

No. 366, S.]

[Published May 24, 1957.

CHAPTER 123

AN ACT to amend 201.135 and 206.36 of the statutes, relating to refunds of savings or dividends on mutual policies and surplus returned on participating policies.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 201.135 of the statutes is amended to read:

201.135 Any mutual company other than life may return on all policies savings or dividends in such amounts and such classifications as the board of directors shall determine is fair and reasonable, but such refund of savings or dividends shall in no case be made contingent upon the continuance of premium payments or maintenance of the policy, *except on policies of accident, sickness and health insurance and then only on the first or second anniversary of such policies.*

SECTION 2. 206.36 of the statutes is amended to read:

206.36 Every life insurance company doing business in this state, in which policyholders are entitled to share in the surplus, shall annually ascertain the surplus over required reserves and other liabilities. After setting aside such contingency reserve as may be deemed necessary, making provision for the payment of authorized dividends upon the capital stock, and such sums as are required to be held for account of deferred dividend

policies, the remaining surplus shall be equitably apportioned and returned as a refund on participating *life, accident, sickness and health insurance* policies entitled to share therein; provided, that if a refund is declared payable on the first or second anniversary of the policy, the refund may be conditioned on the payment of the succeeding year's premium.

Approved May 21, 1957.
