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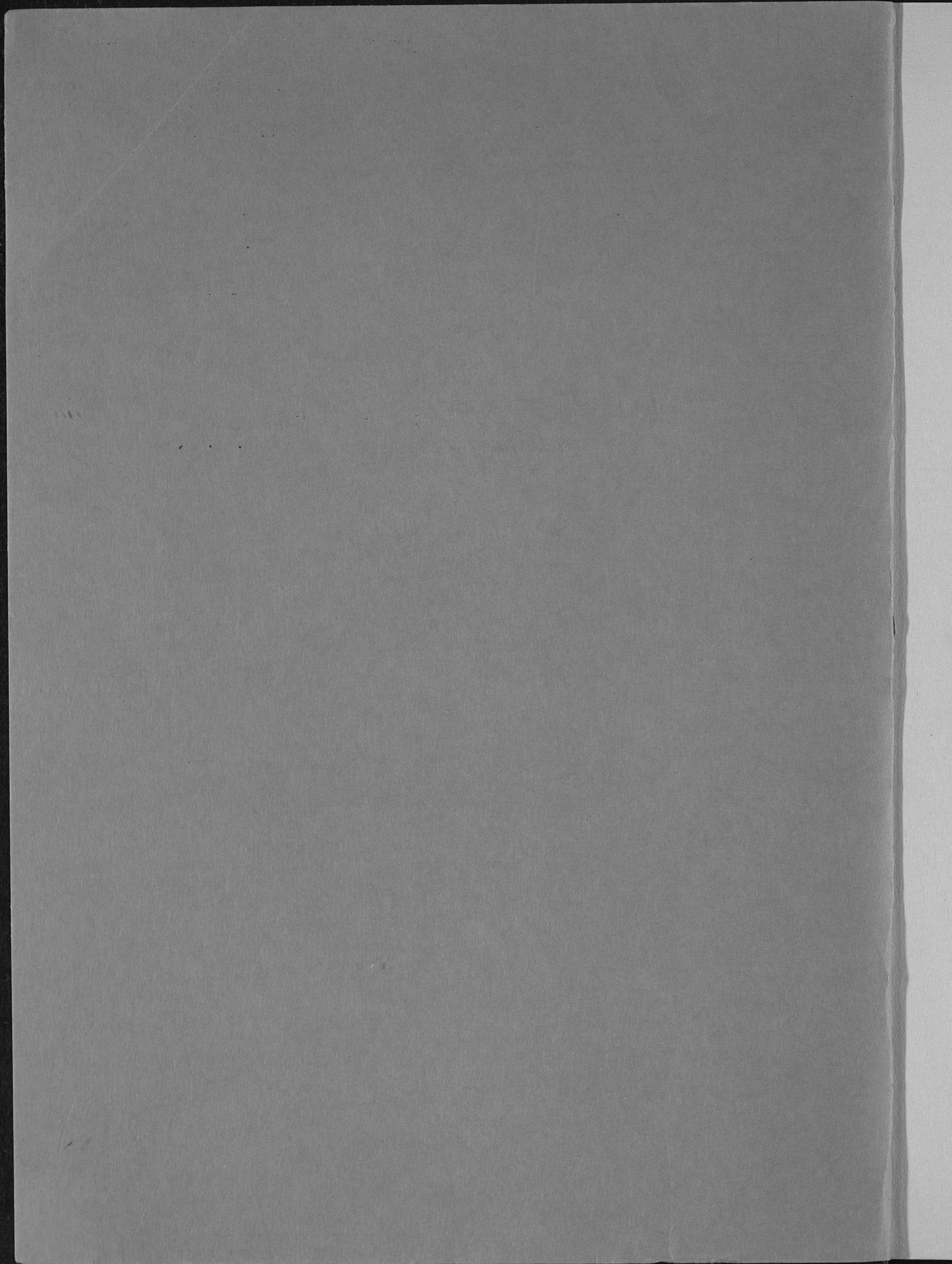
Inventory of the State
Archives of North Carolina

Series IV
Regulatory Agencies

No. 3
Insurance Department

North Carolina Historical
Records Survey Project
Division of Professional
and
Service Projects
Work Projects Administration
Raleigh, N. C.
August 1940

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INVENTORY OF THE STATE ARCHIVES

OF

NORTH CAROLINA

SERIES IV

REGULATORY AGENCIES

No. 3

INSURANCE DEPARTMENT

Prepared by

The North Carolina Historical Records Survey Project
Division of Professional and Service Projects
Work Projects Administration

* * * * *

Raleigh, North Carolina
The North Carolina Historical Records Survey Project
August 1940

WPA Historical Records Survey Program

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Sponsored by the North Carolina Historical Commission

M. C. S. Noble, Chairman
C. C. Crittenden, Secretary

FOREWORD

The Inventory of the State Archives of North Carolina is one of a number of bibliographies of historical materials prepared throughout the United States by workers on the Historical Records Survey of the Work Projects Administration. Each state department, institution, or other agency will be represented by a separate section of the inventory; the section for functionally related agencies will be grouped in series.

The Historical Records Survey Program was undertaken in the winter of 1935-36 for the purpose of providing useful employment to needy unemployed historians, lawyers, teachers, and research and clerical workers. In carrying out this objective, the project was organized to compile inventories of historical materials, particularly the unpublished government documents and records which are basic in the administration of local government, and which provide invaluable data for students of political, economic, and social history. The archival guide herewith presented is intended to meet the requirements of day-to-day administration by the officials of the State, and also the needs of lawyers, business men and other citizens who require facts from the public records for the proper conduct of their affairs. The volume is so designed that it can be used by the historian in his research in unprinted sources in the same way he uses the library card catalog for printed sources.

The inventories produced by the Historical Records Survey Program attempt to do more than merely give a list of records--they attempt to sketch in the historical background and to describe precisely and in detail the organization and functions of the agencies whose records they list. The inventories for the entire country will, when completed, constitute an encyclopedia of state and local government as well as a bibliography of state and local archives.

The successful conclusion of the work of the Historical Records Survey Program, even in a single agency, would not be possible without the support of public officials, historical and legal specialists, and many other groups in the community. Their co-operation is gratefully acknowledged.

The Survey Program was organized by Luther H. Evans who served as Director until his appointment as Director of the Legislative Reference Service of the Library of Congress. He was succeeded on March 1, 1940, by Sargent B. Child, who had served as Field Supervisor since the inauguration of the Survey. The Survey Program operates as a nationwide series of locally sponsored projects in the Division of Professional and Service Projects, of which Miss Florence Kerr, Assistant Commissioner, is in charge.

F. C. HARRINGTON

Commissioner

PREFACE

The Historical Records Survey was created in the winter of 1935-36 as a Nation-wide Works Progress Administration project for the "discovery, preservation and listing of basic materials for research in the history of the United States."¹ Under the direction of Dr. Luther H. Evans, the Survey undertook an extensive program for the inventory of state and local archives, early American imprints, church archives, and collections of manuscripts. Pursuant to the provisions of the Emergency Relief Act passed June 30, 1939, the existence of the Survey as a single Nation-wide project sponsored by WPA itself was terminated August 31, 1939; and the work of the Survey was continued within the individual States by locally sponsored projects operating within the national WPA Historical Records Survey Program which continued under the direction of Dr. Evans until his resignation and the subsequent appointment of Sargent B. Child on March 1, 1940.

