

§ 2. REPEAL.] All acts or parts of acts in conflict with the provisions of this act are hereby repealed.

Approved March 16, 1905.

INSURANCE.

CHAPTER 121.

[S. B. No. 103—Sifton.]

COUNTY MUTUAL INSURANCE COMPANIES.

AN ACT to Amend and Re-enact Section 3134 of Chapter 14 of the Revised Codes of 1899, Relating to the Organization of County Mutual Fire Insurance Companies.

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

§ 3134. WHO MAY FORM COMPANIES.] Any number of persons, not less than fifty, residing in not more than ten counties in this state, who collectively own property of not less than one hundred thousand dollars in value which they desire to insure, or any number of persons not less than twenty-five, residing in any one county, owning property of not less than twenty-five thousand dollars in value which they desire to insure, may form a corporation for mutual insurance against loss or damage by fire, lightning, hail and cyclone, which shall possess the powers and be subject to the duties and liabilities of other insurance companies, except as herein otherwise provided. The principal office of the company must be located within the limits of the county or counties in which the incorporators reside. The name of the county together with the word "county" shall be embraced in the corporate name of the company when organized by the residents of a single county.

Approved March 2, 1905.

CHAPTER 122.

[H. B. No. 188—Meiklejohn.]

INVESTMENT OF INSURANCE COMPANY FUNDS.

AN ACT to Amend Section 3094 of the Revised Codes of North Dakota for 1899, Relating to Investments of Funds of Domestic Insurance Corporations.

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

§ 1. AMENDMENT.] That section 3094 of the revised codes of the state of North Dakota for the year A. D. 1899 be and hereby is amended and re-enacted to read as follows:

§ 3094. HOW CAPITAL AND SURPLUS MAY BE INVESTED.] A domestic insurance company may invest its capital, and the funds accumulated in the course of its business, or any part thereof, in bonds or mortgages on improved unincumbered real estate within this state, or within any state in which such company is or becomes duly authorized and licensed to transact business, worth double the sum loaned thereon, exclusive of buildings, unless such buildings are insured and the policies made payable to the company as its interests may appear, and also in the bonds of the state, or bonds or treasury notes of the United States, and also in the bonds of any county or incorporated city or school district in this state, or within any state in which said company is or becomes duly authorized and licensed to transact business, authorized to be issued by legal authority, and loan such capital and funds, or any part thereof, on the security of such bonds, treasury notes, or upon bonds or mortgages as aforesaid, and change and re-invest the same in like securities as occasion may from time to time require; but the surplus money over and above the capital stock of such insurance company may be invested in or loaned upon the pledge of bonds of the United States or any of the states, or stocks, bonds, or other evidence of indebtedness of any solvent dividend paying institution, incorporated under the laws of this state, or of any state in which such company is or becomes duly authorized and licensed to transact business, or of the United States, except its own stock; provided, always, that the market value of such stock, bonds or other evidence of indebtedness shall be at all times during the continuance of such loan at least ten per cent more than the amount loaned thereon. No domestic insurance company shall invest or loan its capital, or the funds accumulated in the course of its business, or any part thereof, except as provided in this section.

Approved February 27, 1905.

CHAPTER 123.

[H. B. No. 69—Burgum.]

LIVE STOCK INSURANCE COMPANIES.

AN ACT to Provide for the Organization of Mutual Insurance Companies for the Purpose of Insuring Against Loss to Pure Bred Registered Live Stock, by Reason of the Death of the Property Insured.

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

§ 1. GENERAL LAWS TO GOVERN WHERE APPLICABLE.] Companies organized under this act shall be subject to the general statutes of this state relating to domestic mutual insurance companies, in so far as the same are applicable and not in conflict with the express provisions of this act.

§ 2. LIVE STOCK INSURANCE COMPANIES. HOW ORGANIZED.] Any number of persons not less than ten, of whom at least five shall be residents of this state, may form a corporation for mutual insurance against loss or damage to pure bred live stock occasioned by the death of the property insured by fire, lightning, accident or disease, which shall possess the powers and be subject to the duties and liabilities of other insurance companies, except as herein otherwise provided. The term "pure bred live stock," as used in this act includes horses, cattle, sheep and swine of either sex and any breed; provided, that the animals insured must be duly registered in the recognized stud or herd book of such breed; and provided, further, that corporations may be organized under this act for the purpose of insuring either or all of said live stock, against loss or damage to the property insured by reason of fire, lightning, accident or disease, or any or all of them.

