

No. 280

AN ACT

HB 467

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," limiting the period during which policyholders may be assessed.

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

Section 1. Section 808, act of May 17, 1921 (P.L.682), known as "The Insurance Company Law of 1921," is amended to read:

Section 808. Assessments.—A mutual insurance company, other than a mutual life company, not possessed of assets at least equal to the unearned premium reserve and other liabilities, shall make an assessment upon its members liable to assessment to provide for such deficiency. Such assessment shall be against each member in proportion to such liability as expressed in his policy. *No member shall be assessed for any loss that occurred when his policy was not in effect and no assessment shall be made after five years from the expiration date of a policy.* The Insurance Commissioner may, by written order, relieve the company from an assessment or other proceedings to restore such assets during the time fixed in such order. Any domestic company which shall be deficient in providing the unearned premium reserve required hereby may, notwithstanding such deficiency, come under this act on the condition that it shall each year thereafter reduce such deficiency at least fifteen per centum (15%) of the original amount thereof, and in such case it may increase its assessments accordingly.

The provisions of this section are not applicable to assessments made upon the members of a company by the Insurance Commissioner pursuant to the authority granted him by Article V, act of May 17, 1921 (P.L.789), known as "The Insurance Department Act of one thousand nine hundred and twenty-one."

APPROVED—The 10th day of December, A. D. 1970.

RAYMOND P. SHAFER

The foregoing is a true and correct copy of Act of the General Assembly
No. 280.

A handwritten signature in cursive script, appearing to read "Robert J. Kelley". The signature is written in black ink and is positioned above the printed name of the Secretary of the Commonwealth.

Secretary of the Commonwealth.