

Insurance Companies—Securities—Transfer Of.

The securities on one insurance company can be transferred to another only in pursuance with Section 4120, as amended by Chapter 30, Laws of 1919.

April 18th, 1919.

Hon. Geo. P. Porter,
State Auditor and Com'r of Insurance Ex-Officio,
Helena, Montana.

Dear Sir:

I have your letter of recent date regarding the transfer to International Life Insurance Company of securities of National Life Insurance Company, and asking whether or not you would be acting within your rights as Commissioner of Insurance ex-officio in permitting the transfer of said securities at this time.

Section 4120 as amended by House Bill No. 183 (Chap. 30, Session Laws 1919), provides that securities deposited with the Commissioner of Insurance by a domestic insurance company must be delivered to another company under certain conditions, such conditions being the following:

1. When the domestic company has reinsured all of its risks in another company authorized to do business in this state and written notice of such reinsurance is given him by the domestic company, accompanied by a duly verified copy of the assignment or assignments of such securities.

2. When the reinsuring company has presented to the Commissioner of Insurance satisfactory evidence that it has deposited with the proper officer or commission in the state in which such reinsuring company is organized, securities in such an amount as may be required by the laws of such state as a reserve to the holders of the policies so reinsured.

Whenever these conditions have been complied with it then becomes your duty to deliver the policies to the reinsuring company. If the National Life Insurance Company has given you written notice that it has reinsured all of its risks in the International Life Insurance Company, accompanying said notice with a duly certified copy of the assignment or assignments of such securities, and the International Life Insurance Company has presented to you satisfactory evidence that it has deposited with the proper officers or commission in the state in which it is organized securities in such an amount as may be required by the laws of such state as a reserve to the holders of the policies so reinsured, then it is your duty to deliver the securities to the International Life Insurance Company, but it is for you to determine what evidence of such fact you will require and what evidence you believe to be satisfactory and sufficient.

Respectfully,

S. C. FORD,

Attorney General.