

as \* \* \* may be required \* \* \* by the commissioner of insurance.

SECTION 2. Section 1941—3, 1941—6, 1941—8 and 1941—13 of the statutes are hereby repealed.

Approved June 16, 1909.

No. 868, A.]

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## CHAPTER 460.

AN ACT to repeal sections 1896, 1897, 1898, 1899, 1900, 1901, 1907, 1941a to 1941f, both inclusive, 1941—1, 1941—1a, 1941—3, 1941—8, 1941—13, 1941—14 to 1941—22, both inclusive, 1941—22a to 1941—22j, both inclusive, 1941—23 to 1941—32, both inclusive, 1941—33 to 1941—41, both inclusive, 1966—2 to 1966—12, both inclusive, 1966—13 to 1966—24, both inclusive, 1966—25 to 1966—31a, both inclusive, 1966—41, 1966—43, 1966—49, 1966—50 to 1966—54, both inclusive, 1966—61 to 1966—71, both inclusive, and 1966—81 to 1966—88, to create sections 1219c, 1896, 1897, 1897a, 1897b, 1897c, 1897d, 1897e, 1897g, 1897i, 1897s, 1897t, 1898, 1898d, 1901j, 1901m and 1901n, and 1941g, and to amend section 1908 of the statutes, relating to insurance.

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

SECTION 1. There are added to the statutes eighteen new sections to read: Section 1941g. 1. (a) Sections 1896, 1897, 1898, 1899, 1900, 1901 and 1907, of the statutes, relating to domestic fire and marine insurance companies, are repealed.

(b) Sections 1941a, 1941b, 1941c, 1941d, 1941e, and 1941f of the statutes, relating to millers' mutuels, are repealed.

(c) Sections 1941—1, 1941—1a, 1941—3, 1941—8 and 1941—13 of the statutes, relating to village mutuels, are repealed.

(d) Sections 1941—14, 1941—15, 1941—16, 1941—17, 1941—18, 1941—19, 1941—20, 1941—21, and 1941—22 of the statutes, relating to druggists' mutuels, are repealed.

(e) Sections 1941—22a, 1941—22b, 1941—22c, 1941—22d, 1941—22e, 1941—22f, 1941—22g, 1941—22h, and 1941—22i of the statutes, relating to plate glass mutuels, are repealed.

(f) Sections 1941—23, 1941—24, 1941—25, 1941—26, 1941—27, 1941—27a, 1941—28, 1941—29, 1941—30, 1941—31 and 1941—32, of the statutes, relating to church mutuels, are repealed;

(g) Sections 1941—33, 1941—34, 1941—35, 1941—36, 1941—

37, 1941—38, 1941—39, 1941—40 and 1941—41 of the statutes, relating to lumber dealers' mutuals, are repealed:

(h) Sections 1966—2, 1966—3, 1966—4, 1966—5, 1966—6, 1966—7, 1966—8, 1966—9, 1966—10, 1966—11 and 1966—12 of the statutes, relating to hail and cyclone mutuals, are repealed;

(i) Sections 1966—13, 1966—14, 1966—15, 1966—16, 1966—17, 1966—19, 1966—20, 1966—21, 1966—22, 1966—23, and 1966—24 of the statutes, relating to live stock mutuals, are repealed;

(j) Sections 1966—25, 1966—26, 1966—27, 1966—28, 1966—29, 1966—30, 1966—31, 1966—31a of the statutes, relating to domestic casualty companies, are repealed;

(k) Sections 1966—41, 1966—43, and 1966—49 of the statutes, relating to casualty companies, are repealed;

(l) Sections 1966—50, 1966—51, 1966—52, 1966—53, 1966—54 of the statutes, relating to live stock business mutuals, are repealed;

(m) Sections 1966—61, 1966—62, 1966—63, 1966—64, 1966—65, 1966—66, 1966—67, 1966—68, 1966—69, 1966—70, and 1966—71 of the statutes, relating to bicycle mutuals, are repealed;

(n) Sections 1966—81, 1966—82, 1966—83, 1966—84, 1966—85, 1966—86, 1966—87 and 1966—88 of the statutes, relating to bankers' casualty mutuals, are repealed.

