

No. 678, A.]

[Published July 16, 1907.

CHAPTER 637.

AN ACT to create section 1946x of the statutes, defining certain words and phrases used in the laws relating to life insurance.

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

SECTION 1. There is added to the statutes a new section to read:

* *

Approved July 13, 1907.

(In effect from and after date of publication.)

No. 283, S.]

[Published July 16, 1907.

CHAPTER 638.

AN ACT to create section 976s of the statutes, relating to eligibility to town, village or city offices.

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

SECTION 1. There is added to the statutes a new section to read: (Section 976s.)

* *

SECTION 2. (Following Sec. 976s.)

Approved July 15, 1907.

(In effect from and after date of publication.)

from the place of the fire. Said allowance shall be paid by the state fire marshal at the close of each fiscal year out of any funds appropriated as heretofore provided for the use of the office of said state fire marshal.

If salary above \$50, no extra allowances. 2. All chiefs of departments who receive a stated salary and devote their entire time to the duties of chief of the department, and those mayors of cities who receive a stated salary exceeding fifty dollars, as such officer, shall be precluded from receiving any extra allowance for the report herein mentioned.

(Ch. 228, 1907.)

Life insurance words and phrases. SECTION 1946x. Unless the context of any statute or law relating to life insurance indicates otherwise, the following words and phrases shall be understood in the sense herein set forth and defined:

1. The "amount at risk," in any policy year, is the difference between the sum insured in such policy year and the terminal reserve for such policy year.

2. "Beneficiary," is the person in whose favor a policy is written.

3. "Company," includes all corporations, associations, partnerships or individuals, engaged as principals in the business of life insurance, except fraternal or beneficiary corporations, societies, orders or associations for the relief of members or beneficiaries, orders or associations for the relief of members on the mutual or assessment plan.

4. "Deposit," is the terminal reserve on a policy discounted to the beginning of the policy year at the rate of interest assumed.

5. "Domestic company," is any company organized or incorporated under the laws of this state.

6. The "expense charge," for any policy year is the excess of the stipulated premium for such policy year and the terminal reserve of the preceding policy year over the sum of the mortality charges and deposit for such policy year. Under the net level premium plan, with uniform gross premium, it is called "loading."

7. "Foreign company," is any company not organized or incorporated under the laws of this state.

8. "Insured," is the person upon whose life the contract of insurance is written.

9. "Mortality charge," is the provision made in the policy

at the beginning of the policy year for the mortality on account of such policy year, according to the expense charges assumed, the table of mortality adopted and the rate of interest assumed.

10. "Policy," is the contract issued by the company to the insured.

11. "Policy anniversary," is any anniversary of the date of the policy.

12. "Policy year," is the year beginning with the date of the policy or any anniversary thereof.

13. "Premium," is the payment stipulated in the policy to be made by the insured to the company during any one policy year.

14. The "reserve," at any time within the policy year is the deposit for such year improved at the assumed rate of interest to such time within the policy year together with the proportional unused part of the mortality charge for such year.

15. The "sum insured" under a policy in any policy year is the value of the guaranteed payments and benefits stipulated to be made or granted if it should mature within such policy year.

16. The "terminal reserve," is the reserve at the end of the policy year, and is the sum sufficient, with the premiums coming due, to provide for the future expense and mortality charges, and mature the policy according to its terms, all computed upon the expense charges assumed, the table of mortality adopted and the rate of interest assumed.

(Ch. 637, 1907.)

Domestic life insurance companies: membership and capital. SECTION 1947. 1. Any number of residents of this state, not less than nine, may form a corporation * * * either with or without capital stock for the purpose of granting insurance upon the lives of persons.

Contents of articles. 2. Such persons shall make, sign and file in the office of the commissioner of insurance articles of organization stating:

(a) That they associate for the purpose of forming a corporation to transact the business of insuring lives, stating the nature and kind thereof;

(b) The name of the corporation and the place where the principal office for the transaction of the business shall be located;

(c) The capital stock, if any, the number of shares thereof and the amount of each share;