The North Carolina Project of the national Historical Records Survey was established February 1, 1936, with Dr. C. C. Crittenden, Secretary of the North Carolina Historical Commission, as director. Until November 1936 the Survey operated as an autonomous unit of the Federal Writers' Project, directed in North Carolina by Edwin Bjorkman. Dr. Crittenden resigned as State Director June 30, 1937, and was succeeded by Dan Lacy, who had previously served as Assistant State Director. The work of the North Carolina unit of the Historical Records Survey was continued by the North Carolina Historical Records Survey Project established September 1, 1939, and sponsored by the North Carolina Historical Commission. Mr. Lacy resigned as State Supervisor on April 2, 1940, to accept an appointment as Assistant to the Director of Historical Records Survey Projects in Washington, D. C. Colbert F. Crutchfield, who had served as Assistant State Supervisor under Mr. Lacy, became State Supervisor.

The present inventory of the records of the Insurance Department is a section of the Inventory of the State Archives of North Carolina being prepared by the North Carolina Historical Records Survey Project. The inventory was prepared under the supervision of Mr. Branson Marley, Assistant Project Supervisor in charge of public archives. Field work was done by George B. Umstead, Howard H. Buck, and Mrs. Letitia B. Robbins under the supervision of James W. Parker. The inventory was read for the sponsor by Dr. C. C. Crittenden of the North Carolina Historical Commission and was edited by Miss Mabel S. Brodie of the national office staff. The Survey is indebted to the members of the staff of the Insurance Department for their generous co-operation in the work.

COLBERT F. CRUTCHFIELD
STATE SUPERVISOR
N. C. HISTORICAL RECORDS SURVEY

August 1940

1. Works Progress Administration, Operating Procedure No. W-2, Revised July 2, 1937.

INSURANCE DEPARTMENT

1. Structural Organization and Evolution

The regulation of insurance companies, because the insurance business is affected with a public interest, has for some time been a subject for statutory enactment. The first general law was an act of the General Assembly of 1850 which placed a tax of \$100 on each insurance company incorporated within the State and a tax of \$100 for the first county and \$50 for each additional county in which it operated on each insurance company incorporated in another state.¹

The Insurance Department as a separate department was not established until 1899. Prior to that time the regulation of insurance companies was largely a function of the Secretary of State. In 1871 the General Assembly passed a law requiring every corporation doing insurance business in North Carolina to make a full report to the Secretary of State and to notify the public of its financial status by publishing the required report in a newspaper printed in Raleigh and selected by the Secretary of State.² The same act required that the Secretary of State appoint an examiner to report once a year on the condition of each company and to be paid by the companies examined.³ Failure of an insurance company to exhibit its books for such examination constituted a misdemeanor.⁴ At the same session each company was required to receive a license from the Treasurer after payment of a license tax to be prescribed by him.⁵

The 1874-75 session of the legislature provided that the Secretary of State could require a report more frequently than once a year and required him to examine all reports thoroughly to see that the companies were operating within the law. The annual reports of companies were to be printed in two newspapers published in Raleigh. The Secretary of State was further required to send copies of all annual reports to the clerk of superior court of each county who must enter such reports in a book kept for that purpose and open to public inspection. The Secretary of State was also required to keep copies of all reports.⁶ All insurance companies were required to obtain a certificate of approval from the Secretary of State before they could transact business in North Carolina.⁷ Building and loan associations were specifically exempted from this act.⁸

Foreign insurance companies, in order to do business in North Caro-

1. Laws of 1850, c. 121, s. 7.
2. Public Laws of North Carolina, 1871-72, c. 199, s. 43; hereafter cited as Public Laws.
3. Ibid., s. 43
4. Ibid., s. 44

5. Ibid., c. 58.
6. Laws of North Carolina, 1874-75, c. 205, s. 4.
7. Ibid., s. 3.
8. Ibid.

lina, were required to have a capital of \$100,000⁹ and to have in this State an agent on whom civil process could be served.¹⁰ A certificate of appointment of the agent was to be filed with the Secretary of State.¹¹ Foreign companies were further required to report annually to the Secretary of State,¹² to appoint a general agent for the State who must receive a license from the Secretary of State,¹³ and to pay to the State the same deposits, fees, taxes, fines, and penalties as they paid in any other state in which they did business.¹⁴ The Secretary of State was required to report to the Auditor on the first of each month all license taxes and fees received from insurance companies.¹⁵

Each fire insurance company which did not invest all its assets in the State but wished to operate therein was required to post a \$10,000 bond with the State Treasurer.¹⁶ This provision was repealed in 1885.¹⁷

In 1883 the Secretary of State was required to issue a license to any insurance company before it could transact business¹⁸ and to keep the reports of all companies for public inspection.¹⁹

The legislature of 1893 restated certain powers and duties of the Secretary of State in the regulation of insurance companies. It was provided that he should biennially visit insurance companies operating in this State for the purpose of examining their financial condition,²⁰ that he could refuse to grant a license to any company of whose solvency he was doubtful,²¹ that he should publish an annual account of his official acts as insurance commissioner,²² and that he should report biennially to the General Assembly and make any needed recommendations.²³ It was further required that each agent of any insurance company obtain a license annually from the Secretary of State showing that his company was authorized to do business²⁴ and that fire insurance companies use in all contracts made in North Carolina the standard fire insurance policy form on file in the office of the Secretary of State.²⁵

No insurance company could do business in this State unless it satisfied the Secretary of State of its reliability and solvency, but a bond of \$2,000 was ipso facto proof of any company's reliability.²⁶

The General Assembly of 1899 passed the North Carolina Insurance Act, which established a separate and distinct department charged with the execution of all laws passed in relation to insurance and other subjects placed

9. Mutual companies need have only a capital of \$50,000. Laws of North Carolina, 1874-75, c. 205, s. 7.
10. Ibid., 1876-77, s. 157, ss. 1, 2.
11. Ibid., s. 2.
12. Ibid., s. 4.
13. Ibid., s. 6.
14. Ibid., s. 11.
15. Ibid., s. 10.
16. Ibid., 1879, c. 222, s. 1.

17. Ibid., 1885, c. 178, s. 2.
18. Ibid., 1883, c. 57, s. 1.
19. Ibid., s. 9.
20. Public Laws, 1893, c. 299, s. 1.
21. Ibid., s. 2.
22. Ibid., s. 3.
23. Ibid., s. 10.
24. Ibid., s. 5.
25. Ibid., s. 6.
26. Ibid., 1895, c. 367.

under the department. The chief officer of the department is the Insurance Commissioner.²⁷ There are no prescribed qualifications for the Insurance Commissioner, but like all elective officials he must be a qualified voter of North Carolina, may not deny the being of God, and must not have been convicted of any treason or felony, or of any crime for which punishment may be imprisonment in the penitentiary, or of corruption or malpractice in office, unless his rights of citizenship have been restored in a manner prescribed by law.²⁸ The first Insurance Commissioner was chosen by the legislature at its 1899 session. The creating act provided that he should serve until March 1, 1901, and that in January 1901 the Governor, by and with the consent of the senate, should appoint a Commissioner for a term of 4 years.²⁹ The appointment provision was amended in 1907 to provide that the Insurance Commissioner be chosen at the next general election and that every 4 years thereafter an Insurance Commissioner should be elected by the people of the State.³⁰ The Insurance Commissioner is required to take the oath to support the Constitution and laws of the United States and the constitution and laws of North Carolina³¹ and to post a \$10,000 bond approved by the State Treasurer.³² The Insurance Commissioner originally received a salary of \$2,000 per year.³³ In 1919 his salary was increased to \$3,500 a year;³⁴ in 1935 it was further increased to \$4,500;³⁵ and in 1937 it was raised to \$6,000 per year.³⁶ A vacancy in the office of the Insurance Commissioner may be filled by appointment by the Governor for the unexpired term.³⁷

The Commissioner, under the 1899 act, was empowered to employ all necessary clerical aid provided the expense did not exceed \$1,000 per year.³⁸ In 1907 he was allowed to employ at his discretion expert accountants to make a thorough investigation into the financial condition of any insurance company; the payments for such services were to be made in the same manner as for other bills against the State.³⁹ In 1909 he was allowed to appoint a deputy at \$1,800 a year.⁴⁰ In 1921 he was empowered to employ two insurance examiners who should exercise his function of examining each insurance company at least once triennially.⁴¹ He was further authorized to employ additional insurance investigators and allotted \$5,000 annually to meet this expense.⁴² This was repealed in 1925 and provision made for companies examined to pay the expenses.⁴³

27. Public Laws, 1899, c. 54, s. 3.

28. Const. Art. VI, ss. 7, 8.

29. Public Laws, 1899, c. 54, s. 4.

30. Ibid., 1907, c. 868.

31. Const. Art. VI, s. 7.

32. Public Laws, 1899, c. 54, s. 5.

In 1901 it was provided that all persons that are required to give bond to the State of North Carolina may give in lieu of personal security any indemnity or guaranty company as surety, but must accompany his bond with a statement of the Insurance Com-

missioner on the condition of such company. Ibid., 1901, c. 74.

