

# MINNESOTA STATUTES 1975 SUPPLEMENT

## TOWNSHIP MUTUAL COMPANIES 67A.01

of any motor vehicle without preliminary hearing upon a showing by department records or other sufficient evidence that security required by section 65B.48 has not been provided and maintained. Before reinstatement of a vehicle registration, there shall be filed with the commissioner of public safety the written certificate of an insurance carrier authorized to do business in the state stating that security has been provided as required by section 65B.48. The commissioner of public safety may require the certificate of insurance provided to satisfy this subdivision to be certified by the insurance carrier to be noncancelable for a period not to exceed one year.

[1975 c 18 s 11-14]

[For text of subds 5 and 6, see M.S.1974]

### 65B.71 Compliance.

[For text of subds 1 to 3, see M.S.1974]

Subd. 4. The provisions of Minnesota Statutes 1971, Chapter 170, as amended by Laws 1973, Chapter 35, Sections 37 and 38, shall apply to a person who is involved in a motor vehicle accident occurring before January 1, 1975. Money deposited with the commissioner in accordance with Minnesota Statutes 1971, Chapter 170, as amended by Laws 1973, Chapter 35, Sections 37 and 38, shall be retained by the commissioner and disbursed only in accordance with Minnesota Statutes 1971, Chapter 170, as amended by Laws 1973, Chapter 35, Sections 37 and 38. An operator's license suspended in accordance with Minnesota Statutes 1971, Chapter 170, as amended by Laws 1973, Chapter 35, Sections 37 and 38, shall be reinstated only in accordance with Minnesota Statutes 1971, Chapter 170, as amended by Laws 1973, Chapter 35, Sections 37 and 38.

[1975 c 18 s 15]

## CHAPTER 67A. TOWNSHIP MUTUAL COMPANIES

Sec.		Sec.	
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67A.03	Corporate existence.	67A.161	Arbitration of disputed losses. [New]
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67A.09	Officers.	67A.19	Joint or partial risks.
67A.10	Rights of certain members.	67A.21	Consolidation, merger.
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67A.12	Applications.	67A.23	Investments, limitations.
67A.13	Types of insurance authorized.	67A.29	Government.
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		67A.31	Insurable property.
		67A.33	Repealed.

### 67A.01 Number of members required, property and territory.

It shall be lawful for any number of persons, not less than 25, residing in adjoining townships in this state, who shall collectively own property worth at least \$50,000, to form themselves into a corporation for mutual insurance against loss or damage by the perils listed in section 67A.13. Any such company shall operate in no more than 150 adjoining townships in the aggregate at the same time; provided, that when any such company confines its operations to one county it may transact business in the whole thereof by so providing in its certificate of incorporation, and provided further that in case of merger of two or more companies having contiguous territories, the surviving company in the merger shall have the right to transact business in the entire territory of the merged companies, but the territory of the surviving company in the merger shall not be larger than 250 townships.

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[1975 c 15 s 1]

### 67A.03 Corporate existence.

The corporate existence of any township mutual fire insurance company heretofore or hereafter organized may be made perpetual by so providing in its articles of incorporation.

[1975 c 15 s 2]

### 67A.06 Powers of corporation.

Every corporation formed under the provisions of sections 67A.01 to 67A.26, shall have power:

(1) To have succession by its corporate name for the time stated in its certificate of incorporation;

(2) To sue and be sued in any court;

(3) To have and use a common seal and alter the same at pleasure;

(4) To acquire, by purchase or otherwise, and to hold, enjoy, improve, lease, encumber, and convey all real and personal property necessary for the purpose of its organization, subject to such limitations as may be imposed by law or by its articles of incorporation;

(5) To elect or appoint in such manner as it may determine all necessary or proper officers, agents, boards, and committees, fix their compensation, and define their powers and duties;

(6) To make and amend consistently with law bylaws providing for the management of its property and the regulation and government of its affairs; and

(7) To wind up and liquidate its business in the manner provided by chapter 60B.

[1975 c 15 s 3]

### 67A.07 Principal office.

The principal office of a township mutual fire insurance company shall be located in a township or in a city in a township in which the company is authorized to do business.

[1975 c 15 s 4]

### 67A.09 Officers.

**Subdivision 1. How elected or chosen.** The directors shall choose one of their number as president, one as vice-president, and one as secretary; they shall also choose a treasurer, who may or may not be a member of the board, but must be a member of the company. The offices of secretary and treasurer may be held by the same person.

The board of directors may appoint other officers as it deems necessary for the conduct of business.

**Subd. 2. Officers, bond.** The officers and employees of the company shall give such bond to the company in such sum as the directors shall determine.

[1975 c 15 s 5]

### 67A.10 Rights of certain members.

Nonresidents owning property in the territory where any such company is authorized to do business may become a member with all the rights thereof except eligibility to office.

