

No. 967, A.]

[Published July 18, 1907.

CHAPTER 666.

AN ACT to amend sections 11—1 to 11—25, inclusive, of the statutes, and to create section 11—25m of the statutes relating to party nominations by direct vote.

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

SECTION 1. Sections 11—1 to 11—25, inclusive, of the statutes are amended to read:

* * * * *

SECTION 2. There is added to the statutes a new section to read:

* * * * *

SECTION 3. All acts or parts inconsistent with this or in conflict with the provisions of this act are hereby repealed.

Approved July 16, 1907.

(In effect from and after date of publication.)

No. 679, A.]

[Published July 18 1907.

CHAPTER 667.

AN ACT to create sections 1947c to 1947k, inclusive, of the statutes, regulating the election of directors or trustees of mutual life insurance companies.

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

SECTION 1. There are added to the statutes of 1898 nine new sections to read:

* * * * *

SECTION 2. This act shall take effect and be in force from and after the first day of January, 1908.

Approved July 16, 1907.

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

thereafter, the company shall, at its own expense, furnish to the policyholders making nomination of an independent ticket a full and complete printed list of the names and last known postoffice addresses of all policyholders whose insurance was in force twelve months prior to the day fixed for an election. Such list shall be made separately for each state, territory and country and shall be classified by postoffice addresses and the names shall be arranged alphabetically. The company shall mail to each such policyholder one list, and no more, for each state, territory or country requested by him as above provided. Such list shall be returned to the home office of the company within ten days after such election.

(Ch. 667, 1907.)

Directors to name election inspectors and administration ticket. SECTION 1947e. 1. At least three months prior to the date of any general election of directors or trustees in any such company, the directors or trustees thereof shall appoint three qualified voters, who are not directors or trustees, as inspectors of an election, who shall be paid by the company, and such directors or trustees shall suggest the name of a person as candidate for every vacancy to be filled at the ensuing election, and shall file with the commissioner of insurance a certificate thereof, giving the names, occupations and addresses of the inspectors so appointed, and the persons whose names have been so suggested.

But name no other candidates, and use no money; penalty. 2. Any officer, trustee, agent or employe of such company who shall directly or indirectly nominate or assist or encourage the nomination of any other candidate or candidates for the office of director other than those on the administration ticket, or who shall use or expend any of the property or funds of the company in promoting the election of any nominee, candidate or person except as directed or authorized in this act, shall be guilty of a misdemeanor.

Policy holders' nominations. 3. Any one hundred or more qualified voters of such company may also suggest the name of a person as a candidate for one or more of the vacancies to be filled at any such ensuing election, by filing with the commissioner of insurance, and with the secretary of the company, at its home office, not more than ninety nor less than sixty days prior to such election, a certificate signed and acknowl-

edged by them, giving the names, occupations, and addresses of the persons so suggested as candidates, together with a written statement signed by said candidates that they will accept such office if elected.

Vacancies in tickets. 4. In case of the death or resignation or incapacity of any person so suggested as a candidate, a majority of the board of directors or trustees, or a majority of the persons suggesting the name of such nominee, may suggest the name of another person as a candidate in his place, by filing prior to the day set for the election a like certificate with that required for the original nominations. If such certificate be filed more than fifty days prior to the election, the name of such person suggested as a candidate shall be inserted on the ballot hereinafter mentioned.

(Ch. 667, 1907.)

Voting by mail; ballot form and distribution. SECTION 1947f. In case any nomination other than the directors nomination shall be made the company shall not less than forty-five nor more than seventy-five days from the election cause to be mailed in a sealed and postpaid envelope, to each policy holder whose name shall be on the list and whose policy shall still be in force at his last known post office address, a suitable, gummed return envelope addressed to the home office of the company and marked "Ballot for directors," together with a ballot containing in two columns the names of candidates nominated as hereinbefore provided, arranged alphabetically. One column designated, "Directors nominees" shall contain the names of the candidates nominated by the directors or trustees. Another column designated "Independent nominees" shall contain the names of candidates nominated by the policy holders. Where any other question is to be submitted to the policy holders the same shall be voted upon at such general election and a separate ballot shall be provided and mailed with the other ballots. Such separate ballot shall state the question concisely and contain space for voting, thus:

FOR AGAINST

No other papers or written or printed matter shall be enclosed with such ballot and envelope and specimens of the ballot return envelope and sealed envelope shall be filed with

the commissioner of insurance before being so mailed, one duplicate of such ballot shall, prior to the election, be promptly furnished by mail by the company to any policyholder applying therefor.

(Ch. 667, 1907.)

Instructions to voters. SECTION 1947g. The provisions contained in the following instructions to policy holders shall apply to and govern in all such elections. All votes shall be by ballot, but any ballot complying with said instructions may be used. No ballot shall be received or counted unless prepared and voted substantially as herein provided. The ballot shall be in the following form:

Ballot for election of directors.

For (name of company, home office, post office address.)

To succeed the directors whose terms expire as follows:

.....

Instructions to policy holders.

The policy holder is entitled to the same number of votes irrespective of the number of policies and amount of insurance held by him, and is entitled to one vote for each of the _____ directors to be elected, and may cast all such votes for one candidate or distribute them among the number as he may elect. Votes shall be indicated by a numeral placed after the name of the person voted for thus: "John Doe, Farmer, Madison, Wisconsin, (1.)"

No fractional vote will be recognized. On any ballot recording a greater number than authorized only the first _____ votes will be recognized.

