

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 499 Session of 1961

INTRODUCED BY MESSRS. SILVERT AND STIEFEL, APRIL 10, 1961.

REFERRED TO COMMITTEE ON JUDICIARY GENERAL, APRIL 10, 1961.

AN ACT

Authorizing the award of additional damages and attorney's fees in proceedings against an insurance company association or other insurer when it is found that such insurer has vexatiously and without reasonable cause failed or refused to make payment within a certain time

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

EXPLANATION—CAPITAL LETTERS indicate new matter added to bill. Matter stricken through is to be omitted from bill. Underscoring indicates new matter added to existing law. [Brackets] indicate matter stricken from existing law.

1 Section 1 In any action suit or other proceeding instituted against
2 any insurance company association or other insurer upon any contract of
3 insurance issued or delivered in this state to a resident of this state or to
4 a corporation incorporated in or authorized to do business in this state if
5 such insurer has failed or refused for a period of thirty days after due
6 demand therefor prior to the institution of such action suit or other
7 proceeding to make payment under and in accordance with the terms
8 and provisions of such contract of insurance and it shall appear from
9 the evidence that such refusal was vexatious and without reasonable
10 cause the court or jury may in addition to the amount found due under
11 the provisions of said contract of insurance and interest thereon award
12 the holder of such policy (in addition to the amount of such loss) ten
13 per cent damages upon the amount of such loss together with a reason-
14 able attorney's fee for the prosecution and collection of said loss said
15 attorney's fee to be taxed as part of the costs therein and collected as
16 other costs are which attorney's fee shall not exceed ten per cent
17 of the amount of said loss

We certify that this bill has passed the Senate and the House of
Representatives.

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Chief Clerk, Senate

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President pro tempore, Senate

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Speaker, House of Representatives

Approved The day of A. D. 1981.

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Governor