

No. 6, A.]

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CHAPTER 274.

AN ACT to amend chapter 352, of the general laws of 1887, entitled, "An act to amend section 1771 of chapter 86, of the revised statutes of 1878," entitled, "Of the organization of corporations."

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

Amends chapter 352, laws of 1887.

Real estate title insurance companies may be organized, stock how invested.

SECTION 1. Section 1, of chapter 352, of the general laws of 1887, is hereby amended so as to read as follows: Section 1. Section 1771, of chapter 86, of the revised statutes, is hereby amended by adding thereto the following: "And also 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 and incumbrances, but no such corporation shall be authorized to transact any business or exercise any powers as such, with a capital stock of less than two hundred thousand dollars, the whole of which shall have been duly subscribed, and one-quarter thereof shall have been actually paid in, in money, and invested as hereinafter provided; said one quarter of the amount of stock so paid in shall be invested in bonds of the United States or of the state of Wisconsin, or in the bonds and obligations of any incorporated city of this state, containing a population of not less than ten thousand souls, which bonds shall not have been issued as a bonus for, or purchase of, or subscription to, any railroad or other private enterprise, and whose total bonded indebtedness does not exceed five per centum of the then assessed valuation of the real and personal property of said city; or in the bonds of any organized county in this state containing a population of not less than ten thousand souls, which bonds shall not have been issued for any of the purposes aforesaid, and whose total bonded indebtedness does not exceed five per centum of the then assessed valuation of the real and per-

sonal property of such county; or in bonds or promissory notes secured by first mortgages or deeds of trust upon unincumbered real estate situated within this state, worth at least thirty per centum more than the amount of the obligation so secured." 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, muniments, estate, powers, and privileges necessary to that end; and such corporation is authorized to loan money and funds and secure such loans by mortgage or trust deed, and shall have power to purchase real estate, notes, bonds, mortgages, trust deeds, and other evidences of indebtedness, and to sell, convey and assign such real estate, notes, bonds, mortgages, trust deeds and other evidences of indebtedness and other securities, and to convert them into cash or other securities. Whenever any such corporation shall have so invested one-quarter of its capital stock required to be paid in, as herein provided, the secretary or president of such corporation shall file with the secretary of state a statement under oath containing a description of the securities purchased under the provisions of this act, and such corporation shall, at the same time, file with the secretary of state its bond, with sureties to be approved by him, in the penal sum of one half of its capital stock, to the state of Wisconsin, conditioned that it will pay all liabilities of such corporation and will deliver to the secretary of state 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 and the creditors of such corporation or for the purpose of examination, and upon default of any of the conditions of such bond the secretary of state is hereby authorized to 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 secretary of state shall execute and deliver a certificate, authorizing the said corporation to commence, carry on and transact business under the provisions of this act. And such corporation

may also deposit such securities with the secretary of state, and when it shall so deposit them it shall have the privilege of withdrawing them and of replacing them as the necessities of its business may require. And when such securities are so deposited with the secretary of state, he shall authorize, in writing, such corporation to collect the interest, dividend and income of the same. The secretary or president of any such corporation, after the filing of its first statement of securities, shall annually thereafter on the second Tuesday of January, file a like statement under oath with the secretary of state. And if at any time the secretary of state 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 statements and filing such bond, such corporation shall deposit such securities with the secretary of state, and he shall thereupon issue the certificate hereinbefore provided for, authorizing such corporation to transact business, and he shall further authorize such corporation to collect the interest, income and dividends of such securities. Such corporations are hereby declared not to be insurance companies within the meaning of chapter 89 of the revised statutes, and the several acts amendatory thereof, except in the provisions relating to taxation; and such corporations shall pay a license fee, the same as fire insurance companies, in the manner now provided by law, in lieu of all taxes.

SECTION 2. All acts or parts of acts contravening the provisions of this act are hereby repealed.

SECTION 3. This act shall take effect and be in force from and after its passage and publication.

Approved April 17, 1891.