

members thereof, or of the secretary or other managing officer or officers of the grand, supreme or sovereign lodge or other superior body or bodies, to the jurisdiction of which such corporation may be subject, and that in such case the property of such corporation shall be held by the directors or trustees thereof, in trust for such grand, supreme or sovereign body or bodies, and that after the debts of such corporation shall have been paid, and upon the entry by the district court of the final decree of dissolution, the property of such corporation shall be turned over by the directors or trustees to such grand, supreme or sovereign lodge or other superior body or bodies.

§ 9. REPEAL OF CONFLICTING ACTS.] Sections 386, 403, 405, 406, 408, 410, 411 and 539 of the Civil Code, and all other laws or parts of laws in conflict, are hereby repealed, so far as they affect the corporations named in this act.

Approved March 20, 1890.

INSURANCE.

CHAPTER 73.

[H. F. 2.]

DEFINING THE DUTIES OF THE COMMISSIONER OF INSURANCE.

AN ACT Entitled "An Act Defining the Duties of the Commissioner of Insurance."

In compliance with Section 67 of Article 2 of the Constitution in reference to cases of emergency, the following bill is introduced under and by provisions of the Constitution:

WHEREAS, An emergency exists in that the duties pertaining to the office of the Commissioner of Insurance, created by the Constitution, have heretofore been performed by the Territorial Auditor, and there being no constitutional provision authorizing the said Commissioner of Insurance to take possession of said office and to execute the duties thereof; therefore,

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. TRANSFER OF AUTHORITY FROM AUDITOR TO COMMISSIONER OF INSURANCE.] That the duties pertaining to the insurance department heretofore performed by the Territorial Auditor, be and

the same are hereby transferred to the office of the Commissioner of Insurance.

§ 2. TRANSFER OF RECORDS.] All books, papers and documents in the office of the State Auditor, relating to the business of insurance, and not assigned to South Dakota by the agreement to the Joint Commission, shall be transferred to the custody of the Commissioner of Insurance, and be and remain in his charge and custody.

§ 3. OFFICE AND EXPENSES.] There shall be assigned to the said commissioner, suitable rooms for the conducting of the business of said department, the necessary expenses of which, dating from November 4, 1889, shall be audited by the State Auditor, on the certificate of the commissioner, and paid on the warrant of the State Auditor.

§ 4. SEAL.] The Commissioner of Insurance shall have an official seal, and shall employ competent clerks, such clerks to discharge such duties as he may assign.

§ 5. VACANCY—BOND.] Whenever a vacancy shall occur in said office of Commissioner of Insurance by reason of death or otherwise, the Governor shall fill such vacancy by appointment by and with the approval of the Senate, if in session, and the said Commissioner of Insurance shall give to the people of the State of North Dakota, a bond in the penalty of \$5,000 with securities [sureties] approved by the Governor and Secretary of State, conditioned for the faithful discharge of the duties of his office. The Commissioner of Insurance shall possess all the powers and perform all the duties heretofore conferred by law upon the Auditor in relation to the insurance companies and the execution of the laws.

§ 6. ANNUAL REPORT.] The Commissioner of Insurance shall be required to make an annual report, including the receipts and disbursements of his office, on or before the 31st day of December of each year; *Provided, however,* That nothing in this act shall compel the Commissioner of Insurance elected in 1889 to make a report prior to December 31, 1890.

§ 7. DEPUTY.] In case of sickness or temporary absence from his office the Commissioner of Insurance may empower his chief clerk to sign his name and perform such other duties as are required by law pertaining to the duties of the said Commissioner of Insurance.

§ 8. This act shall take effect and be in force immediately after its passage and approval by the Governor.

Approved December 4, 1889.

CHAPTER 74.

[H. F. 93.]

PROVIDING FOR UNIFORM INSURANCE POLICIES.

AN ACT to Provide for a Uniform Policy of Fire Insurance to be Made and Issued in this State by all Insurance Companies Taking Fire Risks on Property Within this State.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. FORM OF INSURANCE POLICY TO BE PREPARED BY COMMISSIONER.] The Insurance Commissioner shall prepare and file in his office on or before the first day of August, 1890, a printed form in blank of a contract or policy of fire insurance, together with such provisions, agreements or conditions as may be endorsed thereon, or added thereto, and form a part of such contract or policy, and such form when so filed shall be known and designated as the North Dakota Standard Policy. Said Insurance Commissioner shall within sixty days from the passage of this act, prepare, approve and adopt a printed form in blank of a contract or policy of fire insurance, together with such provisions, agreements and conditions as may be endorsed thereon, or added thereto, and form a part of such contract or policy, and such form shall, as near as the same can be made applicable, conform to the type and form of the New York Standard Fire Insurance Policy, so called and known; *Provided, however,* That five days' notice of cancellation by the company shall be given, and provided that proof of loss shall be made within sixty days after a fire.

