

tion of the consolidated district, and thereafter one director shall be elected from among the qualified electors of each such directors' district by the qualified electors of the consolidated district, at an election held at one or more polling places in each of such directors' districts as may be designated by the directors of the consolidated district. The directors of the consolidated district shall constitute the canvassing board for all school elections held in such district.

Election.

Canvassing board for school elections.

Passed the House December 15, 1925.

Passed the Senate December 30, 1925.

Approved by the Governor January 12, 1926.

CHAPTER 107.

[H. B. 242.]

INCORPORATION OF INSURANCE COMPANIES.

AN ACT relating to insurance and amending Section 7130 of Remington's Compiled Statutes.

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

SECTION 1. That Section 7130 of Remington's Compiled Statutes be amended to read as follows:

Amends § 2992, Pierce's Code.

Section 7130. Incorporation of Companies.

The following number of citizens of the United States, two-thirds of which number shall be residents of the State of Washington, may incorporate a company as follows: For a stock company, not less than five; for a mutual company, not less than ten; for an organization on the plan known as "Lloyds," not less than twenty; for an organization of "Inter-Insurers," not less than twenty-five; for one or more of the purposes specified in Section 7128 by making and subscribing written articles of incorporation in quadruplicate and acknowledging the same before an

Incorporation.

Number of incorporators.

- officer authorized to take acknowledgment of deeds, and after having the same approved by the commissioner, by filing one of such articles in the office of the secretary of state, another in the office of the insurance commissioner, another in the office of the auditor of the county in which the principal office of the company is to be located, and retaining the fourth in the possession of the company, which articles shall state:
- Filing articles.
- Contents of articles.
- Kind of company.
- Amount of capital stock.
- Period of existence.
- First. The names and addresses of the incorporators.
- Second. The name of the company.
- Third. (a) The object for which the company is formed; (b) whether it is a stock or mutual company, and if a mutual company, whether it will insure on the cash premium or assessment plan; (c) the class or classes of risks wherein it will make insurance, according to the divisions made in this act.
- Fourth. (a) If a stock company, the amount of the capital stock, and the number of shares, which shall be of the par value of one hundred dollars each; (b) if it be a mutual company, the minimum and maximum liability of its members or policy-holders for the payment of losses occurring under its policies, which liability shall be not less than two nor more than six times the amount of the premium usually charged by solvent stock insurance companies for insuring like or similar risks for the same term, and if that premium is not known, then the premium used shall be according to either the "Dean" schedule or the "Universal Mercantile" schedule for fire risks, and such schedule for other class or classes of risks as may be approved by the commissioner.
- Fifth. The time of its existence, not to exceed fifty years: *Provided*, That this limit of existence shall not apply to any life insurance company.

Sixth. The number of trustees or directors, which shall not be less than five nor more than fifteen, and their names and addresses, who shall manage the affairs of the company for such length of time, not less than two nor more than six months, as may be designated in such articles of incorporation.

Directors.

Seventh. The name of the city or town in which the principal place of business of the company is to be located in this state, and in what country or countries it intends to transact business.

Place of business.

Amendments may be made to the articles of incorporation of a stock company, by a majority vote of its trustees or directors, and the vote or written assent of two-thirds of the capital stock of the company, and, if a mutual company, by the majority vote of its trustees or directors and the vote or written assent of two-thirds of the members or policy-holders of such company. If the written assent of two-thirds of the capital stock of a stock company, or members or policy-holders of a mutual company has not been obtained, then the vote of the said stock, or of said members may be taken, at any regular meeting of the stockholders or members called for that purpose in the manner provided in the by-laws of such company for special meetings of stockholders or members.

How articles amended.

The president and secretary of said company shall certify said amendments in quadruplicate under the seal of said company to be correct, and shall file and keep the same as in the case of original articles of incorporation and from the time of filing said amendments such company shall have the same powers, and the stockholders thereof shall be subject to the same liabilities as if said amendment had been embraced in the original articles of incorporation. A policy-holder in a mutual insurance company has the same character of interest and occupies the same

Mutual insurance company policy-holder.

Relation to
the com-
pany.

relation to the company as the stockholder has and occupies to a stock insurance company.

Defective
articles.

Nothing in this section shall be construed to cure or amend any defect existing in any articles of incorporation in that such articles did not set forth the matter required to make the same valid at the time of filing, nor to cure or amend any defect in the execution thereof. The time of existence of such company shall not be extended by amendments beyond the time fixed in the original articles of incorporation.

Extension
of exist-
ence.

Duplicating
names.

No such company shall take the name of a domestic company theretofore organized, nor that of an alien or foreign company admitted to this state, nor one so nearly resembling that or either as to be misleading. The expenses of incorporation and organization, including the placing of the capital stock of any such company incorporated after January 1, 1911, shall not exceed seven and one-half per centum of the par value of the stock actually sold.

Incorpora-
tion ex-
penses
limited.

Passed the House December 19, 1925.

Passed the Senate December 30, 1925.

Approved by the Governor January 12, 1926.