

No. 91, A.]

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CHAPTER 316.

AN ACT to authorize the organization of, and to regulate mutual live stock insurance companies.

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

SECTION 1. Any number of persons, not less than five, residents and citizens of this state, who shall have taken applications in writing for insurance on at least five hundred head of live stock, and shall have collected or paid in not less than five hundred dollars in cash, may form an incorporated company for the purpose of mutual live stock insurance against loss by death of such insured live stock from disease and accident, theft or any contingent event whatever, which may be the subject of legal insurance, excepting against loss by fire, and may provide for furnishing the services of a veterinary surgeon to treat any animal upon which such corporation may have assumed a risk.

Conditions necessary for organizing a live stock insurance company.

SECTION 2. Such persons shall file with the commissioner of insurance articles of incorporation signed by all the incorporators. Such articles shall set forth the name of the corporation, the place of its principal office, and the names of the first board of directors of the corporation, mode and manner of electing directors, their term of office, kind and plan of the business to be transacted and such other provisions of articles, not inconsistent with law, as are proper to be inserted therein for the interest of such corporation or the accomplishment of the purposes thereof, and to define the manner in which the corporate powers granted in this chapter shall be exercised.

Articles to be filed; what to set forth.

SECTION 3. The articles of incorporation duly sworn to shall be, by the commissioner of

Articles to be passed upon, and a certificate to be issued if found correct.

insurance, submitted to the attorney-general and if found in conformity with this chapter, and not in conflict with the constitution and laws, he shall so certify to the commissioner of insurance who shall thereupon examine or cause an examination to be made, and if he shall find that such corporation has received and is in actual possession of the capital, premiums and bona fide engagements for insurance, as required by this chapter, the commissioner of insurance shall deliver to said corporation a patent reciting the articles of organization and declaring such corporation duly organized and empowered to transact the business of insurance therein defined. Within thirty days thereafter, the incorporators shall cause the articles of incorporation to be recorded in the office of the register of deeds of the county wherein such corporation shall have its principal office.

Number of directors; how chosen.

SECTION 4. The number of directors of such company shall be at least five, and they shall be elected from the members of the company by the persons insured, except the first board of directors, and shall hold office for the term of three years, and until their successors are elected and qualified. Election of directors, except to fill vacancies, shall occur at the annual meetings of such company, which shall be held on the third Tuesday of January of each year, and each person insured shall be entitled to one vote, and may cast the same either in person, or by proxy.

Election of officers, bonds.

SECTION 5. The directors shall elect from their number, a president, vice-president, secretary and treasurer; all of whom shall hold their office for one year, and until their successors are elected and qualified. The secretary and treasurer shall each give bonds to such company for the faithful performance of their duties, in such amounts as shall be prescribed by the board of directors.

Shall possess the usual powers afforded by law.

SECTION 6. Such corporation and its directors shall possess the usual powers, and be subject to the usual duties of corporations and di-

rectors thereof, and may make such by-laws as may be deemed necessary for the management of its affairs in accordance with the provisions of this act; and may prescribe the duties of its officers and agents, and fix their compensation, and alter and amend its by-laws when necessary. Such corporation shall, in its by-laws, limit the amount to be used for expenses to a sum not exceeding fifty per cent. of the premium receipts, and shall also provide for a release of the policy holder from further assessment liability in the by-laws and the policy of insurance to an amount not less twice the amount of the cash premiums as fixed by the board of directors at the time of the issuance of the policy.

SECTION 7. Any person owning insurable live stock in this state may become a member of such company by insuring therein, but no member that is not a resident of this state shall become a director of such company.

Any person owning insurable live stock can become a member.

SECTION 8. Such company may issue policies only on horses, mules and cattle, for a term not exceeding two years, and for an amount not to exceed two hundred and fifty dollars on any one animal. All persons so insured shall pay such premiums at such times, in such amounts and under such conditions as may be provided and required by the by-laws of such company.

Kind of policies issued.

SECTION 9. Any such company may classify the live stock insured therein, at the time of issuing policies thereon, and may make different rates corresponding as nearly as may be to the greater or less risk carried by the company on different animals.

Classification of risks.

SECTION 10. Every member of such company who may sustain loss by death of his insured stock, shall give such notice to the company, and furnish such proofs of loss as may be required by the by-laws of such company.

Notice of loss to be given the company.

SECTION 11. Whenever the amount of any loss that is due and payable exceeds the cash funds of such company, the board of directors shall make an assessment upon all of the in-

When an assessment shall be made.

sured property at such uniform rate as they shall deem necessary to meet the payment of losses, and notice of such assessment shall be given to each member, in such manner as shall be provided in the by-laws of such company.

Surrendering policies on withdrawal.

SECTION 12. Any member of such company may withdraw therefrom by surrendering his policy for cancellation, at any time while the company continues the business for which it was formed, by giving notice in writing to the secretary thereof, and paying his share of all claims then existing against said company; and such company shall have power to cancel or terminate any policy by giving the insured notice to that effect. In case of the cancellation of a policy, either by the company or the insured, the company shall return to the insured the unearned premium, if any, less twenty-five per cent.

Statement of condition to be transmitted annually.

SECTION 13. On or before the first day of March of each year, the president and secretary of every such company shall prepare, under their oaths, and transmit to the commissioner of insurance, a statement of the condition of the company on the thirty-first day of December then next preceding, as provided for other casualty companies, and shall, at the time of filing such annual statement, pay to the commissioner of insurance, a license fee of twenty-five dollars, which shall be in lieu of all other fees and taxes.

Repealing section.

SECTION 14. All acts and parts of acts inconsistent with the provisions of this act, are hereby repealed.

SECTION 15. This act shall take effect and be in force from and after its passage and publication.

Approved April 23, 1897.