

No. 308
AN ACT

HB 2289

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," authorizing certain purchases or investments in bonds, notes and obligations issued, assumed or guaranteed by the Asian Development Bank.

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

Section 1. Section 404, act of May 17, 1921 (P. L. 682), known as "The Insurance Company Law of 1921," added May 9, 1947 (P. L. 201), is amended by adding at the end thereof, a new clause to read:

Section 404. Investment of Capital and Reserves.—Subject to the provisions of section four hundred six, point one, the capital and not less than three-fourths ($\frac{3}{4}$) of the reserves of any life insurance company, organized under the laws of this Commonwealth, shall be invested in the following classes of investment:

* * *

¹ (v) Asian Development Bank Obligations.—In bonds, notes and obligations issued, assumed or guaranteed by the Asian Development Bank.

Section 2. Section 517 of the act is amended by adding at the end thereof, a new clause to read:

Section 517. Investment of Capital.—The capital of any stock fire, stock marine, or stock fire and marine insurance company of this Commonwealth shall be invested only as follows:

* * *

² (n) In bonds, notes and obligations issued, assumed or guaranteed by the Asian Development Bank.

Section 3. Section 602 of the act is amended by adding at the end thereof, a new clause to read:

Section 602. Investment of Capital.—Every domestic stock casualty insurance company shall invest and keep invested in sound income-bearing securities all its capital and funds of every descrip-

¹ "(v)" in original.

² "(m)" in original.

tion, excepting such cash as may be required in the transaction of its business, and such as it may invest in real estate as hereinafter authorized. The capital of every such company shall be invested as follows:

* * *

¹ (n) In bonds, notes and obligations issued, assumed or guaranteed by the Asian Development Bank.

Section 4. This act shall take effect immediately.

APPROVED—The 31st day of July, A. D. 1968.

RAYMOND P. SHAFER.

No. 309

AN ACT

HB 2187

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," permitting life insurance companies to purchase, hold, sell and transfer shares of their own stock.

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

Section 1. Subsection (d) of section 406.1, act of May 17, 1921 (P. L. 682), known as "The Insurance Company Law of 1921," added May 9, 1947 (P. L. 201) and amended August 27, 1963 (P. L. 1390), is amended to read:

Section 406.1. General Investment Provisions and Restrictions.—Investment under authority of section four hundred four, or four hundred five and holding of real estate under authority of section four hundred six by any life insurance company, organized under the laws of this Commonwealth, shall be subject to the following provisions:

* * *

(d) No investment shall be made [in the stock or shares of such company or] in any loan upon the stock, shares or obligation of such

¹ "(m)" in original.