

CHAPTER 314—S. F. No. 540.

An Act to amend section three thousand thirty-three (3033) Revised Laws 1905, as amended by chapter two hundred twenty-five (225) of the General Laws of Minnesota for 1907, regulating the amount of capital and character of the deposits of trust companies and prescribing the duties of the Superintendent of Banks with respect to the securities deposited with him.

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

Capital stock of trust companies.—Section 1. That section three thousand thirty-three, Revised Laws 1905, as amended by chapter two hundred twenty-five of the General Laws of Minnesota for 1907 be and the same is hereby amended so as to read as follows:

“3033. Capital—Amount and character of deposits.—The capital of every trust company hereafter organized having its principal place of business in any city of less than twenty-five thousand inhabitants shall be not less than fifty thousand dollars; the capital of every trust company hereafter organized having its principal place of business in a city of more than twenty-five thousand and less than one hundred thousand inhabitants shall be not less than seventy-five thousand dollars; the capital of every trust company hereafter organized having its principal place of business in a city of more than one hundred thousand and less than two hundred thousand inhabitants shall be not less than one hundred thousand dollars; and the capital of every trust company hereafter organized having its principal place of business in a city of more than two hundred thousand inhabitants shall be not less than two hundred thousand dollars; but the capital stock of any trust company shall not be in excess of two million dollars. No trust company hereafter organized shall transact any business until all of its authorized capital stock has been paid in, in cash, or, if such authorized capital be more than two hundred thousand dollars, until at least two hundred thousand dollars thereof has been paid in, in cash, and at least fifty per cent of the capital of all trust companies of less than two hundred thousand dollars and twenty-five per cent of the capital of all trust companies of two hundred thousand dollars or more hereafter organized has been invested in one or more of the first, second, third, fourth, seventh and eighth classes of authorized securities, duly assigned and transferred to and deposited with the superintendent of banks, and his certificate thereof procured; or, if its capital be more than two hundred thousand dollars, until at least one-fourth thereof has been so invested, assigned, transferred and deposited, and such certificate thereof procured. Before issuing such certificate, the superintendent of banks shall carefully examine the securities offered

for deposit and ascertain that they comply with all the provisions of law applicable thereto. Such deposit shall be maintained unimpaired as a guaranty fund for depositors and creditors and for the faithful discharge of its duties, with the right to collect the income thereof and to substitute other like authorized securities of equal amount and value.

The capital stock of any trust company may be reduced with the approval of the superintendent of banks, but not below the respective minimum amounts aforesaid, and no assets shall be returned to the stockholders unless its deposits of authorized securities after such return equal one-fourth of such reduced capital in no event less than twenty-five thousand dollars; nor shall the liability of any stockholder upon any existing contract be affected thereby."

Approved April 20, 1911.

CHAPTER 315—S. F. No. 541.

An Act to amend section one thousand six hundred and seven (1607) Revised Laws of Minnesota for the year one thousand nine hundred and five (1905), as amended by chapter three hundred and twenty-one (321), General Laws of Minnesota for the year one thousand nine hundred and seven (1907), relating to insurance.

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

Determination of insurance reserve—Expenses—Premiums, etc.—Section 1. That section of 1607 of the Revised Laws of Minnesota for the year 1905, as amended by chapter 321 of the General Laws of Minnesota for the year 1907 be and the same is hereby amended so as to read as follows:

1607. Reserve for reinsurance.—To determine the policy liability of any company, other than life or title insurance, and the amount such company shall hold as reserve for reinsurance, the commissioner shall take 50 per cent of the aggregate premiums, on policies running one year or less from date of policy, and a pro rata amount on policies running more than one year from date of policy, except upon inland and marine risks, which he shall compute by charging 50 per cent of the amount of premium written in its policies upon yearly risks and upon risks covering more than one passage not terminated, and the full amount of premiums written in policies upon all other inland and marine risks not terminated. In case of any fire and marine company with less than \$200,000 capital, admitted to transact in this state, fire business only, the full amount of premiums written