

March 2, 1967  
Place On Calendar  
*Commerce 4-11 - Pass 5-3*

House File 312

By COMMITTEE ON COMMERCE

Passed House, Date 4-6-67 Passed Senate, Date 6-9-67  
Vote: Ayes 101 Nays 8 Vote: Ayes 59 Nays 0

Approved June 30, 1967

*Passed House as  
amended by  
Senate 6-20  
96-2*

## A BILL FOR

An Act relating to unauthorized insurers and persons doing an insurance business in Iowa.

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. Chapter five hundred seven A (507A), Code 1966,  
2 is hereby repealed.

1 Sec. 2. This chapter may be cited as the "Iowa Unauthorized  
2 Insurers Act".

1 Sec. 3. The purpose of this chapter is to subject certain  
2 persons and insurers to the jurisdiction of the insurance com-  
3 missioner and the courts of this state in suits by or on behalf  
4 of the state and insureds or beneficiaries under insurance con-  
5 tracts. The general assembly hereby declares that it is a sub-  
6 ject of concern that many residents of this state hold policies  
7 of insurance issued by persons and insurers not authorized to  
8 do insurance business in this state, thus presenting to such  
9 residents the often insuperable obstacle of asserting their  
10 legal rights under such policies in forums foreign to them under  
11 laws and rules of practice with which they are not familiar.  
12 The general assembly further declares that it is also concerned  
13 with the protection of residents of this state against acts  
14 by persons and insurers not authorized to do an insurance business  
15 in this state, by the maintenance of fair and honest insurance  
16 markets, by protecting the premium tax revenues of this state,  
17 by protecting authorized persons and insurers which are subject  
18 to regulation from unfair competition by unauthorized persons  
19 and insurers, and by protecting against the evasion of the

20 insurance regulatory laws of this state.

21 In furtherance of such state interest, the general assembly  
22 herein provides methods for substituted service of process upon  
23 such persons or insurers in any proceeding, suit or action in  
24 any court and substitute service of any notice, order, pleading  
25 or process upon such persons or insurers in any proceeding before  
26 the commissioner of insurance to enforce or effect full compliance  
27 with the insurance and tax laws of this state. In so doing,  
28 the state exercises its powers to protect residents of this  
29 state and to define what constitutes doing an insurance business  
30 in this state, and also exercises powers and privileges available  
31 to this state by virtue of Public Law 79-15, 79th Congress of  
32 the United States, Chapter 20, 1st Sess., S. 340, 59 Stat. L.  
33 33; 15 U.S.C. 1011 to 1015 incl., as amended, which declares  
34 that the business of insurance and every person engaged therein  
35 shall be subject to the laws of the several states.

1 Sec. 4. Unless otherwise indicated, the term "insurer" as  
2 used in this section includes all corporations, associations,  
3 partnerships and individuals engaged in the business of insur-  
4 ance. Any of the following acts in this state, effected by  
5 mail or otherwise, by an unauthorized foreign or alien insurer  
6 is defined to be doing an insurance business in this State.

7 1. The making of or proposing to make, as an insurer, an  
8 insurance contract.

9 2. The taking or receiving of any application for insurance.

10 3. The receiving or collection of any premiums, membership  
11 fees, assessments, dues or other considerations for any insurance.

12 4. The issuance or delivery of contracts of insurance to  
13 residents of this state or to corporations or persons authorized  
14 to do business in this state.

15 5. The doing of any kind of insurance business specifically  
16 recognized as constituting the doing of an insurance business  
17 within the meaning of the statutes relating to insurance.

18 6. The doing or proposing to do any insurance business in  
19 substance equivalent to any of the foregoing in a manner designed

20 to evade the provisions of the insurance laws of this state.

21 7. Any other transactions of business relating directly  
22 to insurance in this state by an insurer.

23 The venue of an act committed by mail is at the point where  
24 the matter transmitted by mail is delivered and takes effect.

1 Sec. 5. The provisions of this Act shall not apply to:

2 1. The lawful transaction of surplus lines insurance as  
3 permitted by sections five hundred fifteen point one hundred  
4 forty-seven (515.147) through five hundred fifteen point one  
5 hundred fifty (515.150) of the Code.

6 2. The lawful transaction of reinsurance by insurers.

7 3. Attorneys acting in the ordinary relation of attorney  
8 and client in the adjustment of claims or losses.

9 4. Transactions in this state involving a policy lawfully  
10 solicited, written, and delivered outside of this state, cov-  
11 ering subjects of insurance not resident or located in this  
12 state at the time of issuance of such policy.