2. From and after the repeal of the foregoing sections, the said sections shall be considered as a part of the by-laws of the respective corporations heretofore organized now doing business under the provisions of said laws, and such by-laws shall remain in force except as hereby or hereafter changed by law or by amendment hereafter adopted to the by-laws by such corporation.

3. When no other provision is made for the amendment of the by-laws of such corporation, such by-laws may be amended in the manner provided in paragraph (b) of subsection 1 of section 1897c.

4. Every insurance corporation heretofore organized and now doing business under the provisions of any law of this state is continued without any limitation whatever upon the duration of its corporate existence, notwithstanding any limitation heretofore imposed by law or incorporated into its articles of organization.

Section 1219c. Every corporation transacting the business of casualty or suretyship insurance shall pay to the state on or before the first day of March in each year, as a license fee for

transacting such business, two per centum upon the gross premiums received during the preceding year on all policies or contracts which have been written on the lives of residents or property in this state.

Section 1896. Subject to the conditions and in the manner prescribed by law, a corporation may be organized by fifteen or more residents of this state to transact the business of insurance and the articles thereof may be amended, in the manner provided in chapter 86 of the statutes, except that such articles and amendments shall be filed in the office of the commissioner of insurance instead of being filed in the office of the secretary of state, and shall be submitted to and approved by the attorney-general before filing.

Section 1897. An insurance corporation may be formed for the following purposes: (The mention of several subjects or risks of insurance in any subsection indicates that any one or more or all may be included.)

1. Fire Insurance. Against loss or damage to property on land, by fire, lightning, hail, tempest or explosion.

2. Marine Insurance. Vessels, freights, goods, moneys, effects, and money loaned on bottomry and respondentia, against the perils of the seas and other perils usually insured against by marine insurance, including the risks of inland transportation and navigation.

3. Life Insurance. Upon the lives or health of persons, and every assurance pertaining thereto, and to grant, purchase or dispose of annuities and endowments.

4. Disability Insurance. Against bodily injury or death by accident, and upon the health of persons.

5. Liability Insurance. Against loss or damage by the sickness, bodily injury or death by accident, of any person for which loss or damage the insured is liable.

6. Steam Boiler Insurance. Against loss or damage to the property of the insured or to the life, person or property of another, for which the insured is liable, caused by the explosion of steam boilers, pipes, engines, motors and machinery connected therewith or operated thereby.

7. Fidelity Insurance. Against the loss from the defaults of persons in positions of trust, public or private, and to guarantee the performance of contracts and obligations other than that of insurance.

8. Title Insurance. To examine titles to real and personal property, furnish information relative thereto and insure against loss or damage by reason of incumbrance and defects in titles

and against non-payment of principal and interest of bonds and mortgages.

9. Credit Insurance. Against loss from the failure of persons indebted to the assured to meet their liabilities.

10. Burglary Insurance. Against loss or damage by burglary or theft, or both.

11. Plate Glass Insurance. Against the breakage of glass, located or in transit.

12. Sprinkler Leakage Insurance. Against loss or damage by water, caused by the breakage or leakage of sprinklers, pumps, water pipes or plumbing, or its fixtures, and against accidental injury to such sprinklers and other apparatus.

13. Elevator Insurance. Upon elevators and vehicles, and to inspect the same and issue certificates thereof.

14. Live Stock Insurance. Against loss or damage to domestic animals, except by fire, and to furnish the services of a veterinary surgeon for such animals.

15. Other Casualty Insurance. Against loss or damage to property by any other casualty which may lawfully be the subject of insurance, and which shall be specified in the articles of organization, and for which no other provision is made by law.

Section 1897a. 1. Companies may be formed upon the stock plan to transact any kind of insurance authorized by section 1897, or upon the mutual plan to transact the kinds of insurance described in subsections 1, 2, 3, 4, 5, 11, 12 and 14 of section 1897.

