1770 OPINIONS

2651.

APPROVAL, SUPPLEMENTAL RESOLUTION COVERING EXTRA WORK CONTRACT FOR ROAD IMPROVEMENT IN FRANKLIN COUNTY.

COLUMBUS, OHIO, December 9, 1930.

HON. ROBERT N. WAID, Director of Highways, Columbus, Ohio.

2652.

DISAPPROVAL, AMENDMENT TO ARTICLES OF INCORPORATION OF THE FIRST HUNGARIAN DRAMATIC AND SICK BENEFIT SOCIETY OF LORAIN, OHIO.

COLUMBUS, OHIO, December 9, 1930.

Hon. CLARENCE J. Brown, Secretary of State, Columbus, Ohio.

DEAR SIR:—This will acknowledge receipt of your request for my opinion, with which you enclose a proposed amendment to the articles of incorporation of the First Hungarian Dramatic and Sick Benefit Society of Lorain, Ohio. Your communication reads as follows:

"Under date of Sept. 1, 1900, there were filed articles of incorporation for the Hungarian Dramatic and Sick Benefit Society of Lorain, Ohio. The articles were filed under the general corporation laws, and gave the following as the purpose:

'To promote friendship, charity and benevolence, and to assist its members in sickness or distress, and aid the families of deceased members by voluntary contributions, under regulations and by-laws to be adopted.'

Submitted herewith for your opinion and approval is a proposed amendment to the articles in question which you will note includes practically the entire original purpose and also certain benefit provisions. Do the proposed provisions amount to a change of the status of the corporation from a general corporation not for profit, to a corporation within those contemplated by the insurance sections of the Code? If so, can the original articles of the company be now so altered by amendment?"

Section 9474, General Code, pertaining to fraternal, religious, charitable and similar benefit associations, reads as follows:

"Any society now engaged in transacting business in this state may exercise, after the passage of this act, all of the rights conferred thereby, and all of the rights, powers and privileges now exercised or possessed by it under its charter or articles of incorporation not inconsistent with this act, if incorporated; or, if it be a voluntary association, it may incorporate hereunder. But no society already organized shall be required to incorporate hereunder,

and any such society may amend its articles of incorporation from time to time in the manner provided therein or in its constitution and laws, and all such amendments shall be filed with the Superintendent of Insurance and shall become operative upon such filing, unless a later time be provided in such amendments or in its articles of incorporation, constitution or laws."

The proposed amendment to the articles of incorporation of the above named society contains the following provision:

"This Society shall also pay to members in good standing at the time of their decease, a death benefit in the sum of \$500.00, provided same complies with the laws of the State of Ohio and is approved by the proper officers of the Society."

Section 9491, General Code, provides that voluntary associations such as the First Hungarian Dramatic and Sick Benefit Society, by complying with the provisions thereof, shall be exempt from the requirements of the act governing fraternal, benefit and similar voluntary associations. The provision of the proposed amendment to said articles of incorporation cited above provides for benefits greatly in excess of the benefits which may be granted by such a society or association without complying with the insurance laws. It will be attempting to exercise a power as a general corporation not for profit, which may only be exercised by a fraternal benefit society which has complied with all insurance laws applicable to such societies or associations, contrary to the provisions of Section 9474, General Code.

Owing to the fact that I am unable to approve said amendment to the articles of incorporation, I deem it unnecessary to discuss several other defects appearing therein or to answer your questions more specifically. I am accordingly returning the proposed amendment to the articles of incorporation of the First Hungarian Dramatic and Sick Benefit Society of Lorain, Ohio, to you, without my approval endorsed thereon.

Respectfully,
GILBERT BETTMAN,
Attorney General.

2653.

APPROVAL, BONDS OF INDEPENDENCE VILLAGE SCHOOL DISTRICT, CUYAHOGA COUNTY, OHIO—\$85,000.00.

COLUMBUS, OHIO, December 10, 1930.

Retirement Board, State Teachers Retirement System, Columbus, Ohio.