1 Sec. 6.

2 1. No person or insurer shall directly or indirectly perform  
3 any of the acts of doing an insurance business as defined in  
4 this Act except as provided by and in accordance with the specific  
5 authorization by statute. However, should any unauthorized  
6 person or insurer perform any act of doing an insurance business  
7 as set forth in this Act, it shall be equivalent to and shall  
8 constitute an irrevocable appointment by such person or insurer,  
9 binding upon him, his executor or administrator, or successor  
10 in interest if a corporation, of the commissioner of insurance  
11 or his successor in office, to be the true and lawful attorney  
12 upon whom may be served all lawful process in any action, suit  
13 or proceeding in any court arising out of doing an insurance  
14 business in this state or instituted by or on behalf of an insured  
15 or beneficiary arising out of any such acts of doing an insurance  
16 business, except in an action, suit or proceeding by the commis-  
17 sioner of insurance or by the state. Any act of doing an insur-  
18 ance business by any unauthorized person or insurer shall be

19 signification of its agreement that such service of process is  
20 of the same legal force and validity as personal service of  
21 process in this state upon such person or insurer.

22 2. Service of process shall be made by delivering to and  
23 leaving with the commissioner of insurance or some person in  
24 apparent charge of his office two (2) copies thereof and the  
25 payment to him of such fees as may be prescribed by law. The  
26 commissioner of insurance shall forthwith forward by certified  
27 mail one (1) of the copies of such process to the defendant  
28 at the last known principal place of business and shall keep  
29 a record of all process so served. Such service of process  
30 shall be sufficient to provide notice if:

31 a. A copy of the process is sent within ten (10) days there-  
32 after by certified mail by plaintiff or plaintiff's attorney  
33 to the defendant at the last known principal place of business.

34 b. The defendant's receipt or receipt issued by the post  
35 office showing the name of the sender of the letter and the  
36 name and address of the person to whom the letter is addressed  
37 and an affidavit by the plaintiff or plaintiff's attorney showing  
38 a compliance herewith are filed with the clerk of the court  
39 in which such action is pending on or before the date the defendant  
40 is required to appear or within such further time as the court  
41 may allow.

42 3. Service of process in any such action, suit, or proceed-  
43 ing shall in addition to the manner as provided in this Act  
44 be valid if served upon any person within this state who, in  
45 this state on behalf of such insurer, is soliciting insurance,  
46 making, issuing, or delivering any contract of insurance, or  
47 collecting or receiving any premium, membership fee, assessment,  
48 or other consideration for insurance, and if:

49 a. A copy of such process is sent within ten (10) days there-  
50 after by certified mail by the plaintiff or plaintiff's attorney  
51 to the defendant at the last known principal place of business  
52 of the defendant.

53 b. The defendant's receipt, or the receipt issued by the

54 post office showing the name of the sender of the letter and the  
55 name and address of the person to whom the letter is addressed,  
56 and an affidavit of the plaintiff or plaintiff's attorney show-  
57 ing a compliance herewith are filed with the clerk of the court  
58 in which such action is pending on or before the date the de-  
59 fendant is required to appear or with<sup>in</sup> such further time as  
60 the court may allow.

61 4. No plaintiff shall be entitled to a judgment by default  
62 under this Act until the expiration of thirty (30) days from  
63 date of the filing of the affidavit of compliance.

64 5. Nothing in this section shall limit or abridge the right  
65 to serve any process, notice, or demand upon any insurer in  
66 any other manner now or hereafter permitted by law.

1 Sec. 7.

2 1. Any act of doing an insurance business as set forth in  
3 this Act by any unauthorized person or insurer is equivalent  
4 to and shall constitute an irrevocable appointment by such person  
5 and insurer, binding upon him, his executor or administrator,  
6 or successor in interest if a corporation, of the secretary  
7 of state or his successor in office, to be the true and lawful  
8 attorney of such person or insurer upon whom may be served all  
9 legal process in any action, suit, or proceeding in any court  
10 by the commissioner of insurance or by the state and upon whom  
11 may be served any notice, order, pleading or process in any  
12 proceeding before the commissioner of insurance and which arises  
13 out of doing an insurance business in this state by such person  
14 or insurer. Any act of doing an insurance business in this  
15 state by any unauthorized person or insurer shall be signification  
16 of its agreement that any such legal process in such court action,  
17 suit, or proceeding and any such notice, order, pleading, or  
18 process in such administrative proceeding before the commissioner  
19 of insurance so served shall be of the same legal force and  
20 validity as personal service of process in this state upon such  
21 person or insurer.

