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DISAPPROVAL—ARTICLES OF INCORPORATION OF THE GREAT LAKES MUTUAL INSURANCE ASSOCIATION.

COLUMBUS, OHIO, June 13, 1934.

HON. GEORGE S. MYERS, *Secretary of State, Columbus, Ohio.*

DEAR SIR:—I acknowledge receipt of the articles of incorporation of The Great Lakes Mutual Insurance Association which you have submitted to me for my approval. This association is supposed to be a mutual protective association under authority of sections 9593, et seq., of the General Code. Section 9593 provides, among other things, for the insuring of certain specified kinds of property "and other property not classed as extra hazardous, and such property may be located within or without the limits of any municipality; provided that an association whose membership is restricted to persons engaged in any particular trade or occupation and its insurance confined in any particular kind or description of property may insure property classed as extra hazardous and located in any county or counties in this state * *."

In describing the property proposed to be insured the articles state: "Such property to be insured shall be limited to such property as is classed as extra hazardous, such as: Restaurant buildings used and occupied by the business of Restaurants, and including the contents of such buildings so used and occupied, and upon buildings owned, used or occupied by restaurant owners and keepers for sleeping quarters and storage." This clause is defective for three reasons:

1. The membership is not restricted to persons engaged in any particular trade or occupation.
2. While restaurant buildings are mentioned, the proposed insurance is not confined to such buildings.
3. The property proposed to be insured is not sufficiently specified as required by section 9594, General Code.

The articles are further defective for the following reasons:

1. The incorporators are described as citizens rather than residents of the state.
2. While the proposed insurance is confined to property located within the state, the membership is not limited to residents of the state. Non-residents may not be received as members. *State, ex rel., vs. Manufacturers Mutual Fire Insurance Association*, 50 O. S. 145.
3. The provisions for the accumulation of surplus contained in the articles is that provided by section 9593, General Code, for insuring property not extra hazardous. A different basis for surplus is provided by said section where the insurance is confined to property classed as extra hazardous.

For the above reasons I am herewith returning the articles of incorporation to you without my approval.

Respectfully,

JOHN W. BRICKER,

Attorney General.