§ 2. ATTORNEY GENERAL TO ASSIST.] The Insurance Commissioner may call upon the Attorney General for such assistance as to him may seem necessary in the preparation of the aforesaid standard insurance policy, and it is hereby made the duty of said Attorney General to perform such service.

§ 3. COPIES TO BE PRINTED AND DISTRIBUTED.] Immediately after filing said form of policy in the office of said Insurance Commissioner, he shall have 500 copies of the same printed, together with 500 copies of this act, and mail to each company doing a fire insurance business in this State, copies of the same.

§ 4. WHEN PROVISIONS OF THIS ACT TO APPLY—CONDITIONS OF POLICY PRESCRIBED.] On and after the first day of October, A. D. 1890, no fire insurance company, corporation or association, their officers or agents, shall make, issue, use or deliver for use, any fire insurance policy or renewal of any fire policy on property in this State, other than such as shall conform in all particulars as to

blanks, size of type, context, provisions, agreements and conditions with the printed form of contract or policy so filed in the office of the Insurance Commissioner, as provided for in the first section of this act, and no other or different provision, agreement, condition or clause shall in any manner be made a part of said contract or policy, or be endorsed thereon or delivered therewith, except as follows, to-wit:

First. The name of the company, its location and place of business, the date of its incorporation or organization, and the state or country under which the same is organized, the amount of paid up capital stock, whether it is a stock or mutual company, the names of its officers, the number and date of the policy; and if it be issued through a manager or agent of the company, the words "This policy shall not be valid until countersigned by the duly authorized manager or agent of the company at....." may be printed on policies issued on property in this State.

Second. Printed or written forms of description and specification or schedules of the property covered by any particular policy, and any other matter necessary to clearly express all the facts and conditions of insurance on any particular risk (which facts or conditions shall in no case be inconsistent with or a waiver of any of the provisions or conditions of the standard policy herein provided for) may be written upon or attached or appended to any policy issued on property in this State.

Third. A company, corporation or association organized or incorporated under and in pursuance of the laws of this State or elsewhere if entitled to do business in this State, may, with the approval of the Insurance Commissioner, if the same is not already included in the standard form to be filed in the office of said commissioner, as provided for in the first section of this act, print on its policies any provision which it is required by law to insert therein if such provision is not in conflict with the laws of this State or the United States, or of the provisions of the standard form provided for herein, but said provision or provisions shall be printed apart from the other provisions, agreements or conditions of the policy, and in type not smaller than the body of the policy, and under a separate title, as follows: "Provisions required by law to be stated in this policy," and be a part of said policy.

Fourth. There may be endorsed on the outside of any policy herein provided for the name with the word "agent or agents," and place of business of any insurance agent or agents, either by writing, printing, stamping or otherwise.

Fifth. Where two or more companies (each having previously complied with the laws of this State) unite to issue a joint policy, there may be expressed in the heading of such policy the fact of the severalty of the contract; also the proportion of premiums to be paid to each company and the proportion of liability which each company agrees to assume. And in the printed conditions of such policy the necessary change may be made from the singu-

lar to the plural number, when reference is had to the companies issuing such policies.

§ 5. PENALTY FOR VIOLATION OF THIS ACT.] Any insurance company, its officers or agents, or either of them, violating any provisions of this act by making, issuing, delivering or offering to deliver any policy of fire insurance on property in this State, except as hereinbefore provided, shall be guilty of a misdemeanor, and upon complaint made by the Insurance Commissioner or by any citizen of this State shall, upon conviction thereof, be punished by a fine of not less than fifty (50) dollars nor more than one hundred (100) dollars for the first offense, and of not less than one hundred (100) dollars nor more than two hundred and fifty (250) dollars for each subsequent offense; but any policy so made, issued and delivered shall, nevertheless, be binding upon the company issuing the same, and such company shall thereafter be disqualified from doing any insurance business in this State.