22 2. Service of process in such action shall be made by de-  
23 livering to and leaving with the secretary of state or some  
24 person in apparent charge of his office, two (2) copies thereof.  
25 Service upon the secretary of state as such attorney shall be  
26 service upon the principal.

27 3. The secretary of state shall forthwith forward by certi-  
28 fied mail one (1) of the copies of such process or such notice,  
29 order, pleading, or process in proceedings before the commissioner  
30 to the defendant in such court proceeding or to whom the notice,  
31 order, pleading, or process in such administrative proceeding  
32 is addressed or directed at the last known principal place of  
33 business and shall keep a record of all process so served on  
34 him which shall show the day and hour of service. Such service  
35 is sufficient, provided:

36 a. Notice of such service and a copy of the court process  
37 or the notice, order, pleading, or process in such administrative  
38 proceeding is sent within ten (10) days thereafter by certified  
39 mail by the plaintiff or the plaintiff's attorney in the court  
40 proceeding or by the commissioner of insurance in the adminis-  
41 trative proceeding to the defendant in the court proceeding  
42 or to whom the notice, order, pleading, or process in such ad-  
43 ministrative proceeding is addressed or directed at the last  
44 known principal place of business of the defendant in the court  
45 or administrative proceeding.

46 b. The defendant's receipt or receipts issued by the post  
47 office with which the letter is registered, showing the name  
48 of the sender of the letter and the name and address of the  
49 person or insurer to whom the letter is addressed, and an affidavit  
50 of the plaintiff or the plaintiff's attorney in court proceeding  
51 or of the commissioner of insurance in administrative proceeding,  
52 showing compliance therewith are filed with the clerk of the  
53 court in which such action, suit, or proceeding is pending with  
54 the commissioner in administrative proceeding is required to  
55 appear or respond thereto, or within such further time as the  
56 court or commissioner of insurance may allow.

57 4. No plaintiff shall be entitled to a judgment or a deter-  
58 mination by default in any court or administrative proceeding  
59 in which court process or notice, order, pleading, or process  
60 in proceedings before the commissioner of insurance is served  
61 under this section until the expiration of forty-five (45) days  
62 from the date of filing of the affidavit of compliance.

63 5. Nothing in this section shall limit or abridge the right  
64 to serve any process, notice, order, or demand upon any person  
65 or insurer in any other manner now or hereafter permitted by  
66 law.

67 6. The attorney general upon request of the commissioner  
68 may proceed in the courts of this state or any other state or  
69 in any federal court or agency to enforce an order or decision  
70 in any court proceeding or in any administrative proceeding  
71 before the commissioner of insurance.

1 Sec. 8.

2 1. Before any unauthorized person or insurer files or causes  
3 to be filed any pleading or process in an administrative pro-  
4 ceeding before the commissioner of insurance, instituted against  
5 such person or insurer, by service made as provided in this  
6 Act, such person or insurer shall either:

7 a. Deposit with the clerk of the court in which such action,  
8 suit, or proceeding is pending, or with the commissioner of  
9 insurance in administrative proceedings before the commissioner,  
10 cash or securities, or file with such clerk or commissioner  
11 a bond with good and sufficient sureties, to be approved by  
12 the clerk or commissioner in an amount to be fixed by the court  
13 or commissioner sufficient to secure the payment of any final  
14 judgment which may be rendered in such action or administrative  
15 proceeding.

16 b. Procure a certificate of authority to transact the busi-  
17 ness of insurance in this state.

18 2. The court in any action, suit, or proceeding in which  
19 service is made as provided in subsections two (2) and three  
20 (3) of section seven (7) of this Act, or the commissioner of

21 insurance in any administrative proceeding before the commissioner  
22 in which service is made as provided in subsections two (2)  
23 and three (3) of section seven (7) of this Act, may in his dis-  
24 cretion, order such postponement as may be necessary to afford  
25 the defendant reasonable opportunity to comply with the provisions  
26 of subsection one (1) of this section and to defend such action.

27 3. Nothing in subsection one (1) of this section shall be  
28 construed to prevent an unauthorized person or foreign or alien  
29 insurer from filing a motion to quash a writ or to set aside  
30 service thereof made in the manner provided in sections six (6)  
31 and seven (7) of this Act, on the ground that such unauthorized  
32 person or insurer has not done any of the acts enumerated in  
33 section four (4) of this Act.

