

(b) Sections 1 and 2 (e) of the Act approved October 28, 1949 (Public Law 428, Eighty-first Congress), are hereby repealed.

SEC. 5. None of the provisions of this Act shall be so construed as to reduce the grade or compensation of any employee on the rolls on the date of enactment of this Act.

SEC. 6. This Act shall take effect as of November 1, 1949, except that retroactive payments for longevity promotions shall not be made to employees no longer on the rolls of the postal field service on the date of enactment of this Act.

Approved May 3, 1950.

Repeals.  
63 Stat. 952, 953.  
39 U. S. C., Sup. III.  
§§ 885, 886 (e).

Effective date.

[CHAPTER 154]

AN ACT

To extend the time limits for the award of certain decorations, and for other purposes.

May 3, 1950  
[H. R. 6825]  
[Public Law 501]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding any other provision of law, any decoration, or device in lieu of decoration, heretofore authorized by Act of Congress to be awarded to any person for any act or service performed while on active duty in the military or naval forces of the United States or while serving with such forces, may be awarded at any time not later than two years subsequent to the date of the approval of this Act for any act or service that was performed between December 7, 1941, and September 2, 1945: *Provided,* That the written recommendation for the award of the decoration, or device in lieu of decoration, for such act or service be made not later than one year subsequent to the date of approval of this Act.

SEC. 2. The Act of June 26, 1946 (60 Stat. 309), is hereby repealed.

Approved May 3, 1950.

10 U. S. C. § 1409  
note; 34 U. S. C. § 360  
note.

[CHAPTER 157]

AN ACT

To amend the Life Insurance Act of the District of Columbia.

May 4, 1950  
[H. R. 4393]  
[Public Law 502]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 6, chapter II, of the Life Insurance Act of the District of Columbia (Public, Numbered 436, Seventy-third Congress, 48 Stat. 1125), as amended, is amended by deleting the period at the end of said section and inserting in lieu thereof a colon, and by adding thereto the following: "*Provided,* That in lieu of revoking the certificate of authority of any company for causes enumerated in this section, after hearing as herein provided, the Superintendent may subject such company to a penalty of not more than \$200 when in his judgment he finds that public interest would be best served by the continued operation of the company. The amount of any such penalty shall be paid by the company through the Office of the Superintendent to the Collector of Taxes of the District of Columbia."

D. C. Life Insurance  
Act, amendments.

48 Stat. 1131.  
D. C. Code § 35-405.

Penalty.

SEC. 2. That section 27, chapter II, of such Act, as amended, is amended by deleting the period at the end of the first paragraph of said section and inserting in lieu thereof a colon, and by adding thereto the following: "*Provided,* That in lieu of revoking or suspending the license of any such general agent, agent, solicitor, or broker for causes enumerated in this section after hearing as herein provided, the Superintendent may subject such person to a penalty of not more than \$200 when in his judgment he finds that the public interest would be best served by the continuation of the license of such person. The amount

48 Stat. 1140.  
D. C. Code § 35-426.

Penalty.

of any such penalty shall be paid by such person through the Office of the Superintendent to the Collector of Taxes of the District of Columbia."

Assessment compa-  
nies.  
48 Stat. 1142.  
D. C. Code § 35-431.

SEC. 3. That section 32, chapter II, of such Act, as amended, is amended by deleting therefrom the word "mainly", so that the said section as so amended shall read as follows: "Any company which makes insurance or reinsurance, the performance of which is not guaranteed by the reserves required by this Act but is contingent upon the payment of assessments or calls made upon its members, shall not be formed, admitted, or licensed in the District".

Mutual companies.  
48 Stat. 1145.  
D. C. Code § 35-508.

SEC. 4. That section 8, chapter III, of such Act, as amended, is amended by adding at the end of said section the following: "Each domestic mutual company organized or doing business under this Act shall at all times have a surplus as defined by this Act of not less than \$150,000."

Repeal.  
48 Stat. 1152.  
D. C. Code § 35-532.

SEC. 5. That section 32, chapter III, of such Act, as amended, is repealed.

