

No. 366, S.]

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CHAPTER 247.

AN ACT to amend section 1941—14, 1941—15, and 1941—16 of the statutes of 1898 relating to insurance corporations.

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

Amending clause. SECTION 1. Section 1941—14 of the statutes of 1898 is hereby amended by inserting after the words “engaged in the business of selling drugs or druggists’ materials,” where they occur in said subdivision 14 of said section 1941, the words “or engaged in the business of manufacturing or selling hardware,” and by inserting after the words “drugs, drug stocks,” where they occur in said subdivision 14 of said section, the word “hardware.”

Amending clause. Section 1941—15 is hereby amended by striking out that part of subdivision 15 of said section 1941, beginning with the words “to make contracts of insurance” and extending to the words “when required by law,” where they occur in said subdivision of said section, and inserting in lieu thereof, the following: “If composed of persons engaged in the business of selling drugs or druggists’ materials, to make contracts of insurance within this state and elsewhere with any person or persons engaged in the manufacture or sale of drugs or dealing in drug stock, upon such stock and the buildings in which the same are manufactured, stored or kept for sale, against loss and damage by fire or lightning for such premiums or consideration and under such regulations and restrictions as its by-laws may provide. If composed of persons engaged in the business of manufacturing or selling hardware, to make contracts of insurance within this state and elsewhere with any person or persons engaged in the manufacture or sale of hardware, or dealing in hardware stock, upon such stock and the buildings in which the same are manufactured, stored or kept for sale, against loss and damage by fire or lightning for such premiums or consideration and under such regulations and restrictions as its by-laws may provide.”

Amending clause. Section 1941—16 is hereby amended by inserting after the words “may issue policies on druggists’ and

other stock," where such words occur in said subdivision of said section, the words "or hardware," so that when amended said sections 1941—14, 1941—15, and 1941—16 shall read as follows:

Formation of; directors. Section 1941—14. Any number of residents of this state, not less than nine, engaged in the business of selling drugs, or druggists's materials, or engaged in the business of manufacturing or selling hardware and owning in the aggregate property within this state of the value of not less than one hundred thousand dollars, may, in the manner prescribed in section 1897 and as herein prescribed, form a corporation for the purpose of insurance, upon the plan of mutual insurance, of drugs, drug stocks, hardware and other stocks and the buildings in which the same are manufactured, stored or kept for sale from loss or damage by fire or lightning. The first nine persons signing the articles of organization shall be directors until the first annual meeting. The articles of association having been filed with the commissioner of insurance with proof of publication of notice as required by section 1897, and proof that policies in the requisite number have been applied for, shall be examined by the attorney general, and if found in conformity with law the commissioner shall issue his certificate that such corporation is duly organized and is entitled to do business.

Powers. Section 1941—15. Every such corporation, in addition to the powers granted by chapter 85 and subdivisions 2, 3, 4, 5 and 6 of section 1941b, shall have power:

1. If composed of persons engaged in the business of selling drugs or druggists' materials, to make contracts of insurance within this state and elsewhere with any person or persons engaged in the manufacture or sale of drugs or dealing in drug stock, upon such stock and the buildings in which the same are manufactured, stored or kept for sale, against loss and damage by fire or lightning for such premiums or consideration and under such regulations and restrictions as its by-laws may provide. If composed of persons engaged in the business of manufacturing or selling hardware, to make contracts of insurance within this state and elsewhere with any person or persons engaged in the manufacture or sale of hardware, or dealing in hardware stock, upon such stock and the buildings in which the same are manufactured, stored or kept for sale, against loss and damage by fire or lightning for such premiums or consid-

eration and under such regulations and restrictions as its by-laws may provide.

2. When required by law to keep on hand money or other securities, in addition to the obligations signed by the members, may invest such money in first mortgages on improved real estate within this state.

What risks; when may issue policies; members' liability. Section 1941—16. Such corporation, when duly organized and on receiving the certificate of the commissioner of insurance, may issue policies on druggists' and other stocks, or hardware and on the buildings in which the same are contained for any time not exceeding five years, and not extending beyond the time such corporation is to continue, and for an amount not exceeding five thousand dollars on any one risk. It may classify the property insured at the time of insuring the same under different rates corresponding as nearly as may be to the greater or less risk which may attach thereto; but no policy shall be issued until at least one hundred thousand dollars of insurance in not less than one hundred separate risks have been taken and a premium thereon for one year paid in cash aggregating not less than five thousand dollars. All persons and corporations so subscribing shall agree in writing to assume a liability to be named in the policy. Such liability shall not be less than three nor more than five annual premiums, and the amount thereof shall be subject to a call by the board of directors for the payment of the losses and expenses during the time for which the respective policies shall continue in force; and the same liability shall also be agreed to by such subsequent applicant for insurance. All such corporations may thereafter charge and collect in advance upon their policy a full annual premium in cash, and shall in their by-laws and policies fix by uniform rule the contingent mutual liability of members for the payment of the losses and expenses, which liability shall not be less than three nor more than five annual premiums as written in the policy. Such liabilities shall cease with the expiration of the time for which a cash premium has been paid in advance except for liability incurred during such term.

SECTION 2. This act shall take effect and be in force from and after its passage and publication.

Approved May 13, 1903.