

Insurance Companies—When May Transact Business in This State.

A foreign insurance company can only be permitted to transact business in this state after it has complied with and is in a condition to comply with the laws of the state.

August 20, 1919.

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

Dear Sir:

I am in receipt of your letter of recent date inclosing copies of correspondence with Illinois Automobile Insurance Exchange, and copies of application and policy of such exchange.

I am unable to find any provision of law under which this company may be admitted to this state. This appears to be an association or organization without capital stock, co-operative rather than mutual, and engaged in the business of insuring automobiles against loss or damage by fire, theft, windstorm, collision and injuries to persons and property caused thereby.

Under Section 1 of Chapter 101, Session Laws 1915, a corporation organized without this state to transact the business of fire insurance on the mutual plan may be admitted to transact business in this state when possessed of a surplus of \$200,000, but this association while insuring automobiles against loss or damage by fire, is only possessed of about \$80,000. Again under Section 4050, as amended by Chapter 114, Session Laws 1911, a stock or mutual fire insurance company may not transact any other business than to insure houses, buildings and all other kinds of property against loss or damage by fire or other casualty, goods, merchandise and other property in the course of transportation whether on land or water, against loss or damage to motor vehicles resulting from accident, collision or marine and inland navigation and transportation and perils, crops against loss or damage by hail or the elements and health and accident insurance in combination with life insurance, yet this association or organization insures against loss or damage by fire as well as against theft and against personal injuries, a combination not permitted under Section 4050 as amended.

I am, therefore, of the opinion that this association or organization cannot be admitted to this state. I am returning herewith form of application and policy.

Respectfully,
S. C. FORD,
Attorney General.