[1975 c 15 s 6]

### 67A.11 Annual meeting.

**Subdivision 1. Date and fiscal year.** The annual meeting of every such company shall be held before July first in each year, and the fiscal year of the

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company shall be from the first day of January through the thirty-first day of the following December.

**Subd. 2. Annual report.** A full report of the business of the company for the previous fiscal year shall be presented at the annual meeting.

[1975 c 15 s 7,8]

[For text of subs 3 to 5, see M.S.1974]

### 67A.12 Applications.

[For text of subs 1 and 2, see M.S.1974]

**Subd. 3.** [Repealed, 1975 c 15 s 22]

**Subd. 4. Policy fee, premium and assessment.** Before the delivery of any policy, the company may collect regular cash premium and policy fee and shall take the written agreement of the insured of even date therewith, which shall be embodied in his application, to pay a pro rata share of losses or damages sustained by any member.

[1975 c 15 s 9]

[For text of subd 5, see M.S.1974]

### 67A.13 Types of insurance authorized.

A township mutual fire insurance company shall insure only against loss or damage by fire, lightning, explosion, flood, earthquake, theft, vandalism, collapse, upset, overturn, collision, riot, riot attending a strike, civil commotion, aircraft, vehicles, smoke, breakage of glass, weight of ice, snow or sleet, freezing, leakage of water or other substance, electrical power interruption or electrical breakdown from any cause, and as to livestock against loss or damage by electrocution by electrical currents artificially generated, attack by dogs or wild animals, drowning, accidental shooting, loading or unloading, or collision or overturn of conveyances, and consequential losses as a result of damage from any of the perils listed except public liability.

[1975 c 15 s 10]

### 67A.14 Insurable property.

**Subdivision 1. Kinds of property.** Township mutual fire insurance companies may insure dwellings and personal property used in connection therewith, farm buildings, farm personal property, churches and personal property used in connection therewith, county fair buildings, community and township meeting halls and their contents, parsonages and their personal property and the appurtenant structures and personal property used in connection therewith.

**Subd. 2.** [Repealed, 1975 c 15 s 22]

**Subd. 3.** [Repealed, 1975 c 15 s 22]

**Subd. 4.** [Repealed, 1975 c 15 s 22]

**Subd. 5. What may not be insured; property outside designated territory.** No township mutual fire insurance company shall insure any property outside of the limits of the territory in which the company is authorized by its certificate or articles of incorporation to transact business, except personal property temporarily outside of the authorized territory and property in cities of the first and second class.

**Subd. 6.** [Repealed, 1975 c 15 s 22]

[1975 c 15 s 11,12]

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[For text of subd 7, see M.S.1974]

**67A.16** [Repealed, 1975 c 15 s 22]

### **67A.161 Arbitration of disputed losses.**

If a township mutual fire insurance company and an insured fail to agree on the actual cash value of an item or amount of a loss, on written demand by either party, the insured and the company shall each, within 20 days of the demand, select a competent and disinterested appraiser and notify the other party of his identity. If either party fails to select an appraiser within the time provided, the presiding judge of the district court in the county in which the loss occurred shall appoint an appraiser to represent that party. The appointment shall be made upon application to the court by the party not failing to make the required selection and upon five days written notice to the other party. The appraisers appointed pursuant to this section shall make a good faith effort to select a competent and disinterested umpire. If the appraisers fail to agree upon an umpire within 15 days of their appointment, the presiding judge of the district court in the county in which the loss occurred shall appoint an umpire upon application by either party and five days written notice to the other party. The appraisers shall appraise the loss, stating separately actual value and loss to each item. If the appraisers fail to agree, they shall submit their differences to the umpire, whose decision shall control to the extent of the differences between the appraisers. An award in writing, approved by the appraisers or by an appraiser and the umpire, upon being filed with the company shall be conclusive evidence of the actual value and loss to an item. An appraiser shall be paid by the party he represents, and the expenses of the appraisal and the umpire shall be paid in equal shares by the two parties.

[1975 c 15 s 13]

### **67A.17 Assessments.**

[For text of subd 1, see M.S.1974]

**Subd. 1a. Advance premiums or assessments.** The directors of a company may collect an advance premium or an assessment for the purpose of maintaining surplus funds in its treasury to be used in payment of losses or expenses.

[1975 c 15 s 14]

[For text of subds 2 and 3, see M.S.1974]

### **67A.18 Termination.**

**Subdivision 1. By member.** Any member may terminate his membership in the company by giving written notice or returning his policy to the secretary and paying the withdrawing member's share of all existing claims.

**Subd. 2. By company.** The company may annul and cancel any policy after giving not less than ten days written notice to the insured by registered or certified mail to the last known address of the insured and to any mortgagee to whom the policy is made payable.

