

SEC. 3. Officers to assist—examiner may administer oaths. When an association is being examined, the officers, agents or employes thereof shall produce for inspection all books, papers, documents or other information concerning the affairs of the association and shall otherwise assist in the examination. The auditor of state or examiner shall have authority to administer oaths, and may summon and may examine under oath any officer, employe, representative or agent of any association concerning its affairs or condition.

SEC. 4. Revocation or suspension of authority. If upon investigation or examination, it shall appear to the satisfaction of the auditor of state that any association is doing an illegal or unauthorized business, or is failing to fulfill its contracts with its members, or is conducting its business fraudulently, or if its membership or the amount of its insurance in force has been reduced below the legal requirement, or should any association decline or refuse to submit to an examination, the auditor of state may suspend or revoke its certificate of authority to transact business within this state, and having revoked the certificate of authority of any association organized under the laws of this state, he shall at once report the same to the attorney-general who shall apply to the district court or any judge thereof for the appointment of a receiver to wind up the affairs of such association.

SEC. 5. Expenses—how paid. In addition to the compensation of the assistants provided for in section two of this act, the auditor or examiner and assistants shall be entitled to actual and necessary traveling, hotel and other expenses while conducting examinations away from their respective places of residence, the same to be paid by the treasurer of state upon warrants drawn by the auditor of state, bills therefor having been filed under oath and approved by the executive council. Such expense and compensation shall, by the auditor of state, be charged to and collected from the associations examined and should any association neglect or refuse to pay the same, the auditor of state shall at once revoke its certificate of authority to transact business within this state.

SEC. 6. Soliciting new business—penalty. Any officer, manager, agent or representative of any association who with knowledge that its certificates [certificate] of authority has been suspended or revoked or that it is doing an illegal, unauthorized or fraudulent business, solicits insurance for said association or receives applications therefor, or does any other act or thing toward receiving or procuring any new business for said association, shall be deemed guilty of a misdemeanor and for every such act, on conviction thereof, shall pay a fine of not less than one hundred nor more than one thousand dollars, or be imprisoned in the county jail not more than one year, or be punished by both such fine and imprisonment.

SEC. 7. In effect. This act, being deemed of immediate importance, shall take effect and be in force from and after the date of its publication in the "Register and Leader," and the "Des Moines Daily Capital" newspapers published in the city of Des Moines, Iowa.

Approved March 17, A. D. 1904.

I hereby certify that the foregoing act was published in the Des Moines Daily Capital March 18, 1904, and Register and Leader March 19, 1904.

W. B. MARTIN,
Secretary of State.

CHAPTER 62.

FRATERNAL BENEFICIARY ASSOCIATIONS.

H. F. 226.

AN ACT to repeal the law which appears as section eighteen hundred and thirty-two (1832) of the supplement to the code, relating to fraternal beneficiary associations and to enact a substitute therefor.

Be it enacted by the General Assembly of the State of Iowa:

SECTION 1. Annual certificate—amount of insurance required.
That the law which appears as section eighteen hundred and thirty-two

(1832) of the supplement to the code be and the same is hereby repealed and the following enacted in lieu thereof:

"Before any beneficiary society, order or association shall be authorized to commence business within this state, it shall submit to the auditor of state its by-laws or rules by which it is to be governed, and also its articles of incorporation which shall include its plan of business. The auditor of state shall thereupon submit its articles of incorporation to the attorney-general for examination, and if found by him to be in harmony with this title, chapter and with law, he shall so certify upon said articles and return them to the auditor of state. If the auditor of state shall approve the articles and also the by-laws or rules, he shall issue to the society, order or association a permit in writing, authorizing it to transact business within this state for a period of one year from the first day of April of the year of its issue, for which certificate and all proceedings in connection therewith, there shall be paid to the auditor of state a fee of twenty-five dollars, and for each annual renewal thereof a like fee shall be paid; provided, however, that before such certificate shall be issued, the fraternal society, order or association shall have actual bona fide applications upon the lives of at least five hundred (500) persons, residents of this state, for at least one thousand dollars of insurance each, and the auditor of state may require the presentation of such applications, signed by the applicants themselves. No renewal of certificate of authority shall be made to any society, order, or association whose membership, in good standing, or the amount of whose insurance in force shall be reduced below the above requirements. Societies, orders or associations not organized under the laws of this state, in addition to the requirements of the provisions of section eighteen hundred twenty-nine (1829) of the code, must also comply with all of the provisions of this chapter, except as to the residence of membership; provided, that no such society, order or association shall be authorized to transact business within this state unless it shall be shown to have actual members, in good standing, of at least one thousand, and at least one million dollars of insurance in force."

SEC. 2. **In effect.** This act, being deemed of immediate importance, shall take effect and be in force from and after the date of its publication in the "Register and Leader" and the "Des Moines Daily Capital," newspapers published in the city of Des Moines, Iowa.

Approved March 30, A. D. 1904.

I hereby certify that the foregoing act was published in the Des Moines Daily Capital, March 31, 1904, and the Register and Leader, April 1, 1904.

W. B. MARTIN,
Secretary of State.

CHAPTER 63.

CONSOLIDATION OR RE-INSURANCE OF RISKS OF FRATERNAL BENEFICIARY SOCIETIES.

H. F. 256.

AN ACT to provide for consolidation or re-insurance of the risks of fraternal beneficiary societies with or by other societies or organizations, and providing a plan therefor. [Additional to chapter nine (9) of title nine (IX) of the code, relating to fraternal beneficiary societies, orders and associations.]

Be it enacted by the General Assembly of the State of Iowa:

SECTION 1. Plan of consolidation or re-insurance—approval. When any fraternal beneficiary association shall propose to consolidate or enter into any re-insurance contract with any other association or organization, it shall present its proposed plan of consolidation or re-insurance, together with a