

Effective date.

SEC. 14. Section 12 of this act shall become effective January 1, 1964.

Passed the Senate February 21, 1963.

Passed the House March 12, 1963.

Approved by the Governor March 21, 1963.

CHAPTER 60.

[ S. B. 351. ]

DOMESTIC INSURERS—ARTICLES OF INCORPORATION.

AN ACT relating to insurance; and amending section .06.20, chapter 79, Laws of 1947 as amended by section 7, chapter 190, Laws of 1949 and RCW 48.06.200.

*Be it enacted by the Legislature of the State of Washington:*

RCW 48.06.200 amended.

SECTION 1. Section .06.20, chapter 79, Laws of 1947 as amended by section 7, chapter 190, Laws of 1949 and RCW 48.06.200 are each amended to read as follows:

Domestic insurers. Incorporation —Articles of—Contents.

(1) This section applies to insurers incorporated in this state, but no insurer heretofor lawfully incorporated in this state is required to reincorporate or change its articles of incorporation by reason of any provisions of this section.

(2) The incorporators shall be individuals who are United States citizens, of whom two-thirds shall be residents of this state. The number of incorporators shall be not less than five if a stock insurer, nor less than ten if a mutual insurer.

(3) The incorporators shall execute articles of incorporation in quadruplicate and acknowledge their signatures thereunto before an officer authorized to take acknowledgments of deeds.

(4) After approval of the articles by the commissioner, one copy shall be filed in the office of the secretary of state, another in the office of the commissioner, another in the office of the county auditor

of the county in which the insurer's principal offices are to be located, and the fourth copy shall be retained by the insurer.

(5) The articles of incorporation shall state:

First: The names and addresses of the incorporators.

Second: The name of the insurer. If a mutual insurer the name shall include the word "mutual."

Third: (a) the objects for which the insurer is formed;

(b) whether it is a stock or mutual insurer, and if a mutual property insurer only, whether it will insure on the cash premium or assessment plan;

(c) the kinds of insurance it will issue, according to the designations made in this code.

Fourth: If a stock insurer, the amount of its capital, the aggregate number of shares, and the par value of each share, which par value shall be not less than ten dollars, except that after the corporation has transacted business as an authorized insurer in the state for five years or more, its articles of incorporation may be amended, at the option of its stockholders, to provide for a par value of not less than one dollar per share. If a mutual insurer, the maximum contingent liability of its policyholders for the payment of its expenses and losses occurring under its policies.

Fifth: The duration of its existence, which may be perpetual.

Sixth: The names and addresses of the directors, not less than five in number, who shall constitute the board of directors of the insurer for the initial term, not less than two nor more than six months, as designated in the articles of incorporation.

Seventh: The name of the city or town of this state in which the insurer's principal place of business is to be located.

Eighth: Other provisions not inconsistent with law as may be deemed proper by the incorporators.

Passed the Senate February 22, 1963.

Passed the House March 12, 1963.

Approved by the Governor March 21, 1963.

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CHAPTER 61.

[ H. B. 230. ]

SCHOOL DISTRICTS—SECOND CLASS—REAL PROPERTY.

AN ACT relating to education and the powers of second class districts; amending section 1, chapter 169, Laws of 1959 and RCW 28.63.181.

*Be it enacted by the Legislature of the State of Washington:*

RCW 28.63.181 amended.

SECTION 1. Section 1, chapter 169, Laws of 1959 and RCW 28.63.181 are each amended to read as follows:

Schoolhouses, cottages and real estate purchases.

The board of directors of a second class school district shall build schoolhouses and teachers' cottages when directed by a vote of the district to do so. The board of directors of a second class school district may purchase real property for any school district purpose.

Passed the House February 21, 1963.

Passed the Senate March 11, 1963.

Approved by the Governor March 21, 1963.