

CHAPTER 254.

[H. B. 417.]

AMENDING ACT PROVIDING FOR INCORPORATION AND
REGULATION OF MUTUAL FIRE INSURANCE COM-
PANIES.

AN ACT to amend sections 2, 3, 7 and 10 of chapter 97 of the Session Laws of 1903 of the State of Washington, approved March 14, 1903, being "An act providing for the incorporation and regulation of mutual fire insurance companies and associations," amended by chapter 71 of the Session Laws of 1905.

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

SECTION 1. Section two of an act entitled "An Act providing for the incorporation and regulation of mutual fire insurance companies," approved March 14, 1903, being chapter 97 of the Session Laws of 1903, which act was amended by an act of the Legislature of the State of Washington, approved March 6, 1905, said amendment being chapter 71 of the Session Laws of 1905, be and the same is hereby amended to read as follows: Sec. 2. No policy of insurance shall be issued by any such company or association until not less than \$200,000.00 of insurance has been subscribed and entered upon its books, and that at least twenty-five per cent. of the premiums shall have been paid for in cash: *Provided, however,* That when any ten or more persons, partnerships, corporations or associations engaged in a like class of manufacturing, mercantile or other business shall have organized a corporation or association hereunder may begin to issue policies under such conditions as may be provided by the board of trustees or managing board thereof and approved by the Insurance Commissioner of the State: *Provided further, however,* That no policies shall be so issued except as hereinafter provided and upon the property of a member of such corporation, association or organization, and further when such property so insured is used by such member in carrying on such like class of manufacturing, mercantile or other business: *And provided further,* That any company or association organized under this act may

Issuance
of policies.

issue policies of insurance outside of any incorporated city or town when fifty thousand dollars of insurance has been subscribed and entered upon its books.

SEC. 2. Section three of an act entitled "An Act providing for the incorporation and regulation of Mutual Fire Insurance Companies," approved March 14, 1903, and being chapter 97 of the Session Laws of 1903, be and the same is hereby amended to read as follows: Sec

3. No such company or corporation shall expose itself to loss on any single risk for a greater amount than \$1,000 for each \$750,000 or fraction thereof insurance in force, unless protected by re-insurance: *Provided, however,* That whenever any persons, partnerships, corporations or associations engage in a like class of manufacturing, mercantile or other business shall have organized for mutual protection as herein provided, such persons, partnerships, corporations or associations so organized may issue policies on a single risk for an amount not exceeding 25 per cent. of the annual premiums on all insurance then in force, and subject further to the approval of the Insurance Commissioner of the State.

Amount
of single
risk.

SEC. 3. Section 7 of an "Act providing for the incorporation and regulation of mutual fire insurance companies," approved March 14, 1903, being chapter 97 of the Session Laws of 1903, be and the same is hereby amended to read as follows: Sec. 7. It shall be the duty of the president and secretary of such company or association doing business under the provisions of this act, on or before the fifteenth day of January of each year, to prepare and file in the office of the Insurance Commissioner of this State a statement certified under oath of said president and secretary exhibiting the following facts and items:

Annual
statement.

First.—The amount of the property at risk on the 31st day of December next preceding the date of the report; the amount of risks added during the previous year; the amount of risks cancelled, withdrawn or terminated during

Amount
of risks.

the year, and the largest amount of insurance carried on any single risk.

Cash receipts for insurance.

Second.—The amount of cash received with applications, whether paid to agents or officers, for insurance during the year; the amount received from assessments levied; the amount received from all other sources, and the total income.

Disbursements.

Third.—The amount paid for losses during the year; the amount paid officers and trustees; the amount paid office help; the amount paid agents; the amount of all other expenditures, and the total expenditures.

Amount of assets.

Fourth.—The amount of cash on hand; the amount and nature of all other assets, and the total assets.

Amount of liabilities.

Fifth.—The amount of losses reported during the year and unpaid; the amount and nature of all liabilities, which shall include a sum equal to forty per cent. of the amount received on cash premiums on all unexpired risks and policies, which amount is hereby declared to be a re-insurance reserve, and the total liabilities.

SEC. 4. Section 10 of an act entitled "An Act providing for the incorporation and regulation of Mutual Fire Insurance Companies," approved March 14, 1903, being chapter 97 of the Session Laws of 1903, be and the same is hereby amended to read as follows: Section 10. All assessments levied shall be at the rate of fifteen per cent. of the amount of the annual premium charged by stock insurance companies, as set forth in rate book number 4 of the issue of 1900, or the special rate book used by said stock companies: *Provided, however,* Any association, persons, partnerships or corporations organized as herein provided and operating under the provisions of this act may in the discretion of its trustees accept cash premiums for the term of the policy in lieu of the assessments levied upon its members, and may further regulate the payment of premiums and assessments and create and invest reserve funds in such manner as the members of such corporation, association, organization or the board of trus-

Rate of assessments.

Cash premiums.

tees or other managing board of such corporation, association or organization may direct.

Passed the House March 12th, 1907.

Passed the Senate March 14th, 1907.

Note by Secretary of State.—This bill filed and allowed to become a law without the signature of the Governor.

Sam H. Nichols,

Secretary of State.

CHAPTER 255.

[H. B. 300.]

TERMS AND CONDITIONS OF SALE OF TIMBER ON STATE LANDS.

AN ACT prescribing the terms and conditions of sale of timber on state, school and granted land.

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

SECTION 1. In all cases where timber on State land is or has been sold in manner now provided by law, the purchaser shall be allowed a period of five years from the date of the sale within which to remove the timber: *Provided*, That the Commissioner of Public Lands shall have the same authority as now provided by law, upon a showing of good faith, to extend the time within which such timber may be removed for a further period of not to exceed two years.

Time for
removal.

Passed the House February 28th, 1907.

Passed the Senate March 7th, 1907.

Approved by the Governor March 20th, 1907.