33. Ibid., 1899, c. 54, s. 3.

34. Ibid., 1919, c. 247, s. 4.

35. Ibid., 1935, c. 293.

36. Ibid., 1937, c. 342.

37. Ibid., 1899, c. 54, s. 4; 1907, c. 868.

38. Ibid., 1899, c. 54, s. 8.

39. Ibid., 1907, c. 100, s. 2.

40. Ibid., 1909, c. 839, s. 1.

41. Ibid., 1921, c. 218, s. 1.

42. Ibid., c. 136, s. 4.

43. Ibid., 1925, c. 275, s. 6.

In 1919 he was authorized to employ in the Insurance Department such assistants as were allowed by the Governor and Council of State provided these did not exceed a chief deputy at \$2,500 a year, a chief clerk at \$2,500 a year, an actuary at \$2,500 a year, a cashier at \$1,500 a year, and a license clerk at \$1,250 a year.⁴⁴ In 1924 he was authorized to appoint deputies to investigate forest fires.⁴⁵

After the creation of the Budget Bureau in 1925 the enactment of laws authorizing the increase of personnel of the Department was made unnecessary. The Executive Budget Act gave the Governor, with the advice of the Advisory Budget Commission, effective supervision over the employees and expenditures of every state agency.⁴⁶ At the present time the personnel of the Insurance Department consists of the Insurance Commissioner, the Deputy Insurance Commissioner, the Deputy Insurance Commissioner in charge of building and loan companies, the Actuary, eight examiners, a senior Auditor, a junior Auditor, a license clerk, a life investigator, two fire investigators (one of whom is the Fire Marshal), two engineers (one of whom is the State Electrical Engineer), a secretary, a statistical clerk, five stenographers, a file clerk, and a mail clerk.

2. Powers and Duties

The office of the Insurance Commissioner was created for the purpose of regulating insurance companies in the public interest.

Types of Companies Covered

Every insurance company, association or order, as well as every bond, investment, dividend, guarantee, registry, title guarantee, debenture, or such other like company (not strictly an insurance company, as defined in the general insurance laws), must be licensed and supervised by the Insurance Commissioner, and must pay all licenses, taxes, and fees as prescribed in the insurance laws of the State for the class of company, association, or order to which it belongs. No provision in any statute, public or private, may relieve any company, association, or order from the supervision prescribed or release it from the payment of the license, taxes, and fees prescribed for companies, associations, and orders of the same class.⁴⁷

Companies, associations, and orders of the following kinds are recognized: fire and storm, marine, life, sickness, accident, fidelity and surety, plate glass, liability, boiler and machinery, burglary, credit, sprinkler, accidents to vehicles, livestock, real estate title, and any other casualty which is authorized by the charter of the company and is a proper form of insurance.⁴⁸ No corporation may transact any other busi-

44. Public Laws, 1919, c. 247, s. 4.

45. Ibid., Extra Sess., 1924, c. 119, s. 1.

46. Ibid., 1925, c. 89; 1929,

c. 100.

47. Ibid., 1903, c. 594, ss. 1-3.

48. Ibid., 1899, c. 54, s. 24;

1903, c. 438, s.1; 1911, c.111, s. 1.

ness than that specified in its charter and articles of association.⁴⁹

Any corporation or voluntary association, other than an association of companies, the members of which are licensed in the State, which issues contracts of insurance and which maintains a principal, branch, or other office within the State must qualify under the insurance laws of the State applicable to the type of insurance written by such corporation or association and secure a license from the Insurance Commissioner; the officers and agents of any such corporation or association failing to qualify and secure a license are guilty of a misdemeanor and upon conviction may be fined at the discretion of the court.⁵⁰

Incorporation of Domestic Companies

The Insurance Commissioner is required to examine all certificates of incorporation presented by the incorporators of proposed domestic insurance corporations. If the Insurance Commissioner, after an examination of the certificate, approves it and finds that the requirements of law have been complied with, he certifies such facts to the Secretary of State. The Secretary of State, after the certificate of incorporation and attached certificates have been filed in his office and after the charter fees required for private corporations have been paid, records the certificate in his office and issues an official charter to the incorporators of the insurance company.⁵¹ The incorporators thereupon hold an organizational meeting and adopt bylaws. A record of the first meeting is then certified to the Insurance Commissioner.⁵² When, after any examination he wishes to make, the Commissioner considers the company qualified under the laws of the State, he may grant a license to issue policies and make contracts of insurance.⁵³

No domestic insurance company may issue policies until the Insurance Commissioner has examined it, found and certified it to comply with the laws of the State, and authorized it to issue policies.⁵⁴ The issuance of policies in violation of this regulation renders the company liable to a fine, but such policies are binding upon the company.⁵⁵

Admission of Foreign Companies

A foreign insurance company may be admitted with authority to do business in North Carolina when it deposits with the Insurance Commissioner a certified copy of its charter or certificate of organization and a statement of its financial condition and business and pays for the filing of this statement with the sum required by law; when it satisfies the Commissioner that it is fully and regularly organized under the laws of its state or government to do business it proposes to transact, that it has the required capital and assets, that such capital or net assets are well invested, and that it insures on any single hazard a sum no larger than 1/10 of its assets;

49. Public Laws, 1899, c. 54, s. 26.

50. Ibid., 1937, c. 39

51. Ibid., 1899, c. 54, s. 25; 1903, c. 438, ss. 2, 3.

52. Ibid., 1899, c. 54, s. 25; 1903, c. 438, ss. 2, 3.

53. Ibid., 1899, c. 54, s. 13.

54. Ibid., ss. 21, 99.

55. Ibid., 1903, c. 438, s. 10.

when it files a duly executed instrument appointing the Insurance Commissioner and his successor its true and lawful attorney upon whom all legal processes in any action may be served, and, providing that the process is of the same force and validity as if served on the company, that it will not have removed from any court in the State to the United States Circuit or District Court any action instituted against it, and that it will not institute any suit in equity in the United States courts against any citizen of this State growing out of or in any way connected with any policy of insurance issued by it; when it appoints as its agent or agents in this State some resident or residents thereof; and when it obtains from the Insurance Commissioner a certificate that it has complied with the laws of the State and is authorized to make contracts of insurance.⁵⁶

A reciprocal provision requires that when another state or nation imposes upon companies of this State doing business in such other state or nation fees, obligations, or prohibitions greater than those imposed by this State upon insurance companies of such other state or nation the same fees, obligations, or prohibitions must be imposed upon all insurance companies of such other state or nation doing business in this State. When an insurance company organized under the laws of any state or country is prohibited from investing its assets other than capital stock in the bonds of this State, the Insurance Commissioner is authorized and directed to refuse to grant a license to transact business.⁵⁷

Compliance with the provisions concerning foreign insurance companies may be enforced in the ordinary course of legal procedure by action brought in the Superior Court of Wake County by the Attorney General in the name of the State upon the relation of the Insurance Commissioner.⁵⁸

