

No. 31, S.]

[Published April 13, 1899.]

## CHAPTER 167.

AN ACT to authorize the organization of, and to regulate mutual bicycle insurance companies.

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

SECTION 1. Any number of persons, not less than five, residents and citizens of this state, who shall have taken applications in writing for insurance on at least five hundred bicycles, may form an incorporated company for the purpose of mutual bicycle insurance against loss by theft, accident or any contingent event whatever, which may be the subject of legal insurance except fire.

When company may be formed.

SECTION 2. Such persons shall file with the commissioner of insurance articles of incorporation signed and acknowledged by them. Such articles shall set forth the name of the corporation, the place of its principal office and the names of the first board of directors, the manner of their election and their term of office, kind of business to be transacted, and such other provisions of articles, not inconsistent with law, as are proper to be inserted therein for the interest of such corporation or the accomplishment of the purpose thereof, and to define the manner in which the corporate powers granted in this chapter shall be exercised.

To file articles with commissioner of insurance.

SECTION 3. Said articles shall be, by the commissioner of insurance, submitted to the attorney general, and if found in conformity with law he shall so certify to said commissioner of insurance, who shall thereupon examine or cause an examination to be made, and if he shall find that such corporation has received and is in actual possession of the five hundred bona fide applications for insurance, he shall deliver to said corporation a patent reciting the articles of organi-

Articles to be submitted to attorney general for examination.

zation and declaring such corporation duly organized and empowered to transact the business of insurance as therein defined. Within thirty days thereafter, the incorporators shall cause the articles of incorporation to be recorded in the office of the register of deeds of the county wherein such corporation shall have its principal office.

Number of directors, terms of, and date of annual meeting.

SECTION 4. The number of directors of such corporation shall be at least five, and they shall be elected from among the members of the company by the persons insured, except the first board of directors and shall hold office for a term of three years or until their successors are elected and qualified. Election of directors, except to fill vacancies, shall occur at the annual meeting of such company which shall be held on the third Tuesday of April of each year, and each person insured shall be entitled to one vote, and may cast the same either in person or by proxy.

Directors to elect officers.

SECTION 5. The directors shall elect from among their number a president, vice-president, secretary and treasurer, all of whom shall hold their office for one year and until their successors are elected and qualified. The secretary and treasurer shall each give a bond for the faithful performance of their duties in such amount as shall be prescribed by the board of directors.

Powers of corporations. Limitations as to expenses.

SECTION 6. Such corporation and such directors shall possess the usual powers, and be subject to the usual duties of corporation and directors thereof, and may make such laws as may be deemed necessary for the management of its affairs in accordance with the provisions of this act, and may prescribe the duties of its officers and agents, and fix their compensation, and alter and amend its by-laws when necessary. Such corporation shall, in its by-laws, limit the amount to be used for expenses exclusive of the sums paid to agents for obtaining such insurance, to a sum not exceeding fifty per cent. of the receipts and such sum shall be maintained intact only during the life of the membership for which it is paid, and shall provide for a release of policy-holders

from further assessment liability in excess of an amount not less than twice the amount of the cash premiums as fixed by the directors at the time of issuance of the policy.

SECTION 7. Such corporation may issue policies on bicycles, or any vehicle propelled and managed by the rider, for a term not to exceed one year, and for an amount not to exceed fifty per cent. of its actual value. All persons insured shall pay such premiums at such times, in such amounts and under such conditions as may be provided and required by the application for membership, and the by-laws of the corporation. The bicycle or vehicle insured shall be classified at the time policies thereon are issued and different rates, corresponding as nearly as may be to the greater or less risk thereon, may be fixed.

Policies, how issued. Vehicles to be classified.

SECTION 8. Any person owning an insurable interest in a bicycle or vehicle in this state may become a member of such corporation by insuring therein, but no non-resident of this state shall become a director of such corporation. Every member who may sustain a loss shall give such notice to the corporation and be required to furnish such proofs of such loss as may be demanded by the by-laws.

Who may be members. Notice of loss.

SECTION 9. Whenever the amount of any loss exceeds the cash funds of the corporation the board of directors shall make an assessment upon all of the insured members at such uniform rate as they shall deem necessary to meet the payment of losses, and notice of such assessment shall be given to each member in such manner as the by-laws provide for.

Assessments, when made.

SECTION 10. Any member of such corporation may withdraw therefrom by surrendering his policy for cancellation at any time while the corporation continues the business for which it was formed, by giving notice in writing to the secretary and paying his share of all claims then existing against it; and such corporation may cancel any policy by giving the insured due notice to that effect. In case of the

How member may withdraw.

withdrawal of a member or the cancellation of a policy the corporation shall return the unearned premium, if any, less thirty per cent.

To make annual report to commissioner of insurance. License fee.

**SECTION 11.** On or before the first day of March of each year the president and secretary of such corporation shall prepare, under their oaths, and transmit to the commissioner of insurance a statement of the condition of the corporation on the thirty-first day of December then next preceding and shall, at the time of filing such annual statement pay to the commissioner of insurance a license fee of twenty-five dollars which shall be in lieu of all other fees and taxes.

**SECTION 12.** All acts and parts of acts inconsistent with the provisions of this act, are hereby repealed.

**SECTION 13.** This act shall take effect and be in force from and after its passage and publication.

Approved April 12, 1899.

No. 201, A.]

[Published April 13, 1899.

## CHAPTER 168.

AN ACT to amend section 1929 Wisconsin statutes of 1898 relating to insurance companies.

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

Terms of directors; to choose officers. Place of annual meetings.

**SECTION 1.** Section 1929 Wisconsin statutes of 1898 is hereby amended to read as follows: **Section 1929.** The directors shall, unless the corporation otherwise direct, in accordance with the preceding section hold their office for one year and until their successors are elected. They shall choose from their number a president, a secretary and a treasurer, the latter of whom may be