Commissioner.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 354, act of May 17, 1921 (P. L. 682), known as "The Insurance Company Law of 1921," amended July 19, 1951 (P. L. 1100), is amended to read:

Section 354. Approval of Policies, Contracts, etc.; Prohibiting the Use Thereof Unless Approved; Judicial Review; Penalty.—It shall be unlawful for any insurance company, association, or exchange, *including domestic mutual fire insurance companies*, doing business in this Commonwealth, to issue, sell, or dispose of any policy, contract, or certificate, covering life, health, accident, personal liability, fire, marine, title, and all forms of casualty insurance, or contracts pertaining to pure en-

The Insurance Company Law of 1921.

Section 354, act of May 17, 1921, P. L. 682, amended July 19, 1951, P. L. 1100, further amended.

dowments or annuities, or any other contracts of insurance, or use applications, riders, or endorsements, in connection therewith, until the forms of the same have been submitted to and formally approved by the Insurance Commissioner, and copies filed in the Insurance Department, except riders and endorsements relating to the manner of distribution of benefits, and to the reservation of rights and benefits under any such policy, and used at the request of the individual policyholder, and except any forms which, in the opinion of the Insurance Commissioner, do not require his approval.

Forms so filed, forms filed under the act, approved the eleventh day of May, one thousand nine hundred forty-nine (Pamphlet Laws 1210), or any amendments thereof, or filed under any other section of this law, shall be deemed approved at the expiration of thirty (30) days after filing, unless earlier approved or disapproved by the Insurance Commissioner. The Insurance Commissioner, by written notice to the insurer may, within such thirty-day period, extend the period for approval or disapproval for an additional thirty (30) days.

Such approval shall become void upon any subsequent notice of disapproval from the Insurance Commissioner, or upon any subsequent withdrawal of license or refusal of the Insurance Commissioner to relicense any such company, association, or exchange, or upon the subsequent passage of an act which would no longer make such contracts or related forms a fit subject for approval, except that this provision shall not affect contracts issued prior thereto.

Upon any disapproval, the Insurance Commissioner shall notify the insurer in writing, specifying the reason for such disapproval; and within thirty (30) days from the date of mailing of such notice to the insurer, such insurer may make written application to the Insurance Commissioner for a hearing thereon, and such hearing shall be held within thirty (30) days after receipt of such application. The procedure before the Insurance Commissioner shall be in accordance with the adjudication procedure set forth in the "Administrative Agency Law," and the insurer shall be entitled to the judicial review as provided for in said law.

Any person, corporation, insurance company, exchange, order, or society that shall, either as principal or agent, issue, or cause to be issued, any policy or contract of insurance within the Commonwealth, contrary to this section, shall be guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine not exceeding five hundred dollars (\$500.00).

[This section shall not be construed as extending the provisions of this section to domestic mutual fire insurance companies.]

Upon satisfactory evidence of the violation of this section by any such person, corporation, insurance company, exchange, order, or society, the Insurance Commissioner may, in his discretion, pursue any one or more of the following courses of action: (1) Suspend or revoke the license of such offending person, corporation, insurance company, exchange, order or society; (2) refuse, for a period of not to exceed one year thereafter, to issue a new license to such person, corporation, insurance company, exchange, order, or society; (3) impose a fine of not more than one thousand dollars (\$1,000.00) for each and every act in violation of this act. When the Insurance Commissioner shall take action in any of the ways above recited, the person, corporation, insurance company, exchange, order, or society aggrieved may appeal therefrom to the court of common pleas of Dauphin County.

Section 2. This act shall take effect September 30, 1962. Effective date.

APPROVED—The 23rd day of August, A. D. 1961.

DAVID L. LAWRENCE

No. 488

AN ACT

Amending the act of May 17, 1921 (P. L. 682), 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," requiring that policies of fire insurance issued by stock and mutual insurance companies, associations and exchanges contain standard policy provisions herein prescribed, permitting variations thereto, and prescribing penalties.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. The act of May 17, 1921 (P. L. 682), known as "The Insurance Company Law of 1921," is amended by adding, after section 505, two new sections to read:

The Insurance Company Law of 1921.

Act of May 17, 1921, P. L. 682, amended by adding two new sections 506 and 507.