

CHAPTER 212

TITLE GUARANTY CORPORATIONS

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212.01 Title guaranty corporations. Corporations formed under the laws of this state for the purpose of insuring or guaranteeing owners of real estate and owners of real estate mortgages and others interested in real estate from loss by reason of defective titles, liens or encumbrances shall not be authorized to transact any business or exercise any powers except with a capital stock of at least \$200,000, the whole of which shall have been duly subscribed and one-quarter thereof actually paid in in money and invested in bonds of the United States or of this state, or the bonds or obligations of any city of this state containing a population of not less than 10,000, which bonds shall not have been issued as a bonus for, purchase of or subscription to any railroad or other private enterprise and whose total bonded indebtedness does not exceed 5 per cent of the then assessed valuation of the real and personal property of said city, or in the bonds of any county in this state containing a population of not less than 10,000, which bonds shall not have been issued for any of the purposes aforesaid, and whose total bonded indebtedness does not exceed 5 per cent of the then assessed valuation of the real and personal property of such county, or in bonds or promissory notes secured by first mortgages or deeds of trust upon otherwise unencumbered real estate situated within this state, worth at least 30 per cent more than the amount of the obligation so secured.

212.02 Powers. Such corporation may make and deliver and in like manner accept and receive all necessary and proper deeds, conveyances, mortgages, leases, assignments and other contracts and writings obligatory, and have and exercise all necessary rights, franchises, muni- cements, estate, powers and privileges necessary to that end; and is authorized to loan money and funds and secure such loans by mortgage or trust deed, purchase real estate, notes, bonds, mortgages, trust deeds and other evidences of indebtedness, and to sell, convey and assign the same and convert them into cash or other securities.

212.03 Deposit; license fee; exemption. Whenever any such corporation shall have so invested its capital stock required to be paid in its secretary or president shall file with the commissioner of insurance a statement under oath containing a description of the securities purchased and such corporation shall, at the same time, file with the commissioner of insurance its bond to the state of Wisconsin, with sureties to be approved by him, in the penal sum of its capital stock, conditioned that it will pay all liabilities of such corporation and deliver to the commissioner of insurance and his successors in office, on demand, any part or all of said securities when he shall in his judgment require the same for the security of the insured, the creditors of such corporation or for the purpose of examination, and upon default of any of the conditions of such bond the commissioner of insurance may commence suit thereon for the benefit of any or all of the creditors of such corporation. Upon the filing of such statement and bond the commissioner of insurance shall execute and deliver a certificate authorizing the said corporation to commence, carry on and transact business. And such corporation may also deposit such securities with the commissioner of insurance, and when it shall so deposit them shall have the privilege of withdrawing them and of depositing others as the necessities of its business may require; and when such securities are so deposited with the commissioner of insurance he shall authorize, in writing, such corporation to collect the interest, dividends and income of the same. The secretary or president of any such corporation, after the filing of its first statement of securities, shall on the second Tuesday of each January file a like statement under oath with the commissioner of insurance; and if at any time the commissioner of insurance shall not be satisfied with such statement he may require the production of such securities before him for examination if they have not already been deposited with him. In lieu of filing such statement and bond such corporation may deposit such securities with the commissioner of insurance, who after approving them shall immediately issue the certificate,

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hereinbefore provided for, authorizing such corporation to transact business, and he shall further authorize it to collect the interest, income and dividends of such securities. Such corporations shall pay the same license fee as fire insurance companies are required to pay, which fee shall be in lieu of all taxes upon title guaranty premiums. The securities deposited with the commissioner of insurance shall be delivered for safe-keeping to the state treasurer who shall exchange and deliver any or all of said securities, or clip and forward interest coupons as directed by said commissioner; provided, however, the provisions of this section other than those relating to the payment of license fees shall not apply to a title insurance company, whether incorporated under the laws of this state or not, which shall deliver to the

commissioner of insurance of this state a certificate, duly authenticated, showing that such company has on deposit with the insurance commissioner, treasurer or other official body or officer of any state or states of the United States, for the protection of all the policyholders of such company, bonds of the United States, of any state of the United States, or of the cities, towns or counties thereof, of a cash market value of not less than one hundred thousand dollars or bonds or notes of face value not less than one hundred thousand dollars, secured by mortgage or deed of trust, as a first lien save taxes and assessments for current year, on real estate of the appraised value in each case of not less than double the amount loaned, or such other securities as may be approved by the commissioner of insurance of a cash market value of not less than one hundred thousand dollars.