

company or any other insurance company transacting like classes of business but any stock life insurance company may, with the approval of its board of directors, acquire, retain, cancel or dispose of shares of its own capital stock: Provided, That (i) no such company shall acquire such stock without the prior approval of the Insurance Commissioner, which shall be granted in accordance with regulations previously promulgated by him, (ii) no such company shall effect a reduction in its capital stock without complying with the applicable provisions of the law, and (iii) no such company shall directly or indirectly vote shares of its own stock held by it.

* * *

Section 2. This act shall take effect immediately.

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

RAYMOND P. SHAFER.

No. 310

AN ACT

HB 1929

Amending the act of May 17, 1921 (P. L. 789), entitled, as amended, "An act relating to insurance; establishing an insurance department; and amending, revising, and consolidating the law relating to the licensing, qualification, regulation, examination, suspension, and dissolution of insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and certain societies and orders, the examination and regulation of fire insurance rating bureaus, and the licensing and regulation of insurance agents and brokers; the service of legal process upon foreign insurance companies, associations, or exchanges; providing penalties; and repealing existing laws," providing exemption from examination of certain applicants for license as life insurance agent and extending reciprocal nonresident life insurance agent license privilege to residents of other states and the Province of Canada.

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

Section 1. Section 603, act of May 17, 1921 (P. L. 789), known as "The Insurance Department Act of one thousand nine hundred and twenty-one," is amended by adding at the end thereof, a new subsection to read:

Section 603. Agent's Licenses.—* * *

(c) The examination provided for in subsection (a) shall not be

required of any person who has received the designation of Chartered Life Underwriter, (C. L. U.) from the American College of Life Underwriters, except, that such person may be examined on pertinent provisions of the insurance laws as determined by the Insurance Commissioner.

Section 2. The act is amended by adding after section 607, a new section to read:

Section 608. Nonresident Agents.—(a) The Insurance Commissioner may issue a license as life agent to a person not resident of this Commonwealth, upon compliance with the applicable provisions of this act, if the state or the Province of Canada of such person's residence will accord the same privilege to a resident of this Commonwealth.

(b) The Insurance Commissioner may enter into reciprocal agreements with the appropriate official of any such other state or province waiving the written examination of any applicant resident in such other state or province, if:

(1) A written examination is required of applicants for a life insurance agent's license in such other state or province;

(2) The appropriate official of the other state or province certifies that the applicant holds a currently valid license as a life insurance agent in such other state or province and either passed such a written examination or was the holder of a life insurance agent's license prior to the time a written examination was required;

(3) That in such other state or province a resident of this Commonwealth is privileged to procure a life insurance agent's license upon the foregoing conditions and without discrimination as to fees otherwise in favor of the residents of such other state or province.

(c) No such applicant or licensee shall have a place of business in the Commonwealth, nor be an officer, director, stockholder, or partner in any corporation or partnership doing business in the Commonwealth as a life insurance agency.

(d) If the laws of another state or the Province of Canada require the sharing of commissions with resident agents of that state or province on applications for life insurance, or life insurance including disability insurance, written by nonresident agents, then the same provisions shall apply when resident agents of that state or province, licensed as nonresident agents of Pennsylvania, write applications for insurance on residents of the Commonwealth.

Section 3. This act shall take effect immediately.

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

RAYMOND P. SHAFER.

No. 311

AN ACT

HB 1654

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 certain accident and health policies to contain a provision giving notice to the insured that he has the right to examine the policy for ten days.

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

Section 1. ¹ Subsection (A) of section 617, act of May 17, 1921 (P. L. 682), known as "The Insurance Company Law of 1921," added May 25, 1951 (P. L. 417), is amended by amending clause (8) and adding at the end thereof a new clause to read:

Section 617. Conditions Subject to Which Policies Are to be Issued.—(A) No such policy shall be delivered or issued for delivery to any person in this Commonwealth unless:

* * *

(8) if such policy is entitled or referred to as "non-cancellable," such "non-cancellable" policy is automatically renewable until age sixty upon payment of the required premiums by the insured; and

* * *

¹ "Paragraph" in original.