

NORTH CAROLINA GENERAL ASSEMBLY  
1961 SESSION

CHAPTER 962  
SENATE BILL 242

1 AN ACT TO AMEND G.S. 58-250.1, RELATING TO NOTICE TO THE INSURED AS TO  
2 THE EFFECT OF MISREPRESENTATIONS AND OMISSION OF INFORMATION IN  
3 APPLICATION FOR HOSPITALIZATION INSURANCE POLICIES AND RIGHT OF  
4 SUCH PERSON TO RETURN THE POLICY AND RECEIVE A FULL REFUND OF  
5 PREMIUM.  
6

7 The General Assembly of North Carolina do enact:

8 **Section 1.** G.S. 58-250.1, as the same appears in the 1960 Replacement Volume of  
9 the General Statutes, is hereby amended by rewriting the first sentence thereof, the same  
10 appearing on lines 1-6 of said Section, to read as follows:

11 "Every individual or family hospitalization policy, certificate, contract or plan issued for  
12 delivery in the State of North Carolina on and after July 1, 1961, must have printed thereon or  
13 attached thereto a notice stating substantially: 'YOUR POLICY MAY NOT BE IN FORCE  
14 WHEN YOU HAVE A CLAIM! PLEASE READ! Your policy was issued based on the  
15 information entered in your application, a copy of which is attached to the policy. If, to the best  
16 of your knowledge and belief, there is any misstatement in your application or if any  
17 information concerning the medical history of any insured person has been omitted, you should  
18 advise the Company immediately regarding the incorrect or omitted information; otherwise,  
19 your policy may not be a valid contract. RIGHT TO RETURN POLICY WITHIN 10 DAYS. If  
20 for any reason you are not satisfied with your policy, you may return it to the Company within  
21 ten (10) days of the date you received it and the premium you paid will be promptly refunded.'"

22 **Sec. 2.** All laws and clauses of laws in conflict with the provisions of this Act are  
23 hereby repealed.

24 **Sec. 3.** This Act shall become effective July 1, 1961.

25 In the General Assembly read three times and ratified, this the 17th day of June,  
26 1961.