tution or laws of the United States or of the state of Ohio, I am herewith returning said articles with my approval endorsed thereon.

Respectfully,

JOHN W. BRICKER,

Attorney General.

5698.

APPROVAL—BONDS OF VILLAGE OF LONDON, MADISON COUNTY, OHIO, $40,000.00.

COLUMBUS, OHIO, June 8, 1936.

Industrial Commission of Ohio, Columbus, Ohio.

5699.

DOMESTIC STOCK INSURANCE COMPANY—MAY BE INVESTED IN INTEREST BEARING TRUST NOTES WHEN.

SYLLABUS:

Accumulated funds and surplus of domestic stock insurance companies other than life may be invested in interest bearing trust notes which are secured by purchase money obligations through an indenture of trust whereby such obligations are conveyed to a trustee for the benefit of the holders of such notes, which notes are secured by chattel mortgages and are the obligations of a solvent corporation organized under the laws of any state of the United States.

COLUMBUS, OHIO, June 8, 1936.

HON. ROBERT L. BOWEN, *Superintendent of Insurance, Columbus, Ohio.*

DEAR SIR: Reference is made to your inquiry as to whether collateral trust notes issued by a guarantee and finance company are permissible as investments of the accumulated funds and surplus of domestic stock insurance companies other than life.

These trust notes are secured by purchase money obligations through an indenture of trust whereby such obligations are conveyed to a trustee for the benefit of the holders of such notes. Such purchase money obligations consist mostly of chattel mortgages on automobiles. Said notes are, of course, also the obligation of the issuing company.

Section 9519, General Code, among other things, permits investment of such funds and surplus in the following:

> "Bonds or other evidences of indebtedness, bearing interest, of any solvent corporation organized under the laws of this or any other state of the United States, or of the United States, or of the District of Columbia, or of the Dominion of Canada, or any province thereof, upon which there is no existing interest default; upon approval of such investment by the superintendent of insurance, stocks of any insurance corporation other than life, except its own stock; and other stocks of any solvent corporation organized under the laws of this state or any other state of the United States, or of the United States, or of the District of Columbia, or of the Dominion of Canada or any province thereof, upon which a dividend has been paid in the preceding twelve months."

The question therefore is whether such trust notes can be considered "evidences of indebtedness" within the meaning of the above statute. There can be no question, I think, that such trust notes are evidences of indebtedness within the ordinary meaning of the term "evidence of indebtedness". It remains to be determined, therefore, whether this term as used in the statute has a more limited meaning in view of the fact that the statute says "bonds or other evidences of indebtedness"; in other words, whether the rule of *e jusdem generis* applies. As stated in People v. Leach, 106 Cal. App., 442:

> "A promissory note secured by a mortgage is now recognized both by the business world and by law as something different from a bond or a debenture."

See also Bank of Newman v. Gas and Electric Co., 48 Cal. App., 263.

This rule may be stated as follows: Where general words follow specific words designating special things, the general words are as a rule limited to cases of the same general nature to those which are specified.

For instance, in the case of Light Co. v. Hill, 24 Wash., 469, wherein a statute made all outstanding warrants, certificates and all obligations an indebtedness of a city chargeable against its indebtedness fund, it was held that the term "all other obligations and indebtedness" must be construed as limited to the same class as the particular words which precede it and do not include a claim creating a general liability the amount of which is not yet fixed or ascertained.

In the case of Ticer v. State, ex rel., 35 Okla. 1, a statute made it unlawful for a public officer or employe of such officer to buy, barter for or otherwise engage in any manner in the purchase of any bonds, warrants or other evidence of indebtedness against the territory or subdivision thereof of which he is an officer. The court held as follows:

> "The term 'or any other evidence of indebtedness against this territory, any subdivision, or municipality therein, of which he is an officer,' is *e jusdem generis,* and applies only to bonds, warrants, or other evidence of indebtedness of that character." See also Hiller v. Olmstead, 54 Fed. (2d) 5.

However, this rule is only a rule of construction to aid in ascertaining the meaning of the legislature and does not warrant confining the operation of a statute within narrower limits than intended by the lawmakers. 25 R. C. L. 998.

The sole question, therefore, to ascertain is the intention of the legislature by consideration of the entire statute. It will be noted that such funds can be invested not only in bonds or other evidences of indebtedness bearing interest of any solvent corporation organized under the laws of any state or the United States or the District of Columbia or the Dominion of Canada or any province thereof, but also in stocks of any such corporation on which a dividend has been paid in the preceding twelve months. It can hardly be assumed that the legislature intended to use the term "evidences of indebtedness" in a more limited sense than such term is ordinarily used when it has authorized investment in stocks of the same types of corporations since the rights of the holders of such stock are subordinate to the rights of the creditors of such corporations.

In the case of State, ex rel. v. Van Meter, 131 Kan. 140, it was held that where a statute provided for an election on the question of the disorganization of any rural high school district which has no unpaid outstanding "bonds or other evidence of indebtedness", warrants issued for valid indebtedness which warrants have not been paid are evidences of indebtedness as used in said statute.

I am of the opinion, therefore, that accumulated funds and surplus of domestic stock insurance companies other than life may be invested in interest bearing trust notes which are secured by purchase money obligations through an indenture of trust whereby such obligations are conveyed to a trustee for the benefit of the holders of such notes, which notes are secured by chattel mortgages and are the obligations of a solvent corporation organized under the laws of any state of the United States.

Respectfully,

JOHN W. BRICKER,

Attorney General.