

of North Dakota as security for bonds to be issued by the State as provided by law. In case of such assignment all payments due upon said note or other obligation shall be made to the State Treasurer, and the money so by him received shall be by him held or disbursed as is by law provided. If while any such mortgage so assigned to the State Treasurer is in his hands, the note or other obligation thereby secured shall have been fully paid, the State Treasurer shall so certify to the Manager of the Association, who shall thereupon proceed to satisfy said mortgage in the same manner as though said note or other obligation had been paid directly to the Association. In like manner every such contract of sale, provided for in this Section may be assigned, and upon order of the Industrial Commission shall be assigned as security for bonds to be issued by the State as provided by law. In case of such assignment, payments contemplated by such contract shall be made to the State Treasurer and the Treasurer shall inform the Manager of the Association of payments made him under such contracts, and the Association shall perform its part under such contract in the same manner as if payments were made to it direct. In case of such assignment to the State Treasurer of any such mortgage or sale contract, the provisions contained in this Section, respecting extensions on account of any accident, crop failure or other event, shall be effective and shall be applied. Provided, however, that no such mortgage, note or obligation shall be so assigned as security for bonds so to be issued if the total amount remaining unpaid and payable upon such mortgage shall exceed one-half of the value of the real estate by which such mortgage, note or obligation is secured, nor unless it shall be a first mortgage upon such real estate.

§ 2. This Act is hereby declared to be an emergency measure and is to take effect and be in force from and after its passage and approval.

Approved 10:00 p. m. Dec. 11, 1919.

INSURANCE COMPANIES

CHAPTER 40.

[S. B. No. 50—King.]

REVOCATION OF AUTHORITY.

An Act to Amend and Re-enact Section 4925, Compiled Laws of North Dakota, 1913, Relating to Insurance Companies Doing Business Within the State.

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

§ 1. AMENDMENT.] Section 4925 of the Compiled Laws of

North Dakota for 1913, is hereby amended and re-enacted to read as follows:

§ 4925. AUTHORITY OF FOREIGN OR DOMESTIC COMPANY REVOKED, HOW.] If the Commissioner of Insurance is of the 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 remove 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 notification 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. Provided, however, that the Commissioner of Insurance may after a hearing and for good and sufficient cause, cancel or revoke such suspension and re-instate any such company. 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 policyholders, 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 its 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 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.

§ 2. This Act is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval.

Approved 10:05 P. M. Dec. 11, 1919.