**Subd. 3.** [Repealed, 1975 c 15 s 22]

[1975 c 15 s 15,16]

### **67A.19 Joint or partial risks.**

Township mutual fire insurance companies may issue joint or partial risk policies in conjunction with adjoining companies of the same class and, in this case, they are not confined to the townships in which they are otherwise authorized to do business; but no such insurance of a joint or partial risk shall be valid or binding upon the company insuring the same until approved by all the

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companies holding prior policies on the property so insured, and the total amount of the joint insurance on any one piece of property shall in no case exceed the total percentage of its value for which the property is insurable by the company.

[1975 c 15 s 17]

### **67A.21 Consolidation, merger.**

Two or more township mutual fire insurance companies which have been or may hereafter be authorized to transact the business of insurance upon insurable property as herein authorized may consolidate or merge as provided herein.

To effect this consolidation or merger, it shall be necessary:

(1) That the board of directors or managing body of each of the corporations pass a resolution to the effect that the consolidation or merger is advisable and containing the proposed name of the corporation, as consolidated or merged, its principal office, and the names of its first board of directors and officers;

(2) That a special meeting of the policyholders of each of the corporations shall be held, a notice of which meeting shall be mailed to each of the policyholders thereof at least 30 days prior to the holding thereof, and which notice shall embody the resolution adopted by the board of directors, as provided in clause (1);

(3) That a majority of the policyholders of each of the corporations present or represented at these special meetings shall, by resolution, approve and ratify the action of the directors, as provided for in clause (1); and

(4) That the proceedings and resolutions be filed with the commissioner and approved of by him.

When full copies of these proceedings have been filed with the commissioner, which copies shall be certified by the president and secretary of the respective corporations and duly verified by these officers, and approved of by him, the consolidation or merger of these corporations shall be deemed to be complete, and the company so continuing the business shall be deemed to have fully assumed all of the obligations, liabilities, and risks and to be the owner of all the assets of the companies so consolidating or merging.

If this consolidation or merger is made under any new name, the filing of these proceedings and the approval of same by the commissioner shall be sufficient to constitute the consolidated or merged company a corporation, with all the powers and privileges, and subject to all the limitations, of a township mutual fire insurance company under the laws of this state.

[1975 c 15 s 18]

### **67A.22** [Repealed, 1975 c 15 s 22]

### **67A.23 Investments, limitations.**

The directors may authorize the treasurer to invest any of its funds and accumulations in the bonds of the United States or of this state, or any county, city, or town, or duly authorized school district therein, or in any municipal or civil division of any state, and may loan upon improved unencumbered real property in this state worth at least twice the amount loaned thereon, not including buildings, unless insured by policies payable to and held by the security holder, or authorize him to deposit any and all sums of money in his hands in such federally insured banks or savings and loan associations located in Minnesota as they may designate.

[1975 c 15 s 19]

### **67A.29 Government.**

[For text of subd 1, see M.S.1974]

**Subd. 2. Officers, bond.** The officers and employees of the company shall

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give bond to the company in such sum as the directors shall determine.

[1975 c 15 s 20]

[For text of subd 3, see M.S.1974]

## 67A.30 Applications and binders.

[For text of subd 1, see M.S.1974]

**Subd. 2.** [Repealed, 1975 c 15 s 22]

[For text of subd 3, see M.S.1974]

## 67A.31 Insurable property.

[For text of subd 1, see M.S.1974]

**Subd. 2. Insurable property in cities.** They may also insure churches and dwellings, together with the usual outbuildings and the usual contents of both those dwellings and churches and outbuildings, in any city except a city of the first or second class.

[1975 c 15 s 21]

[For text of subs 3 to 6, see M.S.1974]

**67A.33** [Repealed, 1975 c 15 s 22]

## CHAPTER 69. FIRE AND POLICE DEPARTMENT AID; FIREMEN'S AND POLICEMEN'S RELIEF

Sec.  
69.40 Payments.

Sec.  
69.79 Repealed.

### 69.40 Payments.

The amount so paid to a relief association by the state and each city under the provisions of sections 69.25 to 69.53, and by it set aside and deposited as a special fund, shall be appropriated and disbursed by the association for the following purposes:

(1) For the relief of sick, injured and disabled members of the relief association, their widows and orphans; and

(2) For the payment of disability and service pensions to members of the relief association; and

(3) For the expenses of such association as authorized by the board of trustees of any such association of any city now or hereafter having 75,000 inhabitants or more and less than 150,000 inhabitants; and

(4) For the administrative expenses of the association directly related to the operation of the fund including necessary travel, as authorized by the board of trustees of the association of any city now or hereafter having 400,000 or more inhabitants.

[1975 c 56 s 1]

**69.79** [Repealed, 1975 c 405 s 2]