34 4. In an action against an unauthorized person or insurer  
35 upon a contract of insurance issued or delivered in this state  
36 to a resident thereof or to a corporation authorized to do busi-  
37 ness therein, if the person or insurer has failed for thirty  
38 (30) days after demand prior to the commencement of the action  
39 to make payment in accordance with the terms of the contract,  
40 and it appears to the court that such refusal was without reasonable  
41 cause, the court may allow to the plaintiff a reasonable attorney  
42 fee and include such fee in any judgment that may be rendered  
43 in such action. Failure of the person or insurer to defend  
44 any such action shall be deemed prima facie evidence that its  
45 failure to make payment was without reasonable cause.

1 Sec. 9.

2 1. Whenever the commissioner of insurance has reason to  
3 believe that insurance has been effectuated by or for any person  
4 in this state with an unauthorized insurer the commissioner  
5 shall in writing order such person to produce for examination  
6 all insurance contracts and other documents evidencing insurance  
7 with both authorized and unauthorized insurers and to disclose  
8 to the commissioner the amount of insurance, name and address  
9 of each insurer, gross amount of premium paid or to be paid  
10 and the name and address of the person or persons assisting

11 or aiding in the solicitation, negotiation, or effectuation  
12 of such insurance.

13 2. Every person investigating or adjusting any loss or claim  
14 on a subject of insurance in this state shall immediately report  
15 to the commissioner every insurance policy or contract which  
16 has been entered into by any insurer not authorized to transact  
17 such insurance in this state.

18 3. Every person who, for thirty (30) days after written  
19 order pursuant to subsection one (1) of this section, neglects  
20 to comply with the requirements of such order or who willfully  
21 makes a disclosure that is untrue, deceptive, or misleading  
22 shall forfeit fifty (50) dollars and an additional fifty (50)  
23 dollars for each day of neglect after expiration of said thirty  
24 (30) days.

25 4. This section shall not apply to transactions in this  
26 state involving a policy lawfully solicited, written, and de-  
27 livered outside of the state covering only subjects of insurance  
28 not resident, located, or expressly to be performed in this  
29 state at the time of issuance, and which transactions are sub-  
30 sequent to the issuance of the policy.

1 Sec. 10.

2 1. Effective with all premiums collected during the calendar  
3 year 1967, except premiums on lawfully procured surplus lines  
4 insurance, every unauthorized insurer shall pay to the commis-  
5 sioner of insurance before March 1, next succeeding the calendar  
6 year in which the insurance was so effectuated, continued, or  
7 renewed a premium tax of two (2) percent of gross premiums charged  
8 for such insurance on subjects resident, located, or to be per-  
9 formed in this state. Such insurance whether procured through  
10 negotiation or an application, in whole or in part occurring  
11 or made within or outside of this state, or for which premiums  
12 in whole or in part are remitted directly or indirectly from  
13 within or outside of this state, shall be deemed to be insurance  
14 procured or continued in this state. The term "premium" includes

15 all premiums, membership fees, assessments, dues, and any other  
16 consideration for insurance. If the tax prescribed by this  
17 section is not paid within the time stated, the tax shall be  
18 increased by a penalty of twenty-five (25) percent and by the  
19 amount of an additional penalty computed at the rate of one  
20 (1) percent per month or any part thereof from the date such  
21 payment was due to the date paid.

22 2. If the policy covers risks or exposures only partly in  
23 the state, the tax payable shall be computed on the portions  
24 of the premium which are properly allocable to the risks or  
25 exposures located in the state. In determining the amount of  
26 premiums taxable in this state, all premiums written, procured,  
27 or received in this state and all premiums on policies negotiated  
28 in this state shall be deemed written on property or risks located  
29 or resident in this state, except such premiums as are properly  
30 allocated or apportioned and reported as taxable premiums of  
31 any other state or states.

32 3. The attorney general, upon request of the commissioner  
33 of insurance, shall proceed in the courts of this state or any  
34 other state or in any federal court or agency to recover such  
35 tax not paid within the time prescribed in this section.

1 Sec. 11. Any unauthorized foreign or alien insurer who does  
2 any unauthorized act of an insurance business as set forth in  
3 section four (4) of this Act shall be fined not more than five  
4 thousand (5,000) dollars. In addition to any other penalty  
5 provided for in this Act or otherwise provided by law, any person  
6 or insurer violating this Act shall forfeit to the state the  
7 sum of five hundred (500) dollars for each offense and an ad-  
8 ditional sum of five hundred (500) dollars for each month during  
9 which any such person or insurer continues such violation.

