

CHAPTER 179.

[Published April 16, 1867.]

AN ACT to regulate insurance companies not incorporated by the state of Wisconsin.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows :

To obtain certificate of secretary of state.

Statement—
what to show.

SECTION 1. That it shall not be lawful for any agent or agents of any insurance company incorporated by any other state than the state of Wisconsin, directly or indirectly to take risks or transact any business of insurance in this state, without such company has first obtained a certificate of authority from the secretary of state; and before obtaining such certificate, such insurance company shall furnish the said secretary with a statement, under the oath of the president and secretary of the company, which statement shall show :

First. The name and locality of the company.

Second. The act of incorporation.

Third. The amount of the capital authorized, and the amount actually paid thereon.

Fourth. The assets of the company, including, first, real estate unincumbered; second, loans secured by mortgage on real estate; third, stocks and bonds owned by the company, with pertinent description thereof and the rate of interest thereon; fourth, loans on collaterals, with statement showing what collaterals are thus held, and the amount loaned on each class; fifth, claims held by the company otherwise secured; sixth, claims for premiums due and not due; seventh, cash on hand and in bank; eighth, cash in hands of agents and other persons; ninth, all securities and property belonging to the company other than above specified.

Fifth. Liabilities of the company, including, first, losses adjusted and due; second, losses adjusted and not due; third, losses not adjusted; fourth, losses in suspense awaiting further proof; fifth, amount necessary to reinsure all outstanding risks; sixth, amount of all other claims against the company due and to become due to banks and other creditors of the company.

Sixth. The income of the company for the year immediately preceding the making of the statement, in-

cluding, first, cash received for premiums; second, premium notes received; third, cash received for premiums in the state of Wisconsin; fourth, premium notes received in the state of Wisconsin; fifth, the amount of interest received; sixth, the amount received from all other sources.

Seventh. Expenditures of the company during the year next preceding the making of the statement, including, first, the amount paid for losses; second, the amount paid for losses in the state of Wisconsin; third, the amount of dividends paid; fourth, the amount of commissions paid; fifth, the amount of salaries paid to agents and officers; sixth, the amount of revenue taxes paid; seventh, the amount of all other taxes paid; eighth, the amount paid for all other purposes.

Eighth. Miscellaneous items, including, first, the market value of the stock of the company; second, the greatest amount issued in any one risk or allowed to be insured in any one risk; third, the whole number of policies in force; fourth, the amount at risk thereon; fifth, the whole number of policies issued during the year next preceding the making of the statement; sixth, the amount of risk thereon; seventh, the number of policies canceled during the year next preceding the making of the statement; eighth, the amount of risk thereon.

Which statement shall be filed in the office of the secretary of state, together with a written instrument, duly signed and sealed, agreeing that any agent or agents of such company in the state of Wisconsin may be served with process, and authorizing any agent or agents of such company in the state of Wisconsin to acknowledge service of process for and in behalf of such company, and consenting that service of process, mense or final, upon any such agent or agents, or the acknowledgment of service by such agents, shall be taken and held as served upon the company, according to the laws of the state of Wisconsin, or the laws of the state by which such company may have been chartered and in which such company is located, and waiving all right of error by reason of such service or acknowledgment of service; and no insurance company or agents of any insurance company incorporated by any other state, shall transact any business of insurance in this state, unless such company is possessed of

Statement, as also an instrument agreeing that agents may be served with process, to be filed.

Minimum capital.

Certificate, and
license to agents

at least one hundred and fifty thousand dollars in value of actual capital in cash, or invested in stocks or bonds, or mortgages on real estate worth double the amount for which the same is mortgaged; and upon filing the aforesaid statement and instrument with the secretary of state, and furnishing him with satisfactory evidence of such investments as aforesaid, it shall be the duty of said secretary to issue a certificate thereof, and to license the agents of such company to transact the business of insurance in this state until the 31st day of January next succeeding the filing of such statement, if such license shall not for good cause be sooner revoked.

Certificate nec-
essary to legal-
ity.

When company
entitled to cer-
tificate.