Deposits and Investment of Capital

The Insurance Commissioner or the Treasurer, in their official capacity, may hold in trust deposits made by any domestic insurance company for the purpose of complying with the laws of any other state to enable them to do business in that state. The company making the deposits is entitled to the income thereof and may, from time to time, with the consent of the Insurance Commissioner or the Treasurer and when not forbidden by the law under which the deposit was made, change in whole or in part the securities which compose the deposit for other solvent securities of equal par value. Upon request of any domestic company such officer may return to the company the whole or any portion of the securities of the company held by him on deposit when he is satisfied that they are subject to no liability and are not required to be longer held because of any provision of law or of purposes of original deposit.⁵⁹

A foreign company, if incorporated or associated under the laws of any government or state other than the United States or one of the United States,

56. Public Laws, 1899, c. 54, s. 62; 1901, c. 391, s. 5; 1903, c. 438, s. 6.

57. Ibid., 1899, c. 54, s. 71; 1903, c. 438, s. 11; 1927, c. 32.

58. Ibid., 1899, c. 54, s. 102; 1903, c. 438, s. 10.

59. Ibid., 1899, c. 54, s. 17; 1903, c. 438, s. 1.

may not do business in this State until, in addition to complying with conditions prescribed for the licensing and commissioning of such company, it has made a deposit with the Treasurer or the Insurance Commissioner of this state of the United States of a sum not less than the capital required of like companies under the insurance laws of this State. The deposit must be in exclusive trust for the benefit and security of all the company's policyholders and creditors in the United States and must be made in securities and be subject to the regulations specified with regard to the investment of capital of domestic companies. The deposit is deemed for all purposes of the insurance law the property of the company making it.⁶⁰

An insurance company may purchase, hold, and convey real estate which is necessary for its immediate use in the transaction of business, which has been mortgaged to it in good faith as security for loans, which has been conveyed in satisfaction of debts, or which has been purchased at sales as judgments, decrees, or mortgages obtained or made for such debts. Any insurance company which held property under other circumstances prior to March 6, 1899, was required to dispose of it unless the company procured a certificate from the Insurance Commissioner that the interest of the company would suffer.⁶¹

The capital stock of the company must be paid in cash within 12 months from the date of the charter and must be invested only in first mortgage real estate in this State, in bonds of the United States or of any state whose bonds do not sell for less than par, or in bonds or notes of any city, county, or town of this State whose net indebtedness does not exceed 5 percent of the last valuation of property for purposes of taxation.⁶² Any other investments must be specifically approved by the Commissioner.⁶³ The Insurance Commissioner has full discretion in determining the method of calculating bonds and other evidences of debt.⁶⁴

The Insurance Commissioner may upon application examine the proceedings of domestic companies to increase or reduce their capital stock and when found conformable to law may issue certificates of authority to such companies to transact business upon such increased or reduced capital.⁶⁵

Licensing of Companies

No insurance company may be authorized to transact more than one class of insurance in this State unless it pays the license fees for each class; but upon the payment of the largest license fee provided for any one type of business done, a life insurance company may do a health business and a fire insurance company may insure against loss or damage to property by lightning, hail or tornado, use and occupancy, and for nonoccupancy, may insure vessels, freights, goods, money, effects, and money lent on bottomry or respondentia against the perils of the sea and other perils usually insured against by marine insurance, including risks of inland navigation

60. Public Laws, 1899, c. 54, s. 64;
1903, c. 438, s. 6.

61. Ibid., 1899, c. 54, s. 22.

62. Ibid., s. 27.

63. Ibid., 1907, c. 798; 1911,

c. 798; 1911, c. 32; 1913,
c. 200; Extra Sess., 1920, c. 54;

1923, c. 73; 1925, c. 187.

64. Ibid., 1921, c. 220.

65. Ibid., 1899, c. 54, s. 15.

and transportation, and may also insure against loss or damage by water to any goods or property arising from leakage of sprinklers or water pipes. No insurance company may be required to pay license fees that amount in the aggregate to more than \$350 per year.⁶⁶

The license required continues for the next ensuing 12 months after April 1 of each year unless it is theretofore revoked. The Insurance Commissioner may, however, when the annual license tax exceeds \$25, prorate the fee for the year by law as may be due pro rata for the remainder of the year beginning with the first day of the current month.⁶⁷

Licensing of Agents

Every agent or adjuster of any insurance company authorized to do business in this State must obtain annually from the Insurance Commissioner a license showing that the company for which he is agent or proposes to adjust is licensed to do business in this State and that he is an agent of such company duly authorized to do business for it.⁶⁸

Before a license may be issued to an agent or adjuster in this State, the agent or adjuster and the company for which he desires to act must apply for the license on forms prescribed by the Insurance Commissioner. Before he issued a license, the Insurance Commissioner must satisfy himself that the person applying is a person of good moral character, that he intends to hold himself out as an insurance agent or adjuster, that he has sufficient knowledge of the proposed business, that he has not willfully violated any insurance law of the State, and that he is a proper person for such position.⁶⁹

Annual Reports of Companies

To enable the Insurance Commissioner better to enforce the payment of the taxes required every corporation, firm, or individual doing insurance business in the State, must, upon demand of the Insurance Commissioner, furnish him a statement of the amount of all insurance held by him, giving the name of the company, number and amount of policies, the premiums paid on each, and such other information for which the Commissioner may call. In lieu of the above statement the individual, firm, or corporation may file with the Commissioner an affidavit of all its insurance not placed in companies licensed to do business in this State.⁷⁰

Every insurance company, association, or order—domestic, through its officers, and foreign, through its agent—must file in the office of the Insurance Commissioner on or before the first day of March each year, in form and detail as the Commissioner may prescribe, a statement showing the

66. Public Laws, 1899, c. 54, s. 55; 1901, c. 391, s. 5; 1903, c. 438, s. 6.

67. Ibid., 1899, c. 54, s. 78.

68. Ibid., s. 81; 1901, c. 391, s. 7; 1903, c. 438, s. 8 and c. 774;

1915, c. 109, s. 7 and c. 166, s. 1.

69. Ibid., 1913, c. 79, s. 1; 1915, c. 109, ss. 6, 7 and c. 166, s. 7; 1931, c. 185.

70. Ibid., 1899, c. 54, s. 79; 1901, c. 391, s. 7; 1903, c. 438, s. 8.

business standing and financial condition of such company, association, or order on the preceding 31st day of December; the statement must be sworn to by the reporting officer before the Insurance Commissioner or some other government official authorized by law to administer oaths.

