

CHAPTER 396.

AN ACT to repeal Sections 199 and 200 of Article 23 of the Code of Public General Laws of 1904, as comprised in the Acts of 1906, Chapter 273, entitled An Act to prohibit any life insurance company doing business in the State of Maryland from issuing any policy participating in profits or surplus under which the accounting, apportionment and distribution of surplus to the policy holder shall be delayed for a longer period than five years, and to add new sections to Article 23 of the Code of Public General Laws of 1904, to follow Section 198, and to be designated respectively as Sections 199 and 200, and to re-enact same with amendment.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Sections 199 and 200 of the Code of Public General Laws of 1904, be and the same are hereby repealed and re-enacted with an amendment adding a new section thereto, to be known as Section 200A, to follow in order said Section 200 as re-enacted so that the said sections shall read as follows, to wit:

199. No life insurance company authorized to transact business in this State shall hereafter issue to or upon the life of any resident of this State any policy participating in the profits or surplus, under which the accounting, apportionment and distribution of surplus to the policy holder shall be delayed for a longer period than five years from the date at which the insurance first went into effect, or from any preceding accounting, apportionment or distribution of surplus.

200. No life insurance company incorporated under the laws of Maryland, or incorporated elsewhere and doing business in said State shall be permitted to enter into any agreement with any policy holder or applicant for insurance, intended as a waiver of any of the provisions of this Act, and it shall be the duty of the Insurance Commissioner to revoke the authority of any such corporation to transact business in this State, for failure to comply with any of the requirements of this Act.

200A. Neither of the two foregoing sections shall apply to policies written on under-average risks, but such under-average insurance may be written upon such terms as the parties may agree upon and the surplus may be apportioned and dividends declared and paid annually, or at longer intervals in the manner and proportions, and among the parties entitled thereto under the terms of their renewal contracts with the corporation.