2. No company shall be formed for the purpose of engaging in any other kind of insurance than that specified in some one of the subsections of section 1897, or more kinds of insurance than are specified in a single subsection, except that a company may be formed.

(a) For the purposes specified in subsections 1, 2, and 12; or

(b) For the purposes specified in subsections 3 and 4; or

(c) For any or all of the purposes specified in subsections 4 to 14, both inclusive.

3. Insurance under each subsection of section 1897 shall be written in separate and distinct policies, except that the same policy may embrace risks specified in subsections 1 and 12 or 4 and 5.

4. Insurance against damage by hail to crops shall be written in separate and distinct policies from other insurance mentioned in subsection 1 of section 1897.

Section 1897b. 1. The name of every corporation hereafter

organized doing business on the mutual plan shall contain the word "mutual," and if the liability of the members to the company and thereby the liability of the company to the members shall be limited, the name of any corporation hereafter organized shall contain the words "limited mutual."

2. No name shall be used which shall be so similar to any already in use as to mislead the public in any respect.

Section 1897c. 1. The articles of a mutual insurance company shall provide,

(a) That every person, corporation, association or partnership insured shall be a member and shall have one vote.

(b) For amendment of the articles by a vote of three-fourths of the members voting at a regular or special meeting after the proposed amendment has been filed with the secretary and the commissioner of insurance and a copy thereof with notice of the time and place of meeting has been mailed to each member at least thirty days prior to such meeting.

2. The articles of a mutual insurance company, subject to the condition that the same be expressed in every policy, may limit

(a) The insurance to specified kinds or classes of property, lives, individuals or liabilities within any subsection of section 1897a;

(b) The territory within which insurance shall be granted; or

(c) The liability of members, which liability shall be the annual premium or a specified number of times the annual premium.

Section 1897d. 1. Every insurance corporation shall adopt by-laws and prescribe the manner in which the same may be amended.

A copy of such by-laws and of any amendments thereto, accompanied by the certificate of the president and secretary stating that the same have been duly adopted and that such copy is true and complete, shall be filed with the commissioner of insurance within thirty days after such adoption, and in case of failure so to do each shall forfeit twenty-five dollars.

Section 1897e. 1. In a mutual insurance corporation, a statement of the agreements or applications for insurance made before organization shall be filed with the commissioner of insurance in such form as he shall require.

2. Every person making such agreement or application shall, after such filing, and until the corporation begins to transact insurance, be entitled to notice of and to participate in all meetings of members of the corporation.

Section 1897g. 1. No stock insurance company shall transact the business of insurance unless:

(a) It has a capital stock actually paid, in cash or invested as provided by law, of at least one hundred thousand dollars for the insurance specified in any one subsection of section 1897;

(b) With an additional fifty thousand dollars for the insurance mentioned in any other subsection which may be transacted by such company;

(c) Provided that the capital stock required or to be added for transacting business under either subsection 4 or 14 need not exceed twenty-five thousand dollars;

(d) Provided, that a company transacting the business mentioned in subsection 1 shall not require any additional capital to transact that mentioned in subsection 12, and that the total capital required to transact the business mentioned in several or all of subsections 4, 5, 6, 8, 9, 10, 11, 12 and 13, need not exceed two hundred and fifty thousand dollars.

2. Nor shall any stock insurance company begin the business of insurance unless it has a surplus, including the fund mentioned in paragraph (b) of section 1897s actually paid, in cash, or invested as provided by law, equal to one-fourth of its capital stock.

3. Any mutual insurance company may issue policies to any public or private corporation, board or association in this state and elsewhere; and any public or private corporation, board or association of this state is authorized to make applications, enter into agreements for and hold policies in any mutual insurance company.

Section 1897i. 1. No domestic insurance corporation shall continue or transact business, other than the dissolution and winding up of its affairs, at any time after its risks outstanding, for a period of one year, shall have been below the minimum prescribed by section 1898d.

2. The original incorporators during the first year after the filing of the articles of organization and until the election of directors, and thereafter the directors, shall be jointly and severally personally liable for any losses incurred during the time or times hereinafter mentioned:

(a) Upon any policies written, issued or delivered during any time when the risks outstanding shall be below the minimum prescribed by section 1898d, and

(b) For the excess of any policy above the maximum single risks prescribed by section 1898 during the time while such policy exceeds such maximum single risk.

Section 1898. 1. (a) Except as otherwise provided by law, the maximum single risk shall be ten per centum of the admitted assets.

(b) In a mutual company it may be a greater amount not exceeding three times the average policy or one-eighth of one per centum of the insurance in force, whichever is the greater.

(c) Upon the business mentioned in subsection 14 of section 1897, in a stock company, it shall be one-twentieth of the paid up capital.

2. Any re-insurance taking effect simultaneously with the policy shall be deducted in determining such maximum single risk.

Section 1898d. The minimum of risks outstanding shall be two hundred, each within the maximum single risk prescribed in section 1898.

Section 1897s. No domestic insurance company shall begin to transact the business of insurance until:

(a) It shall issue simultaneously policies upon one hundred or more risks, each within the maximum single risk prescribed in section 1898; or

(b) It shall hold a fund in excess of the capital stock, if any, in cash or invested as provided by law, equal to ten times the maximum single risk to be assumed, which fund shall be used for the payment of losses only and may be repaid only after the risks outstanding shall exceed the minimum prescribed in section 1898d.

(c) It shall have received, in cash, one annual premium upon each risk outstanding.

Section 1901j. Except as otherwise provided by law and excepting companies transacting only disability insurance no mutual insurance company shall pay or incur in any year any expense, exclusive of investment expenses, taxes and fees, in excess of fifty per centum of the premiums and assessments collected during the year; or in excess of one-half of one per centum on the greatest amount of insurance in force at any time during the year, whichever is the greater.

Section 1901m. A mutual insurance company may classify the property or risks insured, at the time of insuring the same, under different rates corresponding as nearly as may be to the greater or less risks which may be attached thereto.

Section 1901n. Except as otherwise provided by law, no mutual fire insurance company shall make any contract for insurance expiring more than five years after the date thereof.

Section 1897t. No domestic insurance company shall begin to transact insurance until the same shall have been fully ex-

aminated by the commissioner of insurance and he shall issue a certificate:

(a) That such company has a capital, surplus and applications for risks outstanding, as the case may be, and as required by law;

(b) That its funds are held in cash or invested as required by law.

(c) That those making applications for insurance are in a position to perform the same;

(d) That the incorporators and proposed directors are financially responsible for and understand the obligations imposed upon them by law; and

(e) That said company has fully complied with all requirements of the law.

SECTION 2. Section 1908 of the statutes is amended to read: Section 1908. *Unless otherwise provided in the articles no insurance corporation shall increase its capital stock without the written consent of the holders of three-fourths of the capital stock outstanding. The amendment of its articles increasing its capital stock shall be adopted as otherwise provided by law, and shall not be filed by the commissioner of insurance until after he shall have made the same examination, in the same manner, and on the same conditions, as upon the organization or admission of a like corporation. \* \* \**

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

Approved June 16, 1909.

No. 270, S.]

[Published June 19, 1909.

## CHAPTER 461.

AN ACT to amend subsection 1 of section 1379—31em of the statutes, relating to drainage districts.

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

SECTION 1. Subsection 1 of section 1379—31em of the statutes is amended to read: Section 1379—31em. 1. Whenever the \* \* \* commissioners \* \* \* of any drainage district organized under the laws of this state, having at least eight miles of open ditches, drains, or levees with its boundaries, \* \* \* file in the circuit court of the county \* \* \* having jurisdiction of such drainage district, a petition setting forth:

a. That it is necessary to make annual repairs to said ditches, drains, or levees in order to properly maintain them;