#### EXPLANATION

This Act is designed to require unauthorized insurers and persons doing the business of insurance in this state to comply with all of the legal and regulatory requirements imposed upon the companies

that are authorized to carry on the business of insurance. It is designed with the specific purpose of causing such unauthorized insurers to be subject to all of the insurance laws of the state. This Act clearly defines what constitutes the business of insurance and sets forth the procedure that the commissioner may use to enforce compliance with these laws should an insurer continue to do such business and remain unauthorized to so act. It provides a remedy for policy holders of unauthorized insurers to exercise in the courts of this state their legal rights arising out of any insurance contract with an unauthorized foreign insurer. Finally, this Act provides for the payment of a premium tax by such unauthorized foreign insurers based on the gross premiums received by them on risks located or resident in this state.

- 1 Amend House File 312, Section 7, subsection 3, paragraph b by
- 2 striking from lines 8 and 9 the words "with the commissioner in
- 3 administrative proceeding" and inserting in lieu thereof the fol-  
lowing:
- 4 "or with the commissioner in administrative proceedings, on  
or before
- 5 the date the defendant in the court or administrative proceeding".

Filed - *adopted 4/3*  
March 3, 1967

WINKELMAN of Calhoun.  
McINTYRE of Linn.

1 Amend House File 312, Section 5, by adding thereto the following  
2 subsection:  
3 "5. Any life insurance company organized and operated, without  
4 profit to any private shareholder or individual, exclusively for  
5 the purpose of aiding educational or scientific institutions  
6 organized and operated without profit to any private shareholder or  
7 individual by issuing insurance and annuity contracts direct  
8 from the home office of the company and without agents or representatives  
9 in this state only to or for the benefit of such institutions  
10 and to individuals engaged in the services of such institutions; nor  
11 shall this Act apply to any life, disability or annuity contracts  
12 issued by such life insurance company, provided such contracts otherwise  
13 comply with the statutes."

Filed - Last 4-6

March 9, 1967

*Motion to  
reconsider last 4-6*

By VAN ROEKEL of Marion  
DUFFY of Dubuque  
CUNNINGHAM of Story  
HULLINGER of Decatur-Wayne  
YODER of Johnson  
RENDA of Polk  
STRAND of Poweshiek

1 Amend House File 312, section 5, by striking from lines  
2 eleven (11) and twelve (12) the following: "or located in this  
3 state at the time of issuance of such policy.", and substituting  
4 therefor the following: "located, or expressly to be performed in  
5 this state at the time of issue, and which transactions are  
6 subsequent to the issuance of the policy."  
7 Further amend House File 312, section 5, by adding thereto the  
8 following subsections:  
9 "Transactions in this state involving group or blanket  
10 insurance and group annuities where the master policy of such  
11 groups was lawfully issued and delivered in a state in which the  
12 company was authorized to do an insurance business.  
13 "Transactions in this state involving any policy of  
14 insurance issued prior to July 1, 1967."  
15 Amend House File 312, section 9, by striking subsection four  
16 (4).  
17 Amend House File 312, section 11, by striking from line three  
18 (3) the following: "section four (4) of".

Filed - Adopted 4/3

March 27, 1967

McINTYRE of Linn.

1 Amend House File 312 filed March 9th by Van Roekel  
2 and others as follows:  
3 After the period in line thirteen (13) insert "Any insurance  
4 company organized and operated without profit to any  
5 private shareholder or individual exclusively for the  
6 purpose of aiding educational or scientific institutions  
7 shall on January 30, 1968 and each year thereafter submit  
8 a statement with the Insurance Department of the State of  
9 Iowa the total amount of premium business done the  
10 previous year and the amount contributed to education and  
11 scientific organizations.

Filed - *Withdrawn 4-6*  
April 3, 1967

KOCH of Woodbury.  
PALMER of Polk.

1 Amend the amendment to House File 312 filed March 9th  
2 by Van Roekel and others by inserting after the period in  
3 line thirteen (13) the following:  
4 "Any insurance company organized and operated without  
5 profit to any private shareholder or individual exclusively  
6 for the purpose of aiding educational or scientific  
7 institutions shall on March 31, 1968 and each year thereafter  
8 submit a statement to the insurance department showing the  
9 total amount of premium business done the previous year and  
10 the amount contributed to education and scientific organizations."

Filed - *Adopted 4-6*  
April 4, 1967

KOCH of Woodbury.  
PALMER of Polk.

1 Amend House File 312, Section 9, Subsection three (3) as  
2 follows: (1) By inserting in line eighteen (18) after  
3 the word "after" the words "receipt of". (2) By  
4 inserting in line twenty-two (22) a period after the  
5 word "dollars" and striking the remainder of the subsection.

Filed - *Adopted 4-6*  
April 5, 1967

BEARDSLEY of Polk.

1 Amend House File 312, section 5, by adding thereto the following

2 subsections:

3 "Any life insurance company organized and operated, without  
4 profit to any private shareholder or individual, exclusively  
5 purpose of aiding educational or scientific institutions  
6 and operated without profit to any private shareholder or  
7 by issuing insurance and annuity contracts direct from the  
8 office of the company and without agents or representatives  
9 state only to or for the benefit of such institutions and to  
10 engaged in the services of such institutions; nor shall this  
11 any life, disability or annuity contracts issued by such life  
12 company, provided such contracts otherwise comply with the  
13 statutes.

14 "Insurance or vessels, craft or hulls, cargoes, marine  
15 risk, marine protection and indemnity or other risk includ-  
16 and war risks commonly insured under ocean or wet marine  
17 of policy.

18 "Transactions involving risks located in this state where  
19 policy or contract of insurance for such risk was principally  
20 and delivered outside this state and was lawfully issued in a  
21 foreign country in which the foreign or alien insurer was  
22 to do an insurance business, and where such insurer has no  
23 with this state except in connection with inspections or  
24 by virtue of the contract or policy of insurance covering the  
25 located in this state."

26 Further amend House File 312 by adding the following new

27 "If any provision of this Act or the application thereof to  
28 person or circumstances is held invalid, such invalidity  
29 affect other provisions or applications of the Act which can  
30 effect without the invalid provision and to this end the  
31 this Act are declared to be severable."

As Adopted by the Senate

*motion to reconsider 6-15 concurred 6-20*  
*House refused to concur 6-15*

*Senate*

1 Amend House File 312 by adding the following new section:  
2 "This Act, deemed of immediate importance shall be in  
3 full force and effect from and after its passage and publica-  
4 as provided by law, in The Algona Upper Des Moines, a newspaper  
5 published at Algona, Iowa, and in The West Des Moines Express,  
6 of West Des Moines, Iowa.

Filed - *Withdrawn 6-9*  
June 2, 1967

By REPERT and MURRAY

1 Amend the Commerce Committee amendment filed May 3, 1967  
2 as follows:  
3 1. By inserting in line 23, immediately after the word  
4 "state", the following: "except in connection with  
5 inspections or losses required".  
6 2. By striking from line 24 the comma (,) and the words  
7 "except that" and inserting in lieu thereof the word  
8 "covering".  
9 3. By striking from line 24 the words "to be insured  
10 is".

Filed and adopted  
June 2, 1967

By KOSEK

1 Amend House File 312, section 5, by adding thereto the following  
2 subsections:  
3 "Any life insurance company organized and operated, without  
4 profit to any private shareholder or individual, exclusively for  
5 the purpose of aiding educational or scientific institutions  
6 organized and operated without profit to any private shareholder  
7 or individual by issuing insurance and annuity contracts direct  
8 from the home office of the company and without agents or  
9 representatives in this state only to or for the benefit of such  
10 institutions and to individuals engaged in the services of such  
11 institutions; nor shall this Act apply to any life, disability or  
12 annuity contracts issued by such life insurance company, provided  
13 such contracts otherwise comply with the statutes.  
14 "Insurance or vessels, craft or hulls, cargoes, marine builder's  
15 risk, marine protection and indemnity or other risk including  
16 strikes and war risks commonly insured under ocean or wet marine  
17 forms of policy.  
18 "Transactions involving risks located in this state where the  
19 policy or contract of insurance for such risk was principally  
20 negotiated and delivered outside this state and was lawfully  
21 issued in a state or foreign country in which the foreign or alien  
22 insurer was authorized to do an insurance business, and where such  
23 insurer has no contact with this state by virtue of the contract or  
24 policy of insurance, except that the risk to be insured is located  
25 in this state."

26 Further amend House File 312 by adding the following new section:  
27 "If any provision of this act or the application thereof to any  
28 person or circumstances is held invalid, such invalidity shall not  
29 affect other provisions or applications of the act which can be  
30 given effect without the invalid provision and to this end the  
31 provisions of this act are declared to be severable."

Filed - *Adopted as amended 6-9*  
May 3, 1967

By COMMERCE COMMITTEE