

Insurance Companies—Insurance—Fire Insurance—Liability.

A fire insurance company is prohibited from writing liability insurance arising by reason of damages caused by the ownership and operation of an automobile. Any fire insurance company authorized to write fire insurance is a fire insurance company.

Mr. George P. Porter,
Commissioner of Insurance,
Helena, Montana.

December 16, 1930.

My dear Mr. Porter:

You have requested an opinion upon the subject of whether a company writing fire insurance upon an automobile may also insure the owner against loss or expenses resulting from claims for damages on account of damage to, or destruction of, property of other persons caused accidentally by reason of the ownership or operation of the insured automobile and to include such a provision in the policy issued by the company.

Section 6136, R.C.M. 1921, enumerates the risks which may be insured against by corporations doing business in this state and said risks are by said section classified into five groups.

Section 6137 of said codes provides that combinations may be permitted of the different classes mentioned in section 6136 under one incorporation except that fire insurance companies may not transact

any other character of business than that designated in the first paragraph of section 6136. Said first paragraph reads as follows:

“To insure houses, buildings, and all other kinds of property against loss or damage by fire or other casualty, and to make all kinds of insurance on goods, merchandise, or other property in the course of transportation, whether on land or water; to insure against loss or damage to motor vehicles resulting from accident, collision, or marine and inland navigation and transportation perils; and to insure growing crops against loss or damage resulting from hail or the elements.”

It will be observed that liability insurance is not included within the kinds of risks mentioned in the first class as designated in said section 6136 and by force of section 6137 a fire insurance company is therefore prohibited from writing insurance covering liability arising by reason of damages caused by the ownership or operation of the insured automobile. Such liability insurance is provided for in class 4 mentioned in said section 6136 and under the provisions of section 6137 a fire insurance company is specifically prohibited from insuring against risks mentioned in class 4 and all other classes, except the first class mentioned in section 6136. In this connection see also an opinion rendered by this office in volume 8, Opinions of the Attorney General, at page 264.

I assume the company you have in mind is authorized to write fire insurance. If so, it is a fire insurance company within the meaning of section 6137 and is by said section prohibited from also writing liability insurance of the nature mentioned in your inquiry.

Very truly yours,
L. A. FOOT,
Attorney General.