

No. 221, S]

[Published July 16, 1907.

CHAPTER 640.

AN ACT to amend section 1947 of the statutes, relating to the organization of domestic life insurance companies.

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

SECTION 1. Section 1947 of the statutes is amended to read:

* * * * *

Approved July 15, 1907.

(In effect from and after date of publication.)

No. 260, S.]

[Published July 16, 1907.

CHAPTER 641.

AN ACT to create section 392m of the statutes, assigning certain duties to the Wisconsin Geological and Natural History Survey, and making an appropriation therefor.

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

SECTION 1. There is added to the statutes a new section to read:

* * * * *

SECTION 2. This act shall take effect and be in force from and after its passage and publication.

Approved July 15, 1907.

at the beginning of the policy year for the mortality on account of such policy year, according to the expense charges assumed, the table of mortality adopted and the rate of interest assumed.

10. "Policy," is the contract issued by the company to the insured.

11. "Policy anniversary," is any anniversary of the date of the policy.

12. "Policy year," is the year beginning with the date of the policy or any anniversary thereof.

13. "Premium," is the payment stipulated in the policy to be made by the insured to the company during any one policy year.

14. The "reserve," at any time within the policy year is the deposit for such year improved at the assumed rate of interest to such time within the policy year together with the proportional unused part of the mortality charge for such year.

15. The "sum insured" under a policy in any policy year is the value of the guaranteed payments and benefits stipulated to be made or granted if it should mature within such policy year.

16. The "terminal reserve," is the reserve at the end of the policy year, and is the sum sufficient, with the premiums coming due, to provide for the future expense and mortality charges, and mature the policy according to its terms, all computed upon the expense charges assumed, the table of mortality adopted and the rate of interest assumed.

(Ch. 637, 1907.)

Domestic life insurance companies: membership and capital. SECTION 1947. 1. Any number of residents of this state, not less than nine, may form a corporation * * * either with or without capital stock for the purpose of granting insurance upon the lives of persons.

Contents of articles. 2. Such persons shall make, sign and file in the office of the commissioner of insurance articles of organization stating:

(a) That they associate for the purpose of forming a corporation to transact the business of insuring lives, stating the nature and kind thereof;

(b) The name of the corporation and the place where the principal office for the transaction of the business shall be located;

(c) The capital stock, if any, the number of shares thereof and the amount of each share;

(d) *The designation of the general officers, and the number of directors, which shall not be less than seven;*

(e) *The mode and manner of electing directors, filling vacancies in their number, and their terms of office;*

(f) *The period for the commencement and termination of their fiscal year;*

(g) *Such other provisions or articles not inconsistent with law as they may deem proper to be inserted therein for the interests of such corporation or the accomplishment of the purposes thereof, or to define the manner in which the corporate powers granted by law shall be exercised.*

Conditions precedent to doing business. 3. *No such corporation shall transact any business of insurance, until all the following conditions shall be complied with;*

a. *At least five hundred persons shall have subscribed for not less than one thousand dollars of insurance each and passed a prescribed medical examination and shall have each paid one full annual premium in cash upon the insurance subscribed for, and there shall have been subscribed for not less than one million dollars of insurance in the aggregate;*

b. *There shall have been paid to the insurance commissioner in case of a corporation organized without capital stock a fee of one hundred dollars, and in case of a corporation organized with capital stock a fee equal to that required upon the incorporation of other corporations under chapter 86 of the statutes, but no such fees shall be required to be paid until at the time of the issuing the certificate of authority under subsection d;*

c. *In case of a corporation organized with capital stock until at least one hundred thousand dollars of capital stock shall have been subscribed for and fully paid in and held in cash or invested as provided in section 1903 of the statutes;*

d. *A certificate shall have been made and filed by the commissioner of insurance in his office setting forth that such corporation has complied with all the provisions of the law and is authorized to transact the business of life insurance;*

General corporation laws applicable; insurance commissioner's functions. 4. *The provisions of chapter 86 of the statutes and the acts amendatory thereof relating to corporations under the general law shall apply to all corporations mentioned in this section except so far as the same are inconsistent with the provisions of the law relating to life insurance companies. The manner of filing articles of incorporation shall*

be the same, except that such articles shall be filed with and the fees paid to the commissioner of insurance. The manner of filing amendments and the fee upon the filing of any amendment shall be the same, except that such amendment shall be filed with and the fees paid to the commissioner of insurance. In case the corporation is formed without capital stock the signers of the articles shall, subject to the approval of the commissioner of insurance, fix the time and place for the first meeting for the election of officers, which time and place shall be specified in the certificate of authority to do business heretofore mentioned; but the signers of such articles shall give written notice thereof by mail to each person subscribing for insurance at least twenty days prior to the holding of such meeting.

Licenses requisite for all life insurance; revocation for removing actions. 5. No life insurance corporation whatever shall do any business in this state, nor shall any person act as agent or otherwise within this state in receiving or procuring applications for life insurance or in any manner aid in transacting such business for any such corporation * * * until it shall have first procured a license from said commissioner authorizing it to issue policies of insurance in this state and have paid therefor the license fee required to be paid by section 1220; provided, that in case any such life insurance corporation organized under the laws of any other state or country, having procured license as herein provided, shall remove or make application to remove into any court of the United States any action or proceeding begun in any court of this state upon a claim or cause of action arising out of any business or transaction done in this state it shall be and is hereby made the imperative duty of the commissioner to revoke any and every authority, license or certificate granted to such corporation or any agent thereof to transact any business in this state, and no such corporation or agent thereof shall thereafter transact any business of insurance in this state, till again duly authorized, and no renewal, license or certificate of authority shall be granted to such corporation for three years after such revocation; and, provided further, that if the license of any such corporation shall be revoked as aforesaid, the attorney last appointed and the agent last designated as acting as such for it shall continue attorney and agent for the purpose of serving process for beginning actions upon any policy or liability incurred

or contracted in this state, while it transacted business therein, so long as any such liability shall exist.

(Ch. 640, 1907.)

Mutual life insurance elections: equality of policy holders; assignees; terms of directors. SECTION 1947c. At every general election of directors or trustees in any domestic mutual life insurance company, whether incorporated by special act or general law and anything to the contrary in its charter, certificate, articles of incorporation or by-laws, notwithstanding, every policy holder whose insurance shall be in force, and shall have been in force for at least one year prior thereto, shall be entitled to one vote without other qualification. Every policy holder entitled to vote shall have the same number of votes irrespective of the number of policies or the amount of insurance held by him, and shall have one vote for each director to be elected, and may cast all such votes for one candidate or distribute them among the number as he may elect. Unless a policy shall have been assigned more than six months prior to the election by an assignment absolute on its face to an assignee other than the company which shall have issued the policy, the person upon whose application the policy shall have been issued, and if the application be signed by more than one person, each person whose life is insured shall be deemed to be a policy holder entitled to vote as aforesaid. In case the policy shall have been assigned as aforesaid, the assignee shall be deemed to be a policy holder entitled to vote, provided his signature, either attested by the assignor or acknowledged in like manner as in case of a deed to be recorded in this state, shall have been filed at the home office of the company. Any policy holder entitled to vote at any election shall be qualified to fill any office to be voted for at any such election. Such a general election shall be held at intervals of not more than two years. At each such election not less than one-fourth of the total number of directors provided for in the charter or articles shall be elected. No appointment or selection of a director to fill a vacancy other than when made by general election shall extend beyond the next general election.

(Ch. 667, 1907.)

Independent tickets: directors to furnish lists of voters. SECTION 1947d. Upon written request, filed with the company, at the time of making the nomination, and within thirty days