WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1939

ENROLLED

SENATE BILL No. 207

(By Mr. Ealy)

PASSED March 19, 1939

In Effect

JARRETT PRINTING COMPANY, CHARLESTON, W. VA.
AN ACT to amend and reenact sections six, seven, thirty-one, thirty-two, thirty-three and thirty-four, article eight, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, relating to fraternal beneficiary societies.

Be it enacted by the Legislature of West Virginia:

That sections six, seven, thirty-one, thirty-two, thirty-three, and thirty-four, article eight, chapter thirty-three of the code of West Virginia be amended and reenacted to read as follows:
Section 6. *Persons Who May Be Beneficiaries of Death*

No beneficiary shall have or obtain any vested interest in the proceeds of any certificates until such certificates become due and payable in conformity with the provisions of the insurance contract. The insured member shall have the right at all times to change the beneficiary or beneficiaries in accordance with the constitution, by-laws, rules and regulations of the society. Every society may, by its constitution, by-laws, rules or regulations, limit the scope of benefits.

Sec. 7. *Qualifications for Membership.* Any society may admit to beneficial membership any person not less than sixteen and not more than sixty years of age at nearest birthday, who has been examined by a legally qualified physician, and whose examination has been supervised and approved in accordance with the laws of the society, or who has made declaration of insurability acceptable to the society, and any person so admitted prior to attaining the full age of twenty-one years shall be bound by the terms of his or her application and certificate, and by all the laws, rules, and regulations of
the society, and shall be entitled to all the rights and privileges of membership therein, as fully and to the same extent as though he or she were not a minor at the time of applying for such beneficial membership: Provided, That any beneficial member of a society who shall apply for additional benefits more than six months after becoming a beneficial member, shall pass an additional medical examination or make an additional declaration of insurability, as required by the society. Nothing herein contained shall prevent such society from accepting general or social members, who shall have no voice or vote in the management of the insurance affairs of the society, nor from issuing juvenile certificates on the lives of children under the age of sixteen years.

Sec. 31. Child Insurance. Any fraternal benefit society authorized to do business in this state may provide in its constitution or by-laws, in addition to other benefits provided for therein, for the payment of insurance, endowment and annuity benefits, in accordance with the provisions of this chapter, upon the lives of children not more than sixteen years of age at nearest birthday, upon the ap-
application of some adult person upon whom such child is dependent for support and maintenance, as the laws, rules and regulations of the society may provide.

Sec. 32. *Children's Branches Allowable; Initiation Not Required.* Any such society may, at its option organize and operate branches for such children, and membership in local lodges or branches and initiation therein shall not be required of such children, nor shall they have any voice in the management of the society.

Sec. 33. *Basis of Rates on Child Insurance; Use of Funds.* Every such society insuring the lives of children shall require contributions to be made for the benefits provided upon such lives in amounts at least equal to those required by either the Standard Industrial Mortality Table or the American Experience Table of Mortality with Craig's or Buttolph's extension thereof, with interest assumption of not more than four per centum per annum: Provided, That contributions may be waived or returns may be made from any surplus held in excess of reserve and other liabilities, as provided in the laws of the society; and, Provided further, That extra con-
tributions shall be made if the reserves hereinafter provided for become impaired. Any such society may provide in its constitution or by-laws that mortuary payments, meaning that portion of contributions allocated to the mortuary fund and to the reserves on outstanding insurance certificates received under new certificates issued on and after January first, one thousand nine hundred thirty-nine, covering the lives of children, may be mingled with the mortuary or reserve funds held on classes of adult certificates on which adequate reserves are maintained not lower than those required herein. Except as hereinafter provided, every such society shall maintain the mortuary and reserve funds on insurance, endowments and annuities on the lives of children, and the secretions thereto, separate and distinct from all other funds of the society, and the same shall be held as a trust fund available exclusively for the payment of benefits under such certificates.

Sec. 34. Amount of Child Benefits Allowed. (1) Every such society issuing such benefit certificates shall maintain on all such certificates the reserves required by the standard of mortality and the rate of interest adopted by such societies for computing contributions.
(2) Any such society may provide that when a child who
is eligible for benefit membership reaches a minimum age for
such membership, such child may be so admitted into such
society upon compliance with such requirements as may be
provided by the laws of the society, and upon such admission
any reserve upon such juvenile certificate shall be transferred
to the benefit or reserve fund of the society.

(3) Every society issuing such benefit certificates shall
have the right to provide in its constitution, by-laws, rules and
regulations for payments on account of the society’s expense
or general fund, which payments may be mingled with the
general fund of the society. The society shall have the power
to provide for the designation of beneficiaries, and for chang-
ing such designations, and in all other respects for the regu-
ation, government and control of such certificates, and all
rights, obligations and liabilities incident thereto and con-
ected therewith.

(4) Neither the person who originally made application for
benefits on account of any child, nor the beneficiary named in
such beneficiary certificate, nor the person who paid the con-
tributions shall have any vested right in such certificate, or
in any new certificate issued to any child.

(5) All acts and parts of acts in conflict herewith are hereby repealed.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

[Signatures]
Chairman Senate Committee

Chairman House Committee

Originated in the Senate

Takes effect [signature]
passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

[Signature]

I certify that the foregoing act, having been presented to the Governor for his approval, and not having been returned by him to the House of the Legislature in 1939, which it originated within the time prescribed by the constitution of the state, has become a law without his approval.

Governor.

This the [date] day of [month], 1939.

[Signature]
SECRETARY OF STATE