§ 6. WHAT COMPANIES EXEMPT.] That nothing contained in this act shall be construed to affect county mutual companies organized and doing business in this State.

Approved February 13, 1890.

CHAPTER 75.

[S. F. 80.]

WHEN CHARTER OF INSURANCE COMPANY MAY BE REVOKED.

AN ACT Entitled "An Act Authorizing and Requiring the Commissioner of Insurance of the State of North Dakota to Revoke the Authority Granted any Insurance Company to do Business Within the State of North Dakota, on the Failure of such Company so Authorized to Transact Business, to Satisfy any Execution on any Judgment Against it."

Be it Enacted by the Legislative Assembly of the State of North Dakota :

§ 1. COMMISSIONER OF INSURANCE TO REVOKE CHARTER OF INSURANCE COMPANY FOR FAILURE TO SATISFY JUDGMENT.] Whenever a judgment for the recovery of money has heretofore been or hereafter may be recovered in any of the courts of this State, or in any of the courts of the United States having jurisdiction in this State, against any insurance company, or against any association, partnership, firm or individual engaged in the business of insurance, and holding a certificate of authority therefor from the Territorial Auditor, under the laws of the Territory of Dakota, or from the Commissioner of Insurance, under the laws of this State, and an

execution thereon is issued and duly returned unsatisfied in whole or in part, proof is made by any person, by filing with the Commissioner of Insurance a certified transcript of the docket of such judgment, together with a certificate of the clerk of the court in the county where the judgment roll in said action is filed and the judgment therein is docketed, that an execution has been issued on such judgment to the proper officer of such county and returned unsatisfied in whole or in part, and with the date of issuing and return, the Commissioner of Insurance shall within thirty days revoke all authority or license for the transaction of any kind of insurance business within this State conferred upon such insurance company, association, partnership, firm or individual under the provisions of the insurance laws and shall withhold therefrom any new certificate of authority, such as is contemplated under said insurance laws, until such judgment so docketed against such company, association, partnership, firm or individual, is wholly paid and satisfied, and proof thereof filed with such Commissioner of Insurance by the official certificate of the clerk of the court in the county where the judgment roll is filed and judgment docketed, showing that the same is satisfied of record, and until the expenses and fees incurred in the case under the provisions of this act are also paid by such company, association, partnership, firm or individual; and the Commissioner of Insurance shall also forthwith cause notice of such revocation of authority to be published in some daily newspaper, printed and published in the capital of the State, for at least one week; and during the time such authority or license remains so revoked, it shall be unlawful for the company, association, partnership, firm or individual holding such revoked certificate of authority, or any of its agents or officers, to issue or renew any policies of insurance, take any risks or transact any business whatever relating to insurance, except such as is absolutely necessary in closing up its affairs in this State.

§ 2. All acts and parts of acts in conflict herewith are and the same are hereby repealed.

Approved February 6, 1890.

CHAPTER 76.

[H. F. 293.]

REGULATING THE WRITING OF INSURANCE.

AN ACT Entitled "An Act to Regulate the Writing of Insurance of Whatsoever Kind in this State."

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. RESIDENT AGENTS ONLY TO WRITE INSURANCE IN STATE.] That it shall be unlawful for any insurance company to write insurance of any kind in this State except through its authorized agents, who shall be duly appointed by said company and authorized as prescribed by law by the Commissioner of Insurance, and that all such agents shall have their office or place of business in this State and all such agents shall keep a book for the registration of all premiums received. Such agents shall upon request of the Commissioner of Insurance make, under oath, an annual report to the insurance department of this State of all premiums received for each insurance company represented by them for the preceding year ending December 31st, or within thirty days thereafter.

§ 2. POLICIES WRITTEN IN ANOTHER STATE INVALID.] All policies or risks written on property of whatsoever kind in this State by insurance companies through their agents, such agents having their office in another state, shall be deemed a violation of this act, and all policies so written shall be declared invalid.

§ 3. All acts and parts of acts in conflict herewith are hereby repealed.

Approved March 31, 1890.

CHAPTER 77.

[H. F. 162.]

RELATING TO COUNTY MUTUAL INSURANCE COMPANIES.