SECTION 2. It shall be unlawful for any unincorporated company, association or partnership, or any member or agent or agents thereof, or for any agent or agents of any company incorporated by any foreign government other than a state of this union, to transact any business of insurance in this state without procuring a certificate of authority from the secretary of state. Such company, association or partnership, or any agent or agents thereof, having first filed under oath, in the office of said secretary, a statement setting forth the charter or act of incorporation of every such incorporated company, and the by-laws, copartnership, agreements, articles of association of any and every such incorporated company, association or partnership, and the names and residences of the members of every such association or partnership, and the matters required to be specified by the first section of this act, and the written authority therein mentioned, and having furnished evidence to the satisfaction of the secretary of state that such company has invested in stocks in some one or more of the states of this union, or the United States, the amount of one hundred and fifty thousand (\$150,000) dollars, and that such stocks are held by citizens of the United States, or in bonds or mortgages of real estate situate in the United States, fully securing the amount for which the same is mortgaged, and such incorporated company or unincorporated company, association or partnership, or any agent or agents thereof, filing said statement and furnishing evidences of investment as aforesaid, shall be entitled to a certificate of authority for the agents of such incorporated company, association or partnership in like manner as is provided for in the first section of this act.

SECTION 3. It shall be the duty of every such insurance company, or some agent or agents thereof, before taking any risks or transacting any business of insurance in this state, to file in the office of the clerk of the circuit court of the county in which it, he or they may desire to establish an agency for any such insurance company or individuals, or to transact any business of insurance therein, a copy of the statement required to be filed with the secretary of state as aforesaid, together with the certified copy of the certificate of said secretary, which shall be carefully preserved for public inspection by said clerk; and also said insurance company, association or partnership shall cause their statement and certificate to be published in the official state paper for two weeks; and such corporation, association or partnership shall, before it, he or they, or any agent or agents thereof, shall take any risk or transact any business of insurance, furnish such agent or agents with two copies of such statement and secretary's certificate, one of which shall be deposited and kept in the office of the proper clerk of the circuit court, in the same manner and for the same purpose as hereinbefore mentioned, and one of which shall be kept in the office of every such agent, to be submitted to any person for examination who may desire to procure from such agent or agents, or other persons, a policy of insurance or renewal thereof, if demanded by him or them.

Statement to be filed with clerk of court.

To be published

Statement and certificate to be furnished agents

SECTION 4. The statement and evidence of investment required by this act shall be renewed annually, in the month of January, in each year. The first statement may be made at any time. The secretary of state, on being satisfied that the capital, security and investments of any company transacting business in this state are equal in amount to that required by section one of this act, shall issue a certificate thereof, and shall issue licenses to the agents of such company, association or partnership, authorizing them to transact the business of insurance in this state, as hereinbefore provided. The certified copy of the statement upon which the same was obtained, shall be filed, kept and published in the same manner and be governed in all respects by the provisions of section three of this act: *provided*, that all certificates of authority or renewals granted to any such insurance company, or agent or

Annual renewal of statement.

First statement, certificate, license to agents &c.

Effect of certificates already issued.

agents thereof, prior to the passage of this act, in accordance with the acts hereinafter repealed, shall be in full force and effect until January, A. D. 1868, the same as if issued under this act.

License fee 3 per cent.

SECTION 5. A sum of money equal to three per cent. upon the gross amount received in the state of Wisconsin for premiums and interest in each year, as shown by the report required to be made by section one of this act, shall be paid by each company as an annual license fee at the time of the issue of each certificate or its renewal by the company or body receiving it, to be paid to the state treasurer, for the privilege of transacting the business of insurance in this state: *provided*, that when application is made for license by any company that shall not have transacted business within this state, the sum of five hundred dollars shall be paid by such company as a license for the first year; *and provided, further*, that any such insurance company which shall have paid its license fee of five hundred dollars, and shall thereafter have failed to make the said annual report, may be readmitted, if the secretary of state shall deem it proper so to do, on making a full report, as required by this act, of all premiums received in this state since its last report, and paying into the state treasury the three per centum license fee thereon, with an additional sum of fifty dollars as penalty.

First license \$500.

Penalty.

In case of life insurance companies discontinuing business

SECTION 6. Any life insurance company which has paid the license fee of five hundred dollars, and shall at any time thereafter determine to withdraw the agents of such company from the state, and discontinue the business of insurance in this state, except so far as may be necessary to receive the annual premiums due on policies in force in this state, shall annually, in the month of January, make and file a statement in the office of the secretary of state, sworn to by the president and secretary of such company, showing the gross amount of premiums and interest received in this state in cash, and shall pay into the state treasury three per centum on such gross receipts; and upon payment of the amount, the secretary of state shall give to such company a license which shall authorize the agent or agents thereof to receive and transmit the amount due such company on policies in force in this state, until

the first day of January next succeeding such payment.

SECTION 7. That copies of all papers required by this act to be deposited in the office of the secretary of state, certified under the hand of such secretary, or clerk of any court of record of this state, with the seal of such court affixed thereto, or any notary public under his proper seal, and any copy of any affidavit of publication in any newspaper by this act made necessary, duly certified by the clerk of any court of record or probate judge in this state, authenticated by the seal of such court, or by any notary public, witnessed by his proper seal, shall be received as evidence in all courts and places in the same manner and have the same force and effect as the original would have if produced.

Papers certified by secretary of state, to be evidence.

SECTION 8. Nothing in this act shall be so construed as to prevent one authorized traveling agent of each company, association or partnership legally authorized to transact the business of insurance in this state, and holding a license from the secretary of state, from transacting the business of insurance in any county in this state where such company, association or partnership employing such agent shall have an authorized agent, as provided in section three of this act; and the secretary of state may, in his discretion, grant a license to one or more agents of any company, association or partnership legally authorized to transact business as aforesaid, authorizing such agents to transact the business of insurance in two or more counties of this state, specifying in such license the counties in which such agent shall be by virtue of such license authorized to transact business.

Traveling agent may do business in any county in which company has a local agent.

SECTION 9. Whenever the secretary of state shall become satisfied that the assets of any insurance company not incorporated by the state of Wisconsin, and transacting business therein pursuant to the provisions of this act, or any association or partnership described in section two of this act, have from any cause become reduced to a sum less than one hundred and fifty thousand dollars, it shall be his duty to immediately serve the officers of such company, association or partnership with a notice, requiring that the assets of such company, association or partnership shall be increased to one hundred and fifty thousand dollars, as by this

Companies may be required to increase their assets.

License may be
revoked.

act required, within such reasonable time as the secretary of state may designate; and if such insurance company, association or partnership shall fail within the time designated by the secretary of state to increase the assets, as required in the notice served as hereinbefore provided, it shall be the duty of the secretary of state to immediately revoke the license issued to the agents of the company, association or partnership failing to increase the assets thereof as required, and shall cause notice of such revocation to be published in the state paper, daily for two weeks, and he shall also cause a notice of such revocation to be served upon each of the agents of such company, licensed as aforesaid, in such manner as he shall deem proper; and all agents of any company, association or partnership, after being served with notice of the revocation of their license as aforesaid, shall immediately discontinue the business of insurance within this state, and shall not in any way or manner act as agent or agents of the company, association or partnership the licenses of which have been revoked as aforesaid: *provided*, that the secretary of state may in his discretion, after the licenses of the agents of any company shall have been revoked as hereinbefore provided, permit such company to increase the amount of the assets thereof to the amount required by this act; and when satisfied that the assets have been so increased, he may, upon such terms as he may deem just and proper, again license the agents of such company, and authorize them to again transact the business of insurance in this state.

Assets may be
subsequently
increased.

Penalty for vio-
lation of this act

SECTION 10. Any person violating any of the provisions of this act, shall upon conviction thereof in any court of competent jurisdiction, be fined in not less than one hundred nor more than one thousand dollars, or imprisoned in the county jail not more than six months, at the discretion of the court. The penalties imposed by this act shall be collected in the name of the people, by the attorney general of the state, or the district attorney of the county where the offense shall have been committed, on the complaint of any person aggrieved by such violation, or any other person; and one-half of the penalty, when recovered, shall be paid into the treasury for the use of the poor of the county where the offense shall have been committed, and the

other half to the informer of such violation. Violations of this act shall be prosecuted in the same manner as may be provided by law for the punishment of offenses of like grade.

SECTION 11. It shall be the duty of the district attorney of each county in this state, to promptly prosecute all persons who shall in any manner violate the provisions of this act; and for the purpose of enabling such district attorneys to determine who do violate the provisions of this act, it shall be the duty of the constables of the several towns in this state, and the marshals and chief of police of all the villages and cities of this state, to immediately report to the district attorney of the proper county the names of all persons violating any of the provisions of this act within their respective towns, villages and cities; and to enable such officers to determine whether the persons acting as insurance agents in this state are properly authorized to act as such agents; such officers may demand of any insurance agent an exhibition of his license, and if the agent, when such demand is made, shall neglect or refuse to exhibit his license, he shall be deemed to be acting in violation of the provisions of this act, and shall be prosecuted accordingly; and exhibiting the license after the commencement of the prosecution, shall not in any manner be taken as authorizing such agent to transact the business of insurance in this state. Every district attorney or other officer willfully neglecting or refusing to discharge the duties imposed by this act, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding one hundred dollars, at the discretion of the court.

Duty of district attorneys, marshals and constables.

Penalty.

SECTION 12. Chapter 190 of the general laws of 1859, chapter 66 of the general laws of 1862, chapters 275 and 287 of the general laws of 1864, and chapter 473 of the general laws of 1865, (*be and the same*) are hereby repealed.

Repealed.

SECTION 13. This act shall take effect and be in force from and after its passage and publication.

Approved April 11, 1867.