The Insurance Commissioner must in December of each year furnish to each of the insurance companies authorized to do business in the State two blanks for their annual statements.⁷¹ While the law sets forth the required provisions of the statement, the Commissioner is empowered to change the forms from time to time when it is necessary to secure fuller information as to the standing and condition of the company under his department.⁷²

It is the duty of the Insurance Commissioner to receive and thoroughly examine each annual statement required and made in compliance with the laws of this State and to publish at the expense of the company an abstract of the report in one newspaper of the State. The newspaper may be selected by the general agent making the statement if, within 30 days after filing the statement, he notifies the Insurance Commissioner in writing of the newspaper selected.⁷³

The Insurance Commissioner must keep on file in his office for inspection of the public all the reports received by him in obedience to law. He must certify to the clerk of superior court of each county an abstract of each annual statement, at the expense of the company making the report. It is provided, however, that the Insurance Commissioner may file in lieu of the abstract a copy of advance sheets of his report or the full report. The Commissioner must further certify to the superior court clerks on the 1st day of May of each year a list of licenses in force on such dates, of the licenses that have expired without renewal, and of the licenses which have been revoked. Each clerk must file such certified abstracts and lists in books furnished by the Insurance Commissioner and open to the inspection of the public.⁷⁴

All companies, agents, or **brokers** doing any kind of insurance business in this State must make and keep a full and correct record of the business done by them. Information from these records must be open to the inspection of the Commissioner or his deputy or clerk.⁷⁵

Every general agent must within the first 30 days of January and July of each year make a full and correct statement under oath of the amount of the gross receipts derived from the insurance business in this State and must within the first 15 days of February and August of each year pay to the Insurance Commissioner the tax imposed upon such gross receipts.⁷⁶

71. Public Laws, 1899, c. 54, ss. 72, 73, 83, 90, and 97; 1901, c. 706, s. 2; 1903, c. 438, s. 9.

72. Ibid., 1899, c. 54, s. 104.

73. Ibid., s. 74; 1901, c. 391, s. 6.

74. Ibid., 1899, c. 54, s. 77; 1901, c. 391, s. 6; 1903, c. 438, s. 7.

75. Ibid., 1899, c. 54, s. 108; 1903, c. 438, s. 11.

76. Ibid., 1899, c. 54, s. 79; 1901, c. 391, s. 7; 1903, c. 438, s. 8.

Examination of Companies

The Insurance Commissioner is required, when in his judgment it is necessary in order that he be fully advised as to the exact financial condition of any insurance company and the manner in which its business has been or is being conducted, to employ an independent actuary to make a technical calculation of business and policies of the company or a skilled accountant to examine and check the books of the company.⁷⁷ At least once every 3 years he must personally or by deputy visit each domestic insurance company and thoroughly examine and inspect its affairs, especially as to its financial condition and ability to fulfill its obligations and as to its compliance with the laws. He must also make an examination of any such company whenever he deems it prudent to do so, or upon the request of five or more the stockholders, creditors, policyholders, or persons having a pecuniary interest therein who make affidavit of their belief that the company is in an unsound condition. Whenever the Commissioner deems it prudent for the protection of policyholders in this State, he may in like manner visit and examine, or cause to be visited and examined by some competent person appointed by him for that purpose, any foreign insurance company applying for admission or already admitted to do business in this State, and such company must pay the proper charges incurred in this examination, including the expenses of the Commissioner or his deputy. For these purposes the Commissioner or his deputy must have free access to all books and papers that relate to the business of the insurance company and to the books and papers kept by any of its agents and may summon, administer oaths to, and examine as witnesses, directors, officers, agents, and trustees of any such company and any other person, in relation to its affairs, transactions, and condition.⁷⁸

If upon examination or other evidence the Insurance Commissioner is of the opinion that a foreign insurance company is in an unsound condition, that it has failed to comply with the law, that its officers or agents have refused to submit to examination, that it has applied for any action instituted against it to be removed from the superior court of a county in this State to a United States Circuit or District Court, or that it has instituted any action at law or suit in equity in a United States court against any citizen of this State growing out of or in anyway connected with any policy of insurance issued by the insurance company, he must revoke or suspend all certificates of authority granted to it or its agents and must cause notification thereof to be published in one or more newspapers published in this State; no further business may be transacted by such company or its agents in this State until its authority is restored by the Commissioner.⁷⁹

Revocation of Licenses

If upon examination the Insurance Commissioner is of the opinion that any domestic insurance company is insolvent or has exceeded its power or

77. Public Laws, 1901, c. 1000,
s. 2.

78. Ibid., 1899, c. 54, s. 13.

79. Ibid., s. 14; 1901, c. 176, s. 1.

has failed to comply with any provisions of law or that its condition is such as to render its future proceedings hazardous to the public or to its policyholders, he must revoke its license and, if he deems it necessary, must apply to a judge of superior court to issue an injunction restraining it in whole or in part from further business. The judge may issue the injunction forthwith or upon notice of hearing thereon; and after a full hearing of the matter the judge may dissolve or modify the injunction or make it permanent, may make all matters and judgments needful in the matter, and may appoint agents or a representative to take possession of the property and effects of the company and to settle its affairs subject to such rules and orders as the court may from time to time issue.⁸⁰

The Insurance Commissioner may revoke the license of any insurance company for violation of any provisions of the law or whenever in his opinion the company is in an unsound financial condition.⁸¹

When the Insurance Commissioner is satisfied that an agent or adjuster licensed by this State has willfully violated any of the insurance laws, has willfully overinsured property of any citizens of the State, has misrepresented any policy of insurance, has dealt unjustly with or deceived any citizen of the State in regard to any insurance policies, has failed or refused upon demand to pay over to the company which he represents any money or property in his hands belonging to the company, has become in any way disqualified according to any provisions necessary for obtaining or holding a license, or has in any way become unfit for such position, the Commissioner must revoke his license for such length of time as he may decide, not to exceed 1 year. The Insurance Commissioner must give notice 10 days prior to the revocation of the license to the agent or adjuster who has the right of appeal to the Superior Court of Wake County. For the purposes of investigation under this regulation the Insurance Commissioner has all the powers of a court for summoning witnesses and holding hearings.⁸²

When the net assets of a company do not amount to more than three-fourths of its original capital, it may make good its capital to the original amount by assessment of its stock.⁸³ If such company does not, with 3 months after notice from the Insurance Commissioner to that effect, make good or reduce its capital, its authority to transact new business must be revoked by the Commissioner.⁸⁴

Whenever it appears upon examination that an insurance company holds as collateral for the payment of any loan, securities which do not have a cash market value of at least 25 percent more than the amount of the loan, the Insurance Commissioner may require a reduction of the loan or an increase of the collateral. If the company fails to comply within 10 days

80. Public Laws, 1899, c. 54, s. 14.

81. Ibid., ss. 1, 12, 66, 75; 1901, c. 391, s. 5.

82. Ibid., 1913, c. 79, ss. 2, 3;

1915, c. 166, s. 7; 1929, c. 301, s. 1.

83. Ibid., 1899, c. 54, s. 28.

84. Ibid., 1903, c. 438, s. 4.

after receiving written notice from the Commissioner, it is the duty of the Commissioner to disallow the loan and to deduct the amount of the loan from the assets of the Company. If it appears upon examination that any insurance company holds as security a mortgage upon real estate which is not a first lien, or that the value of such real estate is less than 50 percent in excess of the loan, the Commissioner may disallow the loan and deduct the amount of the loan from the assets of the company, after giving at least 20 days notice in writing.⁸⁵

In case of the insolvency of any company the reserve on outstanding policies may, with the consent of the Commissioner, be used for the re-insurance of its policies to the extent of their pro rata part thereof.⁸⁶

Return of Deposits

The Commissioner or Treasurer may return to the trustee or some other representative authorized for that purpose any deposit made by a foreign insurance company when it appears that the company has ceased to do business in the State and is under no obligations to policyholders or other persons for whose benefit the deposit was made. An insurance company which has made a deposit may at any time bring action in Superior Court of Wake County against the State to enforce, administer, or terminate the trust created by the deposit.⁸⁷

The deposits of securities required to be made by an insurance company must be approved by the Insurance Commissioner, who may examine them at all times and may order all or any part changed for better securities. No change or transfer may, however, be made without his consent.⁸⁸

The Insurance Commissioner is empowered, upon the written consent of any insurance company depositing with him or with the State Treasurer under any law in this State any government bonds or notes which are payable to bearer, to cause such bonds or notes to be registered in the care of the Treasurer of North Carolina as trustee for the company depositing the notes or bonds. He may require of any or all such companies the filing of a written consent to such registration as a condition precedent to the right of making any such deposit or the right to continue such deposit.⁸⁹

Collection of Taxes and Fees

The Insurance Commissioner must collect and pay to the State Treasurer varying fees, taxes, and charges based on the type of license and service. The amounts are specified by law.⁹⁰

85. Public Laws., 1903, c. 536, ss. 6-8.

86. Ibid., 1899, c. 54, s. 67; 1901, c. 391, s. 5; 1907, c. 1000, s. 4.

87. Ibid., 1899, c. 54, s. 17; 1901, c. 391, s. 2; 1903, c. 438, s. 1 and c. 536, s. 4.

88. Ibid., s. 5.

89. Ibid., 1925, c. 145, s. 2.

90. Ibid., 1899, c. 54, ss. 50, 68, 80-82, 87, 90, 92; 1901, c. 391, s. 7; c. 706, s. 2; 1903, c. 438, ss. 7, 8; c. 536, s. 4; 1905, cc. 680, 774; 1905, c. 588, s. 68; 1913, c. 140, s. 1; 1919, c. 186, s. 6; 1935, c. 334.