AN ACT to Amend Chapter 67 of the General Laws of 1887 Relating to County Mutual Insurance Companies.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. WHO MAY UNITE TO FORM COMPANY.] That Section 1 of Chapter 67 of the General Laws of 1887, relating to county mutual insurance companies, be amended so as to read as follows: "Sec. 1. It shall be lawful for any number of persons, not less than twenty-five, residing in any county in this state who collectively shall own property not less than \$25,000 in value which they desire to insure, to form themselves into a company for mutual insurance against loss or damage by fire, lightning, hail and cyclones, which corporation shall possess other powers and be subject to other duties of corporations, and the corporate name thereof shall embrace the name of the county in which the business office of the said company shall be located. It shall also be lawful for any number of persons, not less than fifty, residing in any five adjoining counties in this State who collectively shall own property not less than \$50,000 in value which they desire to insure, to form themselves into a company for mutual insurance against loss or damage by fire, lightning, hail and cyclones, which shall possess other powers and be subject to other duties of corporations, and the corporate name thereof shall be chosen by the members of such company, and the head office for the transaction of the company's business may be located wherever the members of the company see fit, only it must be located within the limits of such five adjoining counties comprising the company; *Provided*, That all laws relating to the Commissioner of Insurance's powers and duties shall apply to such company.

Approved March 18, 1890.

CHAPTER 78.

[H. F. 48.]

PUBLICATION OF INSURANCE STATEMENTS.

AN ACT to Amend Section 16 of Chapter 69 of the General Laws of 1885, and Section 10 of Chapter 69 of the General Laws of 1889 Relating to the Publication of Insurance Statements.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 16 of Chapter 69 of the General Laws of 1885 be amended to read as follows:

“Sec. 16. ANNUAL STATEMENT, PUBLICATION OF.] Every insurance company doing business in this State must transmit to the Commissioner of Insurance a statement of its condition and business for the year ending on the preceding thirty-first day of December, which shall be rendered on the first day of January in each year, or within one month thereafter, except that foreign insurance companies shall transmit their statements of business, other than that taken in the United States prior to the following first day of May. Such statement must be published at least three times in a newspaper of general circulation printed and published in each judicial district of the State in which said insurance company shall have an agency, and a duplicate thereof, upon which shall be endorsed the names of the attorneys on whom process of law can be served as required by this act, shall be filed in the office of the register of deeds of the county wherein the agency may be established, but the provisions of this section as to the appointment of attorney shall not apply to companies organized within this State. Statements for publication shall be made out on blanks furnished by the Commissioner of Insurance, and the Commissioner of Insurance's certificate of authority for the company to do business in this State shall be published in connection with said statement of such company doing business in this State. Proof of publication to-wit: The printer's affidavit of the fact shall be filed with the Commissioner of Insurance in all cases, which affidavit shall state that said insurance company has paid said newspaper one-half of the authorized rate for publishing legal notices, and that the full amount named inures to the sole benefit of the publisher or publishers thereof and that no agreement or understanding for the division thereof has been made with any person, and that no part thereof has been agreed to be paid to any person whomsoever and that every affidavit of publication shall state in plain terms the full amount authorized herein

has been charged and collected for such publication; *Provided*, The Commissioner of Insurance shall select three newspapers of general circulation published in each of the judicial districts from which said company shall select one in which said statements shall be published. In each district where there are one or more newspapers publishing daily and weekly editions one of such daily and weekly newspapers shall be selected and said statement shall be published one time in the daily edition and two times in the weekly edition of the newspaper so selected and designated to publish said statement, and the charge for such publication shall be the same as if three continuous insertions of said statement had been made in either the daily or weekly edition only."

§ 2. AMENDMENT.] That Section 10 of Chapter 69, of the General Laws of 1889, entitled "Insurance," be amended so as to read as follows:

Sec. 10. FILING OF PROOF OF PUBLICATION.] That Section 16, Chapter 69, Laws of 1885, be and the same is hereby amended by adding to said section the following words: "And the proof of publication herein required shall be filed with the Commissioner of Insurance within four months from the time of the filing of the annual statement."

§ 3. REPEAL.] This law is intended to define the lawful rate for the publication of insurance statements, and repeals Sections 1, 3 and 4 of Chapter 51 of the General Laws of 1887, in so far as said sections have been held to refer to the publication of insurance statements.

§ 4. EMERGENCY.] Whereas, the insurance statements must be published so soon after the first day of January as possible, and whereas, the law now in force is inadequate an emergency exists therefrom, this law shall take effect and be in force immediately after its passage and approval.

Approved February 10, 1890.