

of the act, amended November 3, 1967 (P. L. 493), is amended to read:

Section 1555. Counties of the Eighth Class.—The annual salaries of the following county officers of counties of the eighth class shall be as follows:

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The county auditors shall each receive twenty dollars (\$20) for each [day necessarily employed] six hours of work in the discharge of their duties, together with ten cents (10¢) per mile circular from and to their homes, once, each and every day so employed.

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Section 4. The provisions of this act shall apply to county auditors who shall be elected or appointed on or after November 1, 1971.

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

RAYMOND P. SHAFER.

No. 287

AN ACT

HB 2354

Amending the act of May 11, 1949 (P. L. 1210), entitled "An act relating to group life insurance; describing permitted policies and restrictions thereon, the premium basis thereof and rights thereunder; limiting the amount of such insurance; prescribing standard policy provisions; and requiring notice of conversion privileges," adding credit unions as permitted entities to which a policy of group life insurance may be issued.

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

Section 1. Clause (3) of section 1 and section 4, act of May 11, 1949 (P. L. 1210), entitled "An act relating to group life insurance; describing permitted policies and restrictions thereon, the premium basis thereof and rights thereunder; limiting the amount of such insurance; prescribing standard policy provisions; and requiring notice of conversion privileges," amended November 9, 1959 (P. L. 1388), are amended to read:

Section 1. Types Permitted.—No policy of group life insurance shall be delivered in this State unless it conforms to one of the following descriptions and to the requirements as to each set forth in sections two, three, four and five of this act.

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(3) A policy issued to a labor union, a credit union, a police fraternity, a firemen's fraternity or a teachers' association or federation, which shall be deemed the policyholder, to insure members of such

union, fraternity, association or federation for the benefit of persons other than the union, fraternity, association or federation or any of their officials, representatives or agents.

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Section 4. Policies Issued to Labor Unions, Credit Unions, Police Fraternities, Firemen's Fraternities or Teachers' Associations or Federations.—A policy issued to a labor union, a credit union, a police fraternity, a firemen's fraternity or a teachers' association or federation, to insure members of such union, fraternity, association or federation for the benefit of persons other than the union, fraternity or federation or any of its officials, representatives or agents, shall be subject to the following requirements:

(1) The members eligible for insurance under the policy shall be all of the members of the union, fraternity, association or federation, or all of any class or classes thereof determined by conditions pertaining to their employment, or to membership in the union, fraternity, association or federation, or both.

(2) The premium for the policy shall be paid by the policyholder, either wholly from the union's funds, the fraternity's funds, association's funds or federation's funds, or partly from such funds and partly from funds contributed by the insured members specifically for their insurance. No policy may be issued on which the entire premium is to be derived from funds contributed by the insured members specifically for their insurance. A policy on which part of the premium is to be derived from funds contributed by the insured members specifically for their insurance may be placed in force only if at least seventy-five per cent of the then eligible members, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions. A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

(3) The policy must cover at least twenty-five members at date of issue.

(4) The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the members or by the union, fraternity, association or federation. No policy may be issued which provides term insurance on any union, fraternity, association or federation member which together with any other term insurance under any group life insurance policies issued to the union, fraternity, association or federation exceeds twenty thousand dollars (\$20,000) or one and one-half times the basic annual earned income of the member, whichever is the greater, but in no case exceeding forty thousand dollars (\$40,000).

Section 2. This act shall take effect immediately.

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

RAYMOND P. SHAFER.

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No. 288

AN ACT

HB 2356

Providing for reporting to the Insurance Commissioner by domestic insurance companies, associations, or exchanges, of certain conveyances of interests in the assets of such companies, associations, or exchanges.

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

Section 1. As used in this act, the term—

(1) "Assets" includes all the property and rights of every kind of a domestic insurance company, association or exchange.

(2) "Total assets" means the dollar amount of the company's total assets as reported in its most recent convention statement.

(3) "Disposal" includes any sale, transfer, exchange, assignment, alienation or other conveyance of an interest in assets, but does not include a ceding of policies pursuant to a reinsurance contract.

Section 2. Any domestic insurance company, association, or exchange that, within any period of thirty days, by one or more transactions, disposes of any of its assets which, in the aggregate, amount to more than ten percent of its total assets, shall send written notification thereof to the Insurance Commissioner. Such notification shall be given within ten business days prior to the making of such disposal, and shall specify the nature and amount thereof, and identify all of the parties thereto.

Section 3. Any domestic insurance company, association or exchange except a domestic life insurance company, which, during any period of twelve consecutive months, by any contract or contracts of reinsurance, cedes an amount of its insurance on which the total gross reinsurance premiums are more than fifty percent of the unearned premiums on the net amount of its insurance in force at the beginning of such period, shall give written notification thereof to the Insurance Commissioner. Any domestic life insurance company which reinsures its whole risk on any individual life or joint lives or reinsures policies which, during any period of twelve consecutive months, in the aggregate, amount to more than fifty percent of its insurance in force shall give written notification thereof to the Insurance Commissioner. The notification required hereunder shall be given at least ten business days before the date such reinsurance takes effect, and shall specify the nature and amount thereof, and identify the parties thereto. The requirements of this