On or before the 10th day of each month the Insurance Commissioner must furnish the State Auditor with a statement of the taxes and license fees received by him during the previous month and must pay the Treasurer the amount of such taxes and fees. The Auditor may examine the accounts of the Commissioner and check the statement.⁹¹

Investigation of Complaints

Upon complaint being filed by a citizen of the State that a company authorized to do business in the State has violated any of the provisions of the law, the Insurance Commissioner must diligently investigate the matter and, if he finds it necessary, examine under oath at the head office located in the United States, the president and such other officers or agents as may be deemed proper, and all of their books, records, and papers. He or his deputies may summon witnesses and compel them to appear before him and testify under oath in relation to any matter which is by the provisions of the law a subject of inquiry and investigation. He may require the production of any book, paper, document, or other matter whatsoever deemed pertinent or necessary to such inquiry with the same force and effect as is possessed of courts of record in this State.⁹²

Prior to the amendment of 1921 it was provided that bond to secure expenses or costs could be required by the Commissioner from the complaining party. By an amendment of 1921 \$5,000 was appropriated to carry out the expenses of these investigations.⁹³ By an amendment of 1925 the provisions for the bond and for an appropriation were omitted.⁹⁴

At the present time, if any company authorized to do business in this State fails or refuses upon the presentation of a bill by the Insurance Commissioner to pay the expenses of the investigation, the Commissioner may at once institute appropriate action against the company for the recovery of such expenses.⁹⁵

Approval of Forms and Contracts

All forms used in the issuance, sale, or disposal or any policy, contract, or certificate or any applications in connection therewith by any insurance company doing business in this State must be submitted to and approved by the Insurance Commissioner and a copy filed in his office.⁹⁶

Power of Attorney

One of the conditions precedent upon which a foreign insurance company may do business in this State is that it file a duly executed instrument

91. Public Laws, 1899, c. 54, s. 82; 1901, c. 397, s. 7; 1905, c. 430, s. 4. It is unlawful for the Commissioner to allow any company exemption from the licenses and taxes required to operate in the State. Ibid., 1903, c. 594, s. 3.

92. Ibid., 1899, c. 54, s. 111; 1903, c. 438, s. 11.

93. Ibid., 1921, c. 136, s. 4.

94. Ibid., 1925, c. 275, s. 6.

95. Ibid., 1899, c. 54, s. 113.

96. Ibid., 1907, c. 879.

with the Insurance Commissioner, appointing him and his successors as its attorney upon whom all legal process against the company may be served.⁹⁷ Furthermore, the service of legal process upon any company, domestic or foreign, must be made by leaving the paper with the Insurance Commissioner, and no service is valid unless made upon the Commissioner, the general agent, or some officer. The plaintiff must deposit \$1 at the time of service to validate the service of the process.⁹⁸

When a legal process is served upon the Insurance Commissioner, as attorney for an insurance company, the Commissioner must immediately notify the company by a registered letter, directed to its secretary and stating whether or not the complaint was served with the process, and must within 2 days after such service forward also by registered mail a copy of the process together with a copy of the complaint. The 30 day period fixed by statute within which to file answer when complaint is served with summons does not begin until 10 days after service on the Insurance Commissioner. The Commissioner must keep a record of all the proceedings, which must show the day and hour of such service or proceedings and whether or not the complaint was served with the process.⁹⁹

Life Insurance Companies

There are special provisions concerning the regulation of life insurance companies.¹⁰⁰

Any company organized under the laws of any other of the United States for the transaction of life insurance may be admitted to do business in this State provided it complies with the other provisions regulating the terms and conditions upon which foreign insurance companies are admitted to do business in this State and if in the opinion of the Insurance Commissioner it is in a sound financial condition and has policies in force on not less than 500 lives in an aggregate sum of not less than \$500,000.

Every life insurance company authorized under the law of any country other than the United States must have and keep on deposit with some state insurance department or in the hands of trustees in exclusive trust for security of its contracts for policyholders in the United States funds in the amount equal to the net value of all its policies in the United States, provided, however, that the amount may not be less than \$200,000.¹⁰¹

It is the duty of every life insurance company incorporated by the laws of this State to make returns in January of each year to the Insurance Commissioner, showing all its policies and annuity bonds in force on the first day of that month. The Insurance Commissioner must thereupon compute the value of such policies and bonds, or what is known as the re-insurance fund, according to the American Experience Table of Mortality and interest at the rate of $4\frac{1}{2}$ percent, according to the actuaries' mor-

97. Supra, p. 6.

98. Public Laws, 1903, c. 438, s. 6; 1927, c. 167.

99. Ibid., 1899, c. 54, s. 16;

1927, c. 167, s. 1.

100. Ibid., 1899, c. 54, s. 65.

101. Ibid., s. 56.

tality at 4 percent, or according to any other recognized standard of valuation as he deems best for the security of the business and the safety of the persons insured. When this valuation is made and a certificate thereof is issued by the Insurance Commissioner, each company must pay the Commissioner, to defray the expenses of computation, the sum of 1 cent for every \$1,000 of the whole amount insured by its policies. The reserve fund provided for may not be used for any other purposes than the discharge of policy obligations, but is a trust fund to be held and expended only for the benefit of policyholders. In case of insolvency of the company the reserve on outstanding policies may with the consent of the Insurance Commissioner be used for the reinsurance of its policies.¹⁰²

Without the permission of the Insurance Commissioner no domestic life insurance company may reinsure its risks except for one-half the amount of any individual risk. When the assets of the company are sufficient and the written consent of two-thirds of its policyholders has been secured, the receiver of any insurance company organized under the laws of this State may reinsure all the policy obligations of that company in some other solvent life insurance company; when the assets are insufficient to secure the reinsurance of all the policies, he may reinsure such a percentage of each and every policy outstanding as the assets will purchase, but there must be no preference or discrimination against any policyholder and the contract for such reinsurance by the receiver must be approved by the Insurance Commissioner.¹⁰³

No assessment life insurance corporation, organization, or association may be organized or licensed by the Insurance Commissioner unless it adopts premium rates based upon the attained age of the insured and unless such rates are based on the American Experience Table of Mortality or some other recognized table of mortality approved by the Commissioner. This does not regulate burial associations.¹⁰⁴

No group life insurance policy may be issued or delivered until a copy of the policy form has been filed with and approved by the Insurance Commissioner. The law sets forth certain provisions that must be included in such policies.¹⁰⁵

Deposits for Registered Life Insurance Policies

Any life insurance company incorporated under the laws of this State may deposit with the Insurance Commissioner securities of the kind prescribed for the investment of the capital of insurance companies, farm loan bonds issued by the Federal Land Banks, or notes secured by real estate situated in another state and approved by the committee described below, to any amount not less than \$10,000. The securities must be legally transferred to the Insurance Commissioner and his successor for the common benefit of all the holders of the registered policies and annuity bonds of the company, and these securities must be held by him or his successor in trust

102. Public Laws, 1903, c. 536,
s. 4; 1905, c. 410; 1907,
c. 1000, s. 7.

103. Ibid., 1899, c. 54, s. 58;

1903, c. 536, s. 9.

