

may invest and re-invest *payments of principal on loans* in first mortgage loans as provided by this act when not required for the current payment of bonds."

**Sec. 8. Interest on deposits to be credited to fund.**—That Section 6050, General Statutes 1923, be amended to read as follows:

"6050. Interest shall be allowed upon any moneys in the funds of the Bureau at the rate received by the state from its depositories. The Bureau shall have authority to determine the amount of moneys in its funds which shall be kept in active depositories and the amount in inactive depositories. As soon as practicable after the state has collected interest for any stated period, the state treasurer shall credit to *the Interest fund* the amount of interest due and make a statement thereof to the Bureau.

Approved April 17, 1925.

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CHAPTER 245—H. F. No. 80.

(Sec. 3322, G. S. 1923.)

*An act to amend Section 3313, General Statutes 1913, as amended by Chapter 82, Laws of 1915, regulating the investment of the funds of domestic insurance companies.*

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

**Section 1. Investment of funds of domestic insurance companies.**—That Section 3313, General Statutes, 1913, as amended by Chapter 82, Laws of 1915, be and the same hereby is amended to read as follows:

"3313. The capital of every stock company shall be paid in full in cash within six months from the date of its certificate of incorporation, and thereupon a majority of the directors shall certify under oath to the commissioner that such payment in cash has been made by the stockholders for their respective shares, and is held as the capital of the company, and until then no policy shall be issued. Except as otherwise provided by law, the funds of every domestic company shall be invested in, or loaned upon, one or more of the following kinds of securities or property, and under the restrictions and conditions herein specified, viz:

1. Bonds or treasury notes of the United States, national or state bank stock, interest-bearing bonds or certificates of indebtedness at market value of this or any other state, or of any city, town, or county in this or any other state, or of the Dominion of Canada or any province thereof, having legal authority to issue the same, at market value, subject in every case to the same limitations and restrictions, according to the last assessment for taxation, which

exists in this state upon issue of securities by such or like municipalities at the date of the investment.

2. Notes or bonds, approved by the commissioner, secured by first mortgage on improved real estate in this or any other state, worth at least twice the amount loaned thereon, not including buildings unless insured by policies *in an amount approved by the commissioner payable to and held by the security holder, or by a trustee for the security holder.*

3. Stock or bonds at market value, approved by the commissioner, upon which stock interest or dividends of not less than three per cent have been regularly paid for three years immediately preceding the investment, of any public service corporation incorporated by or under the laws of the United States, or any state, or the Dominion of Canada, or any province thereof; *or in the stock of any insurance company; or in the stock or bonds of any real estate holding company whose real estate is used in whole or in part in the transacting of the insurance business of such insurance company, either directly or by reinsurance, or in the fee to real estate used in whole or in part in such business; or in the stocks or bonds of any corporation owning investments in foreign countries used for purposes of legal deposit, when the insurance company transacts business therein direct or as reinsurance. The making of investments under this subdivision shall be subject to the approval of the Commissioner of Insurance.*

4. Insurance policies, issued by itself, to an amount not exceeding the net or reserve value thereof.

5. Promissory notes maturing within six months secured by the pledge of registered terminal warehouse receipts issued against grain deposited in terminal warehouses as defined in Section 4435, Revised Laws of Minnesota for 1913. At the time of investing in such notes the market value of the grain shall exceed the indebtedness secured thereby, and the note or pledge agreement shall provide that the holder may call for additional like security or sell the grain without notice upon depreciation of the security. The insurance company may accept, in lieu of the deposit with it of the warehouse receipts, a trustee certificate issued by any national or state bank at a terminal point, certifying that the warehouse receipts have been deposited with it and are held as security for the notes. The amount invested in the securities mentioned in this subdivision shall not at any time exceed twenty-five per cent of the capital stock of the company.

6. Loans on pledge of any such securities, but not exceeding eighty per cent of the market value of stocks and ninety-five per cent of the market value of bonds specified in Subdivisions 1 and 3; and in all loans reserving the right at any time to declare the in-

debtedness due and payable when in excess of such proportion or upon depreciation of security."

Sec. 2. This act shall take effect and be in force from and after its passage.

Approved April 17, 1925.

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CHAPTER 246—H. F. No. 145.

(Not in G. S. 1923.)

*An act repealing Chapter 527, Session Laws of Minnesota for the year 1921, which said Chapter 527, Laws 1921, is entitled: "An act providing for the listing for taxation by warehousemen of goods in storage and providing a penalty for failure to list."*

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

Section 1. **Law repealed.**—That Chapter 527, Laws 1921, be and the same is hereby repealed.

Sec. 2. This act shall take effect and be in force from and after its passage.

Approved April 17, 1925.

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CHAPTER 247—H. F. No. 336.

(Sec. 3402, G. S. 1923.)

*An act to amend Sub-section (3) of Section 3477, General Statutes of Minnesota 1913, relating to provisions required to be included in life insurance policies.*

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

Section 1. **Provisions in life insurance policies.**—That sub-section (3) of Section 3477, General Statutes 1913, be and the same hereby is amended to read as follows:

(3) A provision that the policy shall constitute the entire contract between the parties and shall be incontestable after *it shall have been in force during the life-time of the insured* for two years from its date, except for non-payment of premiums and except for violations of the conditions of the policy relating to naval and military services 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.* A special form of policy, however, may be issued on the life of a person employed in an occupation classed by the company as extra hazardous or as leading to hazardous employment, which shall provide that service