

The failure or refusal of any such employe to perform such labor or to render such services in accordance with his contract, or to pay in money the amount paid for such transportation or other benefits, shall be prima facie evidence of his intent to defraud.

SEC. 2. Every person found guilty of such misdemeanor shall be punished by a fine not exceeding twenty-five dollars (\$25.00) and by imprisonment of not less than ten (10) nor more than sixty (60) days.

SEC. 3. All acts or parts of acts inconsistent with the provisions of this act are hereby repealed.

SEC. 4. This act shall take effect and be in force from and after its passage.

Approved April 6, 1901.

CHAPTER 166.

S. F. No. 55.

An act to amend chapter 175 of the General Laws of 1895, relating to insurance.

Amendment.
Insurance
laws.

Be it enacted by the Legislature of the State of Minnesota:

SECTION 1. That section 1 of chapter 175 of the General Laws of 1895 be amended so as to read as follows:

Section 1. This act may be cited as the Minnesota insurance act of eighteen hundred and ninety-five. When consistent with the context and not obviously used in a different sense, the term "company," or "insurance company," as used herein, includes all corporations, associations, partnerships or individuals engaged as principals in the business of insurance; the word "domestic" designates those companies incorporated or formed in this state, and the word "foreign," when used without limitation, includes all those formed by authority of any other state or government; the terms "unearned premiums" and "reinsurance reserve," and "net value of policies" or "premium reserve," severally intend the liability of an insurance company upon its insurance contracts, other than accrued claims, computed by rules of valuation established by section 11; by the term "net assets" is meant the funds of an insurance company available for the payment of its obligations in Minnesota, including, in case of a mutual fire company, its deposit notes, or other contingent funds, including the contingent liability of its policy holders, as provided by the laws of this state, and in case of a mutual marine or mutual

Act of 1895.
Explanation
of term.

fire and marine company, its subscription funds and permium notes absolutely due, and also including uncollected and deferred premiums not more than three months due, on policies actually in force, after deducting from such funds all unpaid losses and claims, and claims for losses and all other debts and liabilities, exclusive of capital; the "profits" of a mutual insurance company are that portion of its cash funds not required for payment of losses and expenses, and set apart for any purpose required by law.

SEC. 2. That section 42 of chapter 175 of the General Laws of 1895 be amended so as to read as follows:

Assessment,
to pay losses.

Section 42. Whenever a mutual fire insurance company is not possessed of cash funds sufficient for the payment of incurred losses and expenses, it shall make an assessment for the amount needed to pay such losses and expenses upon its members liable to assessment therefor, in proportion to their several liabilities. The company shall cause to be recorded in a book kept for that purpose the order for such assessment, together with a statement which shall set forth the condition of the company at the date of the order, the amount of its cash assets and office deposit notes or other contingent funds liable to the assessment, the amount of the assessment calls for and the particular losses or other liabilities it is made to provide for. Such record shall be made and signed by the directors who voted for the order before any part of the assessment is collected, and any person liable to the assessment may inspect and take a copy of the same.

SEC. 3. That section 43 of chapter 175 of the General Laws of 1895 be amended so as to read as follows:

Assessment
for depreciation
of funds

Section 43. When, by reason of depreciation or loss of its funds, or otherwise, the net assets of such a company, after providing for its other debts, are less than the required premium reserve upon its policies, it shall make good the deficiency by assessment in the mode provided in the preceding section, notice of which assessment shall be filed in the insurance commissioner's office, or if the directors or insurance commissioner are of the opinion that the company is liable to become insolvent, the directors, or upon their failure for a period of five days to do so, the insurance commissioner, may, instead of such assessment, order two assessments to be made, the first determining what each policy holder must equitably pay, or receive in case of withdrawal from the company and having his policy canceled, the second what further sum each must pay in order to reinsure the unexpired term of his policy at the same rate as the whole was insured at

first. Each policy holder shall pay or receive according to the first assessment, and his policy shall then be canceled, unless he pays the sum further determined by the second assessment, in which case his policy shall continue in force, but in neither case shall a policy holder receive or have credited to him more than he would have received on having his policy canceled by vote of the directors under the by-laws.

For adjustment.

If within two months after such alternative assessments have been collectible the amount of the policies whose holders have settled for both assessments is less than five hundred thousand dollars, the company shall cease to issue policies, and all policies whose holders have not settled for both assessments shall be void, and the company shall continue only for the purpose of adjusting the deficiency or excess of premiums among the members and settling outstanding claims.

No assessment shall be valid against a person who has not been duly notified thereof in writing within one year after the expiration or cancellation of his policy. And when an assessment is ordered the directors shall forthwith cause written notice and demand for payment to be made upon each person subject thereto, by mail or personal service.

SEC. 4. This act shall take effect and be in force from and after its passage.

Approved April 9, 1901.

CHAPTER 167.

S. F. No. 117.

An act authorizing all villages incorporated under the General Laws of this state and all cities having a population of ten thousand inhabitants or less, incorporated under the General Laws of this state, to construct and rebuild sidewalks and sewers, and to assess the benefits thereof upon the lots or parcels of land adjoining the said walks or sewers, to make such assessments payable in three annual installments with interest, and authorizing such village or city to issue orders therefor bearing interest payable in accordance with said assessments, and to repeal chapter 49 of the General Laws of 1899, and acts inconsistent herewith.

Villages and cities with 10,000 population.

Be it enacted by the Legislature of the State of Minnesota:

SECTION 1. Whenever the village council of any village, incorporated under the General Laws of this state, or the common council of any city having a population of

May construct sidewalks and sewers.