

CHAPTER 294—H. F. No. 617

An act relating to the insurance business or businesses in which insurance companies may engage, and the requirements of such companies as to paid-up capital stock and surplus; amending Mason's Minnesota Statutes of 1927, Section 3315, as amended.

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

Section 1. Law amended.—Mason's Minnesota Statutes of 1927, Section 3315, as amended by Laws 1933, Chapter 73, is hereby amended to read as follows:

"3315. Capital stock required and business which may be transacted.—(a) Insurance corporations shall be authorized to transact in any state or territory in the United States, in the Dominion of Canada, and in foreign countries, when specified in their charters or certificates of incorporation, either as originally granted or as thereafter amended, any of the following kinds of business, upon the stock plan, or upon the mutual plan when the formation of such mutual companies is otherwise authorized by law.

1. To insure against loss or damage to property on land and against loss of rents and rental values, leaseholds of buildings, use and occupancy and direct or consequential loss or damage caused by change of temperature resulting from the destruction of refrigerating or cooling apparatus, or and of its connections, by fire, lightning, windstorm, tornado, cyclone, earthquake, hail, frost or snow, bombardment invasion, insurrection, riot, civil war or commotion, military or usurped power and loss or damage to property by explosion, whether fire ensues or not, except explosions on risks specified in subdivision 3 of this section, also against loss or damage by water to any goods or premises arising from the breakage or leakage of sprinklers, pumps or other apparatus erected for extinguishing fires, and of water pipes, and against accidental injury to such sprinklers, pumps, or other apparatus.

2. To insure vessels, freight, goods, wares, merchandise, specie, bullion, jewels, profits, commissions, bank notes, bills of exchange, and other evidences of debt, bottomry and respondentia interest, and every insurance appertaining to or connected with marine risks of transportation and navigation, including the risks of lake, river, canal and inland transportation and navigation.

3. To insure steam boilers and pipes, flywheels, engines and machinery connected therewith or operated thereby,

against explosion and accident, and against loss or damage to persons or property resulting therefrom, and against loss of use and occupancy caused thereby; and to make inspection of and to issue certificates of inspection upon such boilers, pipes, flywheels, engines and machinery.

4. To make contracts of life and endowment, insurance, to grant, purchase, or dispose of annuities of endowments of any kind, and to insure against accidents to or sickness of the assured.

5. To insure against loss or damage by the sickness, bodily injury or death by accident of the assured, or of any other person employed by or for whose injury or death the assured is responsible.

6. To guarantee the fidelity of persons in fiduciary positions, public or private, or to act as surety on official and other bonds, and for the performance of official or other obligations.

7. To insure owners and others interested in real estate against loss or damage, by reason of defective titles, incumbrances, or otherwise.

8. To insure against loss or damage by breakage of glass, located or in transit.

9. To insure against loss by burglary, theft, or forgery.

10. To insure against loss from death of domestic animals and to furnish veterinary service.

11. To guarantee merchants and those engaged in business, and giving credit, from loss by reason of giving credit to those dealing with him; this shall be known as credit insurance.

12. To insure against loss or damage to automobiles or other vehicles and their contents, by collision, fire, burglary or theft, and other perils of operation, and against liability for damage to persons, or property of others by collision with such vehicles, and to insure against any loss or hazard incident to the ownership, operation or use of motor or other vehicles.

13. To insure against liability for loss or damage to the property of another caused by the insured or by those for whom the insured is responsible.

14. To insure against any loss or damage resulting from accident or injury suffered by any person, occurring in the practice of medicine, or surgery or in the dispensing of drugs

or medicine, for which loss or damage the insured may be legally liable.

15. (a) To make contracts providing that upon the death of the assured a funeral benefit will be paid in money, the aggregate amount of which shall not exceed \$150.00 upon any one life. Provided, however, that any corporation that has been licensed to do business for three successive years may make contracts not to exceed \$300.00 upon any one life; provided further that any corporation licensed under this act which now or hereafter has a paid up capital of \$15,000.00, and maintains with the commissioner of insurance a deposit of \$15,000.00, may make life insurance contracts not to exceed \$600.00 on any one life and with or without indemnity for total and permanent disability such as are usually contained in life insurance contracts.

No such insurance company shall be operated directly or indirectly in affiliation or connection with any funeral director or undertaking establishment or contract by assignment or otherwise to pay such insurance or its benefits or any part of either to any funeral director or undertaking establishment pre-determined or designated by it so as to deprive the family or representatives of the deceased policyholder from, or in any way to control them in, obtaining for his funeral and burial, funeral services and supplies in the open market.

Provided, that nothing herein contained shall apply, nor shall it be construed to apply in any way to any co-operative burial association.

(b) The paid-up capital stock of every such corporation authorized to transact the kinds of business enumerated in subdivisions 1 to 15 of this section shall not be less than specified below:

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| Sub-division 1, | \$100,000. |
| Sub-division 2, | \$100,000. |
| Sub-division 3, | \$100,000. |
| Sub-division 4, | \$100,000. |
| Sub-division 5, | \$100,000. |
| Sub-division 6, | \$250,000. and a surplus constantly maintained of at least \$50,000. |
| Sub-division 7, | \$200,000. |
| Sub-division 8, | \$100,000. |
| Sub-division 9, | \$100,000. |
| Sub-division 10, | \$100,000. |

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| Sub-division 11, | \$100,000. |
| Sub-division 12, | \$100,000. |
| Sub-division 13, | \$100,000. |
| Sub-division 14, | \$100,000. |
| Sub-division 15, | \$ 10,000. |

Companies organized to transact business specified in Sub-division 15 shall be subject to all the provisions of law relating to legal reserve life insurance companies, except that the deposit with the commissioner of insurance shall be \$10,000 and that such company shall have secured at least one hundred applications, upon one hundred separate lives, for insurance aggregating at least \$10,000. Such companies shall issue only non-participating policies, which shall be construed as industrial policies.

Any such corporation having a paid-up capital stock of not less than \$200,000 and a surplus of not less than \$50,000 constantly maintained may, when authorized by its articles of incorporation, transact any or all of the kinds of business specified in Sub-divisions 1 to 15 inclusive, excepting those specified in Sub-divisions 1, 2, 4, 6 and 15.

Any such corporation having paid-up capital stock of not less than \$200,000, may transact the kinds of business specified in Sub-divisions 1, 2 and 12 of this section.

Any such corporation having a paid-up capital stock of not less than \$200,000 and authorized to transact the kinds of business specified in Sub-division 4 of this section may also transact the kinds of business specified in Sub-division 5.

Any such corporation having a paid-up capital stock of not less than \$250,000 and a surplus of not less than \$50,000 constantly maintained, when authorized to transact the kinds of business specified in Sub-division 6, may also transact the kinds of business specified in Sub-divisions 3, 5, 7, 8, 9, 10, 11, 12, 13 and 14."

Approved April 17, 1941.

CHAPTER 295—H. F. No. 1259

An act fixing the salaries and clerk hire of county auditor, county treasurer, treasurer of the school board for unorganized territory, clerk of the district court, sheriff, register