104. Ibid., 1939, c. 161.

105. Ibid., 1925, c. 58, s. 2

for the purposes and obligations specified below.¹⁰⁶ All securities offered to the Insurance Commissioner for deposit under the registered policy provision must before acceptance be approved by a committee composed of the Commissioner, the State Treasurer, and the Attorney General. When the securities are of the character proscribed by law and approved by a majority of the committee, the Insurance Commissioner may list them in a book of records kept in his department for that purpose. The committee must indorse its approval on the record at the end of the list of securities. The record must contain a separate list or account of the securities deposited by each insurance company, so kept as to show at all times the total value of all securities on deposit. No security may be withdrawn or substituted except on approval of the committee. All the securities, after being approved and listed, must be deposited with the State Treasurer, who must give his receipt to the Insurance Commissioner. The committee must meet twice a year, in June and December, and review and assess the value of all such securities on deposit.¹⁰⁷

The Insurance Commissioner must keep a record of the securities deposited by each company, and, when furnishing the annual certificates which are required, must record their face and market value. If at any time it appears that the value of the securities on deposit is less than the net value of the registered policies and annuity bonds issued by a company, it is not lawful for the Insurance Commissioner to execute the certificate on additional policies or annuity bonds of that company until it has made good the deficit. If any company fails or neglects to make good the deficit for 60 days, it is deemed insolvent and must be proceeded against in the manner provided by the law.¹⁰⁸

No company may issue an insurance policy or an endowment or annuity bond with the term "registered" unless it has on its face the certificate of the Insurance Commissioner. The policies and bonds issued under this provision are known as "registered" policies and annuity bonds, and a copy of each kind, class, and issue must be kept in the office of the Insurance Commissioner. All such policies filed in the office of the Insurance Commissioner must have appropriate identification symbols.¹⁰⁹

The Insurance Commissioner must prepare and keep registers of registered policies that will enable him to compute their value at any time. Upon proof attested by an official of the company which has issued the policies that any of them have been commuted or terminated, the Insurance Commissioner must commute or cancel them on the register. The net par value of every policy or annuity bond, according to the prescribed valuation of policies of life insurance companies less the amount of liens, must be entered opposite the record concerning the particular policy on the register. On the 31st day of December of each year, or within 60 days thereafter, the Insurance Commissioner must have the registered policies and annuity bonds of each company carefully revalued, must enter the revaluation upon the register opposite the record of the policy or bond, and must furnish a certificate of the aggregate value of such policies or bonds

106. Public Laws, 1905, c. 504, s. 12

s. 2.

107. Ibid., 1909, c. 920, ss. 1, 2;
1911, c. 140, s. 1; 1917, c. 191,

108. Ibid., s. 16.

109. Ibid., s. 13.

to the company. For the purpose of making the valuation the Insurance Commissioner may employ a competent actuary, who must be paid by the company for which services are rendered; the Commissioner, however, if he is satisfied as to its accuracy, may accept a valuation by the actuary of the company. Upon application of an insurance company subject to the provisions of the law the Insurance Commissioner must receive mutilated policies and annuity bonds issued by any company and certify in lieu thereof other policies and bonds of like tenure and date.¹¹⁰

If at any time the affairs of a life insurance company which has deposited securities for registered policies appear, in the opinion of the Insurance Commissioner, in such condition as to render the issuance of additional policies and annuity bonds injurious to the public, the Commissioner may proceed against the company as he is authorized to proceed against other insolvent companies.¹¹¹

The practice of registering policies was discontinued in 1931 according to information received at the Department.

Every company making deposits for registered policies must pay the Insurance Commissioner a fee for each certificate of registration issued.¹¹²

Mutual Life Insurance Companies

Any domestic stock life insurance corporation may become a mutual life insurance corporation if a plan for the acquisition of shares of its capital stock is adopted by a vote of the majority of the directors, is approved by a vote of two-thirds of the stockholders, and is approved by the Insurance Commissioner and by a majority vote of the policyholders voting at a meeting called for the purpose of conversion. The meetings are directed by a representative of the Commissioner whose expenses are paid by the corporation. No plan or repayment under such plan may be approved by the Commissioner if the making of such payment reduces the assets of the corporation to an amount less than its entire liability.¹¹³

Assessment Life Insurance Companies

Every company transacting business under the Insurance Department upon the co-operative or assessment plan must file with the Insurance Commissioner, before beginning to do business in this State, a copy of its charter or articles of association and a copy of the bylaws, rules, or regulations referred to in its policies or certificates and made a part of its contract. Bylaws and regulations not so filed do not void or affect any policy or certificate issued by such company or association.¹¹⁴

Every policy, certificate, or renewal receipt issued to a resident of North Carolina by any company transacting business in the State must be in accord with provisions of the charter and bylaws of the company as filed

110. Public Laws, 1905, c. 504,
s. 14.

111. Ibid., s. 20.

112. Ibid., s. 21. See entry 36.

113. Ibid., 1937, c. 231, s. 1.

114. Ibid., 1899, c. 54, s. 86.

with the Insurance Commissioner.¹¹⁵

Every corporation transacting life insurance business upon the assessment plan must state plainly on each policy and on all papers used "Issued Upon the Assessment Plan." The Insurance Commissioner may waive these provisions for assessment when business is conducted on an equal premium basis and when the organization maintains a full reserve of at least 4 percent. The waiver must be in writing and may be revoked at any time by the Commissioner.¹¹⁶ The Insurance Commissioner may revoke all authority of such corporations or associations upon their violation of or refusal to comply with the foregoing provisions.¹¹⁷

Every domestic insurance company, association, order, or fraternal benefit society doing business on the assessment plan must collect and keep at all times in its treasury one regular loss assessment sufficient to pay one regular loss. No such company may be licensed by the Insurance Commissioner unless it maintains with him for the protection of its obligations at least \$5,000 worth of approved government bonds or approved liens on real estate or a bond of not less than \$5,000 issued by any corporate surety company authorized to do business in this State. The provisions of this regulation, however, do not apply to farmers mutual fire associations which were doing business at the time of the act and whose activities are restricted to not more than two adjacent counties.¹¹⁸

Each foreign insurance company, association, order, or fraternal society doing business in this State on the assessment plan must at all times keep deposited with the Insurance Commissioner in its head office in this State, or in some responsible bank and trust company one regular assessment with which to pay the average loss or losses occurring among its members in this State during the period allowed by it for the collection of assessments and payment of losses. It must notify the Commissioner of the place of deposit and furnish him at all times any information he requests in regard to it. No such company, association, order, or fraternal benefit society may be licensed by the Commissioner unless it maintains with him at least \$5,000 in securities of which he approves. These provisions do not apply to associations, orders, or fraternal benefit societies operating in not more than two adjacent counties and paying a benefit not exceeding \$200; but such societies must deposit not less than \$100.¹¹⁹

If any corporation, association, or order fails to comply with the provisions of the law or has policies or certificates not in accordance with its charter and bylaws, the Insurance Commissioner must suspend or revoke its license to do business and must publish a notice of such revocation in some newspaper published in this State.¹²⁰

115. Public Laws, 1899, c. 54, s. 84; 1903, c. 438, s. 9.
116. Ibid., 1913, c. 159, s. 1; 1920, c. 93, s. 1; 1933, c. 34.
117. Ibid., 1919, c. 159, s. 2.
118. Ibid., 1913, c. 119, s. 1;

1917, c. 191, s. 2; 1933, c. 47.
119. Ibid., 1899, c. 54, s. 85, 1903, c. 438, s. 9; 1913, c. 119, ss. 2, 3; 1917, c. 191, s. 2.
120. Ibid., 1899, c. 54, s. 85.