Foreign companies.  
48 Stat. 1155.  
D. C. Code § 35-601  
(b).

SEC. 6. That subsection (h) of section 1, chapter IV, of such Act, as amended, is repealed and that the following is substituted therefor: "It shall satisfy the Superintendent that its funds are invested in accordance with the laws of its domicile and in securities or property which afford a degree of financial security substantially equal to that required for similar domestic companies, and, if a stock company, that it has paid-up capital and surplus at least equal to the capital and surplus required of domestic stock companies, or, if a mutual company, that it has a surplus at least equal to that required by this Act for domestic mutual companies."

48 Stat. 1156.  
D. C. Code §§ 35-701  
to 35-721; Sup. VII,  
§§ 35-701 et seq.  
Post, pp. 330, 333,  
335.

SEC. 7. That chapter V of such Act, as amended, is amended by adding the following sections:

"SEC. 21. ACCEPTANCE OF PREMIUMS IN ARREARS AND RECORDING OF PAYMENTS.—No industrial insurance company or agent thereof shall accept any money in payment of premiums which are in arrears on any industrial life or industrial sick benefit insurance policy which has lapsed and which the insured seeks to reinstate, unless such payment shall amount at least to the total of all premiums in arrears or unless such payment shall, under the regulations of the company, make the policy immediately eligible for reinstatement, subject only to evidence of insurability.

"Every current premium shall be correctly recorded by the agent or by the company in the premium receipt book of the insured at the time the premium is paid.

"Every advance premium paid by an industrial life or industrial sick-benefit policyholder shall be recorded in the receipt book of the insured in exactly the same manner as current premiums are recorded, and accurate entry thereof shall be made in the record book of the agent: *Provided, however,* That failure so to do shall not invalidate the policy.

"SEC. 22. STANDARD PROVISIONS REQUIRED IN INDUSTRIAL LIFE INSURANCE POLICIES.—No policy of industrial life insurance shall be delivered or issued for delivery in the District unless it contains in substance the following provisions, or provisions which in the opinion of the Superintendent are more favorable to the policyholders:

Premiums pay-  
able in advance.

"(1) A provision that all premiums after the first shall be payable in advance, either at the home office of the company or to an agent of the company.

Grace period.

"(2) A provision that the insured is entitled to a grace period of at least twenty-eight days within which the payment of any premiums after the first may be made, and during which period of grace the policy shall continue in full force, but in case the policy becomes a claim during the said period of grace before the overdue premium is

paid, the amount of such premium may be deducted from any amount payable under the policy in settlement.

“(3) A provision that, except as otherwise expressly provided by law, the policy shall constitute the entire contract between the parties and shall be incontestable after it has been in force during the lifetime of the insured for a period of not more than two years from its date, except for nonpayment of premiums and except for violations of the conditions of the policy relating to naval or military service in time of war, and, at the option of the company, provisions relative to benefits in the event of total and permanent disability and provisions which grant additional insurance specifically against death by accident may also be excepted; if a copy of the application be attached to the policy, a provision that all statements made by the insured shall in the absence of fraud, be deemed representations and not warranties, and that no such statement or statements shall be used in defense of a claim under the policy unless contained in the attached written application.

Policy as entire contract.

“(4) A provision that if it shall be found at any time before final settlement under the policy that the age of the insured (or the age of any other person considered in determining the premium) has been misstated, the amount payable under the policy shall be such as the premium would have purchased at the correct age, according to the company's rate at date of issue.

Misstatement of age.

“(5) If the policy is a participating policy, a provision indicating the conditions under which the company shall periodically ascertain and apportion any divisible surplus accruing to the policy.

Participating policy.

“(6) A provision for nonforfeiture benefits and cash surrender values in accordance with the requirements of section 5a or section 5b of this chapter.

62 Stat. 30, 31.  
D. C. Code, Sup.  
VII, §§ 35-705a, 35-705b.  
Options.

“(7) A provision specifying the options, if any, to which the policyholder is entitled in the event of default in a premium payment.

“(8) A provision that if in event of default in premium payments the value of the policy shall have been applied to the purchase of other insurance as provided for in this section, and if such insurance shall be in force and the original policy shall not have been surrendered to the company and canceled, the policy may be reinstated within two years from such default, upon evidence of insurability satisfactory to the company and payment of arrears of premiums and the payment or reinstatement of any other indebtedness to the company upon said policy, with interest on said premium and indebtedness at the rate of not exceeding 6 per centum per annum payable annually.

Reinstatement after default.

“(9) A provision that when a policy shall become a claim by the death of the insured settlement shall be made upon receipt of due proof of death.

Settlement upon proof of death.

“(10) Title on the face and on the back of the policy briefly describing its form.

Title.

“Any of the foregoing provisions or portions thereof not applicable to single premium or nonparticipating or term policies shall, to that extent, not be incorporated therein; and any such policy may be issued or delivered in the District which in the opinion of the Superintendent contains provisions on any one or more of the several foregoing requirements more favorable to the policyholder than hereinbefore required. The provisions of this section shall not apply to policies issued or granted in exchange for lapsed or surrendered policies. Nothing contained in subsection (3) hereof shall apply to applications for reinstatement. A reinstated policy shall be contestable on account of fraud or misrepresentation of material facts pertaining to the reinstatement, for the same period after reinstatement as provided in the policy with respect to the original issue.

Nonapplicability.

**“SEC. 23. PROVISIONS PROHIBITED IN INDUSTRIAL LIFE INSURANCE POLICIES.**—No policy of industrial life insurance shall be delivered or issued for delivery, in the District, if it contains any of the following provisions:

“(1) A provision limiting the time within which any action at law or in equity may be commenced to less than three years after the cause of action shall accrue.

“(2) Except for provisions relating to misstatement of age, suicide, aviation, and military or naval service in time of war, a provision for any mode of settlement at maturity, after the expiration of the contestable period of the policy of less value than the amount insured on the face of the policy plus dividend additions, if any, less any indebtedness to the company on or secured by the policy, and less any premium that may, by the terms of the policy, be deducted. This paragraph shall not apply to any nonforfeiture provision.

“(3) A provision for forfeiture of the policy for failure to repay any loan on the policy, or to pay interest on such loan, while the total indebtedness on the policy, including interest, is less than the loan value thereof.

“(4) A provision to the effect that the agent soliciting the insurance is the agent of the person insured under said policy, or making the acts or representations of such agent binding upon the person so insured under said policy.

“(5) A provision permitting the payment of funeral benefits in merchandise or services, or permitting the payment of any benefits other than in lawful money of the United States.

“(6) A provision whereby the benefits or any part thereof accruing under such policy upon the death of a person insured may be paid to any designated undertaker or undertaking firm or corporation or to any person or persons engaged in or connected with such business, without the written consent of the person or persons to whom such benefits would otherwise be paid, or so as in any way to deprive the personal representative or family of the deceased of the advantages of competition in procuring and purchasing supplies and services in connection with the burial of the person insured.

“(7) A provision that the liability of the company by reason of the insured's death shall be limited to less than the face amount of the policy if the death of the insured results from a specified kind or character of disease.”

Effective date.

Sec. 8. This Act shall take effect ninety days after the date of enactment.

Approved May 4, 1950.

[CHAPTER 161]

AN ACT

To authorize the acceptance of foreign decorations for participation in the Berlin airlift.

May 5, 1950

[S. 2853]

[Public Law 503]

Berlin airlift.  
Acceptance of foreign decorations by participants.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That any member of the armed forces of the United States participating in the Berlin airlift, for the period during which a medal for participation therein is authorized to be awarded to such person by this Nation, and for a two-year period thereafter, may accept and thereafter wear, subject to the approval of the head of the department of which he was a member at the time of his participation in the Berlin airlift, any decoration, order, medal, or emblem tendered him in recognition of such humane service by any foreign government which was a cobelligerent with the United States in World War II and was a coparticipant in such airlift.