

<i>Name</i>	<i>Number of tract</i>	<i>Appraised value</i>
Sarah E. Wacker	8	125.00
Minnie Betz	9	110.00
Cecelia C. Grubb	10	115.00
Bertha E. Shipley	11	90.00
Rose Buechler	12	75.00

The sales of these several tracts of abandoned Hocking Canal lands, which tracts are more fully described by metes and bounds in the transcripts of your proceedings relating to the sale thereof, are being made by you under the authority of House Bill No. 417 enacted by the 89th General Assembly (114 O. L. 536.) From the transcripts submitted, it appears that the several persons purchasing these marginal tracts of canal lands are the owners of lands abutting upon the respective marginal tracts to be purchased by these persons pursuant to the proceedings noted in the transcripts submitted. And inasmuch as it does not appear that any of these marginal tracts have been designated by the Director of Highways for highway purposes, nor that any of them have been held under lease by persons other than the respective purchasers thereof under these proceedings each and all of these persons has a prior right with respect to the purchase of the above designated marginal tracts of land.

I am accordingly approving as to legality and form, your proceedings relating to the sale of these several tracts of land as is evidenced by my approval endorsed upon the transcripts and upon the duplicate copies thereof, all of which are herewith returned.

Respectfully,
 JOHN W. BRICKER,
Attorney General.

2273.

DISAPPROVAL, PROPOSED ARTICLES OF INCORPORATION OF THE
 RECOVERY MUTUAL INDEMNITY COMPANY.

COLUMBUS, OHIO, February 8, 1934.

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

DEAR SIR:—You have submitted to me the proposed Articles of Incorporation of The Recovery Mutual Indemnity Company. These articles read in part as follows:

“FIRST. The name of said corporation shall be The Recovery Mutual Indemnity Company.

SECOND. The place in this State where the principal office of the corporation is to be located Youngstown, Mahoning County.

THIRD. The purpose or purposes for which said corporation is formed are:

The objects of the corporation and the purpose of its formation shall be for the transaction of the business of Mutual Insurance in ac-

cordance with the laws of the State of Ohio and subject to the approval of the Department of Insurance of the State of Ohio.

To make contracts of insurance or indemnity insuring or indemnifying against loss in consequence of accidents or casualties of any kind or to any one, resulting from any reason or cause whatsoever.

FOURTH. The following persons shall serve said corporation *as trustees* until the first annual meeting or other meeting called to elect trustees."

(Names of three individuals here inserted.)

I find these articles of incorporation do not comply with the laws of this state in the following respects:

1. The declaration that the incorporators desire to form a corporation not for profit under the General Corporation Act of Ohio, is erroneous. Sections 8623-3 and 8623-97 provide that where the General Code makes special provision for the filing of articles of incorporation of designated classes of corporations, such corporations shall be formed under such provisions and not under the General Corporation Law. Consequently, the corporation cannot be organized under the General Corporation Law but should be organized under the special provision relating to such corporations, which, in this case, I presume, is section 9607-2 of the General Code.

2. Only three persons have executed these articles of incorporation, whereas section 9607-2 provides that not less than twenty shall execute the articles of incorporation.

3. The articles of incorporation purports to authorize the corporation to insure against all casualties generally, while section 9607-2 provides that such a company may transact only the first kind of insurance set forth in said section, or such as it may elect of the other kinds of insurance set forth therein. The purpose clause in these articles is broad enough to include all the kinds of insurance set forth in said section, including the first kind therein set forth, and indeed the first paragraph of the purpose clause is broad enough to cover life insurance. I therefore suggest that the kinds of insurance which are set forth in said section that the company desires to transact, be specifically set forth in the articles.

4. The articles also authorize the persons named therein to act as trustees until the first annual meeting, or other meeting called to elect trustees. As stated before, the General Corporation Act cannot apply to this company. I find no authority in the special provisions relating to this type of corporation for the appointment of trustees by the incorporators. Section 9607-3, General Code, provides that the original incorporators shall have power to fix and call the first meeting and adopt the by-laws, which thereupon shall be filed with the Superintendent of Insurance, and to elect the first officers and directors, who shall continue in office until the first annual meeting of the members.

I am of the opinion that this section is exclusive. Opinions of the Attorney General for 1931, Vol. III, page 1354; Opinions of the Attorney-General for 1932, Vol. I, page 68.

By reason of the foregoing, I am compelled to return the articles to you without my approval.

Respectfully,

JOHN W. BRICKER,
Attorney General.