Co-operative Non-profit Life Benefit Associations

Any corporation or association, domestic or foreign, which issues benefit certificates or policies held for life insurance upon the lives or health of its members, which has a representative form of government without capital stock, which conducts its business without profit and for the policy benefit of its members and their beneficiaries, which maintains the reserves provided in the law, which makes acceptable written application to become such an association, and which complies with the provisions of the pertinent laws is defined as "co-operative, non-profit life benefit association."¹²¹ The associations must have a constitution and bylaws providing for a representative form of government which is regulated by law.¹²² All contracts must be based on the American Experience Table of Mortality or some other high standard. Any such association, which has adopted the American Experience Table of Mortality and which possesses the power to increase the rates or call extra assessments upon its members, may be permitted to do business in this State if it maintains reserves on such business as allowed by law for legal life insurance companies in this State or the state of its domicile.¹²³ All contracts must be in writing¹²⁴ and must be mutual and participating;¹²⁵ the benefit must not be subject to seizure under any purpose.¹²⁶

A 1939 law provided, however, that no assessment life insurance corporation except a burial association could issue policies unless it adopted rates approved by the Insurance Commissioner.¹²⁷

Every such association transacting business in this State must file with the Insurance Commissioner a duly certified copy of its constitution, laws or bylaws and all amendments to either. Copies certified to by the secretary or corresponding officer of the association are the evidence of the legal adoption and filing.¹²⁸

When 10 or more citizens of the United States, a majority of whom are citizens of this State, desire to form an association, they must adopt articles of incorporation, a constitution and bylaws and must file them with the Insurance Commissioner. He may then grant a temporary permit to solicit and collect premiums without the right to execute contracts. When the incorporators prove to the Insurance Commissioner that they have 500 members and have collected premiums from them to pay the maximum amount of any proposed policy, and after they deposit with him \$10,000 in securities, the Commissioner may grant to the association a certificate of authority and permission to do business.¹²⁹

Any association which was engaged in business in 1927, providing it already had accumulated reserves in the sum of not less than \$100,000, could upon applying to the Insurance Commissioner be licensed to do business.¹³⁰

121. Public Laws, 1927, c. 30, s. 1.

122. Ibid., s. 2.

123. Ibid., s. 3.

124. Ibid., 1927, c. 30, s. 4.

125. Ibid., s. 5.

126. Ibid., s. 6.

127. Ibid., 1939, c. 161.

128. Ibid., 1927, c. 30, s. 9.

129. Ibid., s. 12.

130. Ibid., s. 13.

Any association, domestic or foreign, upon making application to the Insurance Commissioner and submitting proof of eligibility satisfactory to him, may be licensed upon the payment of a \$200 fee annually. Any licensed association which fails to comply with the provisions of the law may have its license revoked; if it fails to maintain its reserve, it may be liquidated by the courts or the Insurance Commissioner.¹³¹

Every such association must file annually on or before the 1st day of March a full and complete sworn statement of its financial condition on the preceding 31st day of December. The Insurance Commissioner is empowered to require further information as may be reasonably necessary to satisfy him that the statements are true. If upon examination he is satisfied, the Commissioner may grant a renewal of the license of the association. For each such renewal the association must pay \$200. When the Commissioner refuses to license any association or revokes its authority, he must file a written copy of his decision in his office and furnish a copy to the officers of the association. The action of the Commissioner is reviewable by proper proceedings in any court of competent jurisdiction. With the exceptions provided by the law, all such associations are governed by the laws of the State relative to or affecting life insurance companies.¹³²

The Insurance Commissioner or his deputy may visit and examine the affairs of any association. He may employ for the examination assistants, who shall have access to all books, papers, or documents that relate to the association and who may summon, qualify as witnesses under oath, and examine its officers, agents, and employees. The expenses of the examination are paid by the association. The Insurance Commissioner may accept from all foreign associations doing business in this State the report of the examination of the insurance commissioner of the state, territory, district, province, or country in which the association is organized.¹³³

The funds of each co-operative non-profit life benefit association must be invested in the same securities as provided for other domestic insurance companies and, if it is a foreign association, in such securities as is provided by the laws of its domicile.¹³⁴

The officers of each foreign association must file within the first 30 days of January and July of each year a full and correct statement of the amount of the gross receipts derived from the insurance business obtained from residents of this State during the preceding 6 months and must pay within the first 15 days of February and August of each year the tax imposed.¹³⁵

Any foreign association now or hereafter doing business in this State may become incorporated herein under whatever name it selects provided it does not conflict with the name of some other organization and provided that a resolution of its board of directors or a similar body or of its legislative body is filed with the Insurance Commissioner. The associa-

131. Public Laws, 1927, c. 30, s. 14

132. Ibid., s. 15.

133. Ibid., s. 16.

134. Ibid., s. 17.

135. Ibid., s. 18.

tion must include a request for incorporation and must submit proof of its financial qualifications. Such associations so re-incorporated must maintain a general office in this State.¹³⁶

Any domestic association may become a legal reserve life insurance company by filing with the Insurance Commissioner a resolution of its board of directors or of its legislative body, by proving that the condition of its business qualifies it under the laws of this State, and by submitting a plan of reorganization of which the Commissioner approves.¹³⁷

Before it may be permitted to transact business in this State each co-operative non-profit life benefit association, whether domestic or foreign, must appoint in writing the Insurance Commissioner and his successor as its true and lawful attorney on whom all processes and legal notices in any action or proceeding in this State may be served. In the power of attorney it must agree that any lawful process against it which is served on such attorney is of the same legal force and validity as if served on the association, and the authority of the Insurance Commissioner continues in force as long as any liability remains outstanding in this State.¹³⁸

The copies of the appointment, certified by the Insurance Commissioner, are deemed sufficient evidence and are admitted with the same force and effect as the original. Service of process in all suits and proceedings against such association must be made only upon such attorney and must follow the process outlined for all insurance companies. No such service, however, is deemed valid or binding if the association is required to file its answer in less than 30 days from date of service upon the attorney. When the legal process against the association is served upon the Insurance Commissioner, he must forthwith forward by mail one of the duplicate copies directly to the secretary or corresponding officer at the home office of the association.¹³⁹

Funeral and Burial Associations

Funeral and burial associations operated originally under the same law as non-profit life benefit associations, but in 1933 a special law was passed which required all funeral or burial associations operating under the assessment plan to file semiannually on the first days of July and January of each year a sworn statement of the number of its membership, which must be more than eight hundred. An association operated exclusively for people of the colored race must file a statement of its membership assessments. If the Insurance Commissioner finds that any statements made by an association are untrue, that the association is insolvent, that it has failed to comply with the law, or that its condition is such that its continuance is hazardous to the members, he must cancel the license to operate. An appeal from the Commissioner's decision may be made to the superior court of the county in which are located the principal offices of the association.¹⁴⁰

136. Public Laws, 1927, c. 30,
s. 19.

137. Ibid., s. 20.

138. Ibid., s. 23.

139. Ibid., s. 24.

140. Ibid., 1933, c. 222, s. 1.

Mutual burial associations now organized and operating in the State of North Carolina and all those hereafter organized are under the supervision and control of the Insurance Commissioner.¹⁴¹

Each burial association for the benefit of both races must maintain and operate two separate branches, and the provisions of the 1937 act apply to each branch as separate associations except as to the amount of reserve to be deposited with the Insurance Commissioner and the requirement of securities, which apply merely to the two branches of the association as if they were the same organization.¹⁴²

The provisions required for the charter, rules, and bylaws of such associations are set forth in detail in the law of 1937.¹⁴³

It is unlawful for any person or firm to organize or solicit members for a burial association without written authority of the Insurance Commissioner. