

No. 205, A.]

[Published August 1, 1951.

CHAPTER 588.

AN ACT to repeal 202.08 (1b); to renumber and amend 202.08 (1a) (introductory paragraph), (a), (b) and (c); to create 202.08 (1a) (a) 4. and 202.08 (1a) (b) and (c) of the statutes, relating to town mutual insurance companies.

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

SECTION 1. 202.08 (1a) (introductory paragraph), (a), (b) and (c) of the statutes are renumbered 202.08 (1a) (a) (introductory paragraph), 1, 2 and 3, respectively, and amended to read:

202.08 (1a) (a) (introductory paragraph) When authorized * * * by the board of directors, *(and by the members as provided in subdivision 4 of this paragraph as a prerequisite to insuring against windstorm and hail)*, such company may issue, as a rider to the standard town mutual policy, * * * *an indorsement for supplemental* * * * coverage against loss or damage caused by any of the following classifications of * * * perils which * * * perils, if insured against, shall be construed as being included in the terms fire and lightning wherever those terms appear in this chapter:

1. * * * Smoke and smudge. * * * *Smoke and smudge.*
2. Collision. Collision with falling or moving bodies or vehicles.
3. Riot, civil commotion and explosion. * * * *Riot, riot attending a strike, civil commotion and explosion.*

SECTION 2. 202.08 (1a) (a) 4. of the statutes is created to read:

202.08 (1a) (a) 4. Windstorm and hail. Windstorm and hail on property other than growing crops; provided, however, that as a condition precedent to engaging in the writing of windstorm and hail insurance the company shall: (a) have filed proof with the commissioner of insurance showing to his satisfaction that two-thirds of all members voting have voted in favor of authorizing the company to insure against the peril of windstorm and hail damage at a regular or special meeting of members, the written notice of which meeting to each member shall have specified such authorization as one of the purposes of said meeting, and that a mail ballot was mailed to each member not less than 30 days prior to such meeting setting forth the exact question to be voted upon. A written vote received by mail from any absent member, and signed by him, shall be equivalent to a vote of the member so signing; (b) have procured a contract or contracts reinsuring at least 90 per cent of the liability assumed on any risk under this subdivision which such reinsurance contract shall be filed with and approved by the commissioner of insurance. Such reinsuring company shall either have and maintain a surplus of not less than \$100,000, or such reinsuring company shall have reinsurance contracts covering windstorm and hail risks on property other than growing crops with not less than 25 town mutual insurance companies operating in not less than 36 counties of this state.

SECTION 3. 202.08 (1b) of the statutes is repealed.

SECTION 4. 202.08 (1a) (b) and (c) of the statutes are created to read:

202.08 (1a) (b) The company may use and attach to the standard town mutual policy, the form commonly known as "EXTENDED COVERAGE ENDORSEMENT", provided coverage is granted against all of the perils specified in subsection (1) (a) and provided such company shall comply with all of the requirements contained in subsection (1) (a) 4. Unless coverage is granted against all of the perils specified under subsection (1) (a), the heading of the indorsement form for supplemental coverage shall read as follows: "SUPPLEMENTAL COVERAGE ENDORSEMENT".

(c) The board of directors may levy an additional assessment for coverages specified under subsection (1a) (a).

Approved July 6, 1951.