§ 3. MANAGEMENT TO BE IN BOARD OF DIRECTORS.] The general management of the business of such company shall be vested in a board of directors of not less than five or more than nine directors, each of whom shall during his term of office be a policy holder in the company. Such directors shall be elected annually and shall hold their offices for one year and until their successors are elected and qualified.

§ 4. BOARD OF DIRECTORS TO ELECT OFFICERS AND FIX BONDS THEREOF.] It shall be the duty of the board of directors to annually elect such officers of the corporation as may be provided in the articles of incorporation and by-laws of the company. It shall also be the duty of the said board of directors to fix the amount of the bonds required of the treasurer and other officers having or likely to have control of any funds belonging to the company, which bonds, in the case of the treasurer, shall not be less than ten thousand dollars, and in the case of the secretary, not less than two thousand five hundred

dollars, and as near as may be shall equal twice the amount of money likely at any one time to be in the hands of the respective officers.

§ 5. MEMBERS MAY VOTE BY PROXY.] Members may vote by proxy dated and executed within three months and returned and recorded on the books of the company three days or more before the meeting at which they are to be used.

§ 6. AMOUNT OF SUBSCRIBED INSURANCE REQUIRED.] No policy shall be issued by an insurance company organized under this act until not less than thirty thousand dollars of insurance in not less than fifteen separate risks have been subscribed for and entered on its books.

Approved March 1, 1905.

CHAPTER 124.

[S. B. No. 122—Swenson.]

REVOCATION OF INSURANCE COMPANY LICENSE.

AN ACT to Amend Section 3128 of the Revised Codes of 1899, Relating to the Revocation of Authority of Foreign and Domestic Insurance Corporations to Transact Business in This State, and Providing for the Revocation of Authority of Foreign Insurance Corporations to Transact Business Within the State of North Dakota, Upon the Removal by Any Such Foreign Insurance Corporation of Certain Cases From the State to the United States Courts.

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

§ 1. AMENDMENT.] That section 3128 of the revised codes of North Dakota for 1899 be amended and re-enacted to read as follows:

§ 3128. WHEN AND HOW AUTHORITY REVOKED. FOREIGN COMPANY. DOMESTIC COMPANY. INJUNCTION. POWER OF COURT.] If the commissioner of insurance is of opinion upon examination or other evidence that a foreign insurance company is in an unsound condition, or if it has failed to comply with the law, or if it, its officers or agents, refuse to submit to examination, or to perform any legal obligation in relation thereto, or if a life insurance company, that its actual funds, exclusive of its capital, are less than its liabilities, he shall revoke or suspend all certificates of authority granted to it or to its agents, and shall cause notifications thereof to be published three times, once in each week for three successive weeks, in some newspaper published at the seat of government and no new business shall thereafter be done by it or its agents in this state while such default or disability continues, nor until its authority to do business is restored by the commissioner; provided, further, that if any insurance corporation organized under the laws of any other state or country and having been authorized to transact business in this state, shall remove or make application to re-

move into any court of the United States any action or proceeding begun in any court of this state upon a claim or cause of action arising out of any business or transaction done in this state, or upon any contract made, executed or to be performed herein, the commissioner of insurance shall revoke all certificates of authority granted to such insurance corporation, or to its agents, and shall cause notifications thereof to be published three times, once in each week for three successive weeks, in some newspaper published at the seat of government, and no new business shall thereafter be done by it or its agents in this state until after the expiration of three years from the date of such last publication. If upon examination he is of the opinion that any domestic insurance company is insolvent, or has exceeded its powers or has failed to comply with any provisions of law, or that its condition is such as to render its further proceedings hazardous to the public or its policy holders, he shall apply to the district court of the county in which the principal office of the company is located to issue an injunction restraining it in whole or in part from further proceeding with its business. The court or judge may, in discretion, issue an injunction forthwith or upon notice and hearing thereon, and after a full hearing of the matter may dissolve or modify such injunction or make it perpetual, and may make all orders and decrees needful in the premises and may appoint agents or receivers to take possession of the property and effects of the company and to settle its affairs according to the course of proceedings in equity.

Approved March 13, 1905.

JUDGMENTS.

CHAPTER 125.

[H. B. No. 25—Midgarden.]

CANCELLATION OF JUDGMENTS.

AN ACT to Provide for the Cancellation of Judgments Against Persons Discharged Under the United States Bankruptcy Law, and the Mode of Procedure to Obtain Such Relief.

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

§ 1. CANCELLATION OF JUDGMENT AGAINST BANKRUPTS; PROCEDURE.] Any person discharged from his debts pursuant to the act of congress known as "an act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898," may, at any time, after obtaining such discharge in bankruptcy, file in the office of the clerk of any court of record in which a judgment shall