

## CHAPTER 308—H. F. No. 1308

*An act limiting the investments of domestic life insurance companies and amending Minnesota Statutes 1961, Section 61.11, Subdivision 12.*

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

Section 1. Minnesota Statutes 1961, Section 61.11, Subdivision 12, is amended to read:

Subd. 12. **Domestic life insurance companies; investments.** ~~Investments conforming to the categories, conditions, and standards set forth in the foregoing subdivisions of this section but which exceed in amount the limits prescribed therefor, except that the following limits shall not be exceeded; no stock shall be purchased which will increase the company's aggregate investment in all stocks beyond ten percent of its admitted assets as of the end of the preceding calendar year. The amount invested pursuant to this subdivision shall not exceed in the aggregate two percent of the company's admitted assets:~~

*Investments of any kind, without regard to the categories, conditions, standards, or other limitations set forth in the foregoing subdivisions may be made by a domestic life insurance company in an amount not to exceed the lesser of the following:*

(1) *Five percent of the company's total admitted assets as of the end of the preceding calendar year, or*

(2) *Fifty percent of the amount by which its capital and surplus as of the end of the preceding calendar year exceeds \$350,000. Provided, however, that a company's total investment in the common stock of any corporation, other than the stock of the types of corporations specified in subdivision 6 (a), shall not exceed ten percent of the common stock of the corporation. Provided, further, that no investment may be made under the authority of this clause (2) or clause (1) by a company that has not completed five years of actual operation since the date of its first certificate of authority.*

*If, subsequent to being made under the provisions of this subdivision, an investment is determined to have become qualified or eligible under any of the foregoing subdivisions, the company may consider such investment as being held under the applicable provisions of such foregoing subdivision and such investment need no longer be considered as having been made under the provisions of this subdivision.*

**Changes or additions indicated by italics, deletions by ~~strikeout~~.**

No investment or loan, except policy loans, shall be made by any such life insurance company unless the same shall have been authorized by the board of directors or by a committee charged with the duty of supervising the investment or loan, and in either case accurate records of all authorizations shall be maintained. Any company doing business in a foreign country may invest the funds required to meet its obligations incurred in such foreign country in conformity to the laws thereof in the kind of securities of such foreign country in which the company is authorized to invest in this state. No such company shall subscribe to or participate in any underwriting of the purchase or sale of securities or property, or enter into any transactions for such purchase or sale on account of the company jointly with any other person, firm, or corporation; nor shall any such company enter into any agreement to withhold from sale any of its property, but the disposition of its property shall be, at all times, within the control of its board of directors. Nothing contained in this paragraph shall be construed to invalidate or prohibit an agreement by two or more investors to join and share in the purchase of investments for bona fide investment purposes, provided that, in such investments secured by mortgage or deed of trust, provisions be made for a method of resolving any matters relating thereto as to which the investors are not in agreement.

Approved April 30, 1965.

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CHAPTER 309—H. F. No. 1380

[Coded]

*An act permitting certain cities, villages, towns or school districts to pay annual dues to a certain association; amending Laws 1943, Chapter 517, Section 1.*

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

Section 1. Laws 1943, Chapter 517, Section 1, is amended to read:

Section 1. 471.58 **Cities, villages, towns or school districts; range municipal and civic association; membership.** Any city, village, town or school district in which ~~more than 55 per cent of the assessed valuation of real and personal property, excluding moneys and credits,~~ consists *in part* of iron ore, *or lands containing taconite or semi-taconite,* may pay annual dues in the range municipalities and civic association; provided, that in cities, villages, towns or school

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