

CHAPTER 471—H. F. No. 882.

An Act to amend section 1669, 1672, 1673 and 1674 of chapter 19, Revised Laws of Minnesota for the year 1905, relating to insurance.

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

Assessment notice.—Section 1. Section 1669 of the Revised Laws of Minnesota for the year 1905, is hereby amended so as to read as follows:

"Section 1669. Whenever any assessment has been completed the secretary shall immediately notify each member by mail, directed to his last known address, of the purpose and amount of such assessment and of his share thereof, and the person to whom and the time when such payment must be made, which shall not be less than thirty nor more than ninety days thereafter; and such person, if the by-laws so provide, may collect a commission of not more than two per cent of each amount in addition thereto."

Limitation.—Sec. 2. Section 1672 of the Revised Laws of Minnesota for the year 1905, is hereby amended so as to read as follows:

"Section 1672. No such company shall insure any other property than country churches and school houses, farm dwellings, barns, and other buildings, and hay, grain, and other farm products therein, or stored or growing on the premises, or live stock thereon or running at large. No company, in its hail department, shall insure more than thirty-two hundred acres in any one township; there shall be at least one-half mile between each risk assumed by such company, except that risks may be assumed which cover the growing crops upon not more than three hundred and twenty acres of contiguous or immediately adjacent lands. No such company shall incur, lay out or expend, in any one calendar year, as and for the expenses of conducting such business more than its application or survey fees and forty (40) per cent of its total premiums or assessments actually collected. But no company shall be required to limit its annual expenses to less than one thousand (\$1,000) dollars."

Report.—Sec. 3. Section 1673 of the Revised Laws of Minnesota for the year 1905, is hereby amended so as to read as follows:

"Section 1673. The commissioner shall demand a report of any such company whenever in his judgment the interests of the public or policyholders so require, and the proper officers of the company shall make prompt reply to such demand, and answer fully all interrogations regarding its business methods, financial condition, and other matters pertaining to its business. If any officer having charge of the books and papers of such company shall fail to make such report promptly, or if the company carries on its business in a fraudulent, extravagant, or unsafe manner, so as not to afford its policyholders protection against loss or damage, or if it violates any provisions of this subdivision; or if its expenses, other than the absolute payment of its losses, shall in any one year exceed the limit prescribed in section 1672 as amended, being section 2 of this act, the commissioner shall revoke its license to do business in this state. And whenever the commissioner shall have reason to doubt the solvency of any such company, or to believe that it is doing fraudulent, extravagant, or unsafe business, he may, at its expense, cause an examination of its books, records, papers and securities, and if upon such examination he shall find that it is not paying its legal obligations, or is conducting its business in a fraudulent, extravagant, or unsafe manner, or is violating any provisions of law, he may bring an action in the district court of the county where the principal office of the company is located for the appointment of a receiver of such company and for the winding up of its affairs, and for such other order and relief as shall be equitable and proper under the circumstances."

Guarantee surplus.—Sec. 4. Section 1674 of the Revised Laws of Minnesota for the year 1905, is hereby amended so as to read as follows:

"Section 1674. Every such company shall create and maintain a guaranty surplus fund and shall annually set aside and credit thereto, on the day its annual assessment falls due, all the income of the preceding year in excess of the amount required for the payment of its losses and its legal expenses. Whenever such fund has to its credit one hundred twenty thousand dollars, the directors shall by resolution declare a dividend to its members of twenty thousand dollars thereof. The remaining one hundred thousand dollars shall be invested according to law."

Sec. 5. This act shall take effect and be in force from and after its passage.

Approved April 26, 1907.

CHAPTER 472—H. F. No. 924.

An Act to amend chapter two hundred and twenty-nine (229) of the Session Laws of the State of Minnesota for the year nineteen hundred and five (1905), entitled "An act to continue and provide for the department of insurance in the State of Minnesota, and regulating the compensation and fees of such department and for the repeal of laws inconsistent herewith."

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

Compensation—fees.—Section 1. That sec. 2 of chapter two hundred and twenty-nine (229) of the Session Laws of the State of Minnesota for the year nineteen hundred and five (1905), entitled "An act to continue and provide for the department of insurance in the State of Minnesota, and regulating the compensation and fees of such department and for the repeal of laws inconsistent herewith," be and the same is hereby amended by adding at the end of said section the following:

And one examiner at an annual salary of two thousand (\$2,000) dollars.

Additional fees.—Sec. 2. That section six (6) of said chapter two hundred and twenty-nine (229), be and the same hereby is amended so as to read as follows:

"Sec. 6. In addition to the fees and charges hereinbefore provided for there shall be paid to the commissioner of insurance, and by him accounted for and paid to the State of Minnesota, the following fees:

1. By township mutual fire companies:
For filing certificates of incorporation, \$2.
For filing annual statements, \$1.
For certificate of authority annually, \$1.

2. By other domestic companies:

For filing certified copy of certificates of incorporation and accompanying documents, for obtaining license, \$30.