The ballot shall specify the number of at least one policy held by the policy holder, to be signed by him, and his signature attested by a subscribing witness and shall be enclosed in a sealed and postpaid envelope marked on the address side, "Ballot for directors," addressed to said company at its home office without any mark or designation to indicate the identity of the voter mailing the same, and mailed by him in person so as to be delivered before four P. M. on 190—.

The ballot prepared in like manner, without being postpaid, may between ten A. M. and four P. M. in said day be voted in person by the policy holder at the home office of the company.

Directors' Nominations.		Independent Nominations.	
	Vote here.		Vote here.
(John Doe, farmer, Madison, Wis.)		(Richard Roe, banker, Milwaukee, Wis.)	

Attested by Signed by
 P. O. address P. O. address
 Policy No.
 (Ch. 667, 1907.)

Place and hours of election. SECTION 1947h. All elections of the company shall be held at its home office and the polls shall be open from ten o'clock in the forenoon until four o'clock in the afternoon of the day of the election, at which time it shall be closed and after which time no ballot shall be received.

(Ch. 667, 1907.)

Ballot envelopes: delivery. SECTION 1947i. 1. All envelopes received at the home office of the company before the polls are closed on the day of election marked substantially as "ballot for directors (or trustees)" shall be preserved intact without opening, and before the polls are closed shall be delivered to the inspectors of election.

Penalty for concealing or breaking. 2. Any person concealing or withholding, or participating in the concealment or withholding from the inspectors or opening or being privy to the opening of any such envelope containing such ballot, except as authorized by law, shall be guilty of a misdemeanor.

Canvass; preservation. 3. All ballots voted and received by mail or otherwise, or delivered by the policy holder in person at the office of the company, shall be received by the inspectors subject to verification and ascertainment of the validity thereof, and of the qualification of the voter; and, immediately upon the closing of the polls the inspectors shall proceed to open the envelopes containing such ballots and to the examination thereof, and shall canvass all the votes lawfully cast. The canvass shall proceed from day to day, and the inspectors shall verify the result to the company as soon

as it is completed. Any nominee at such election may be present during the casting and canvass of the vote. All ballots and envelopes received by said inspectors shall immediately upon completion of the canvass be placed in sealed packages and preserved by them until four months from the date of the election, subject to the order of any court having jurisdiction of any proceeding relating thereto.

Returns; tie votes. 4. The inspectors shall sign and file with the secretary of the company and commissioner of insurance a certificate of the result of the election stating the names of all persons for whom votes have been cast and the number cast for each, which shall be arranged in the order of the number of votes cast for each person, the highest being placed first, the next highest second and so on, the lowest being placed last. In case two or more persons shall have secured the same number of votes the inspectors shall decide by lot which shall stand highest upon such list.

Terms of elected candidates. 5. The person or persons standing highest on such list to the number of directors to be chosen for the longest term at such election shall be elected to such longest term. The person or persons standing next highest on such list, to the number of directors to be chosen for the next longest term, at such election, shall be elected to such next longest term, and so on until the number of directors voted for at such election has been elected.

(Ch. 667, 1907.)

Mailing of ballot not to validate policy. SECTION 1947j. The mailing by the corporation of the said ballot, to any person under the provisions of this act shall not be construed as an admission by the corporation of the validity of any policy, or of the fact that such person was a policy holder of said company; and no such mailing shall be competent evidence against the corporation in any action or proceeding, in which the question of the validity of any policy or of any claim under it, is involved.

(Ch. 667, 1907.)

Trustees: quarterly meetings; forfeit for absence. SECTION 1947k. The trustees or directors of every domestic mutual life insurance company aforesaid, shall hold regular meetings at least once each quarter upon such dates as shall

be designated in its charter or articles of incorporation, or by the by-laws of said company. Any trustee who shall absent himself from three consecutive meetings shall forfeit his office and shall not be eligible to election again for a period of six months.

(Ch. 667, 1907.)

Mutual life accumulations: policy holders' full right to participate in. SECTION 1947o. 1. After the year 1907, no domestic mutual life insurance company and no domestic stock life insurance company hereafter issuing or professing to issue any participating policies, shall issue any policies except annuities, which do not, by their terms, give to the holders thereof full right to participate in the accumulations of such company as provided by the laws of this state.

2. After the year 1907, no foreign mutual life insurance company and no foreign stock life insurance company issuing or professing to issue, after such date, any participating policies, shall issue within this state any policies except annuities, which do not, by their terms, give to the holders thereof full right to participate as aforesaid.

3. After the year 1912, no foreign mutual life insurance company and no foreign stock life insurance company issuing or professing to issue, after such date, any participating policies, shall transact business in this state, if it shall issue any policies except annuities, which do not, by their terms, give to the holders thereof full right to participate as aforesaid.

4. This section shall not apply to paid-up or temporary and pure endowment insurance issued or granted in exchange for lapsed or surrendered policies.

(Ch. 146, 1907.)

Foreign life companies: required statements: commissioner may refuse license. SECTION 1947p. Every stock company doing life insurance business on the participating plan shall, when applying to do business in this state, and before any license or certificate of authority shall be issued, file with the commissioner of insurance a statement under oath of the president and secretary, stating,

- (a) The amount of the unassigned surplus of such company;
- (b) The amount of said surplus belonging to the policyholders;
- (c) The amount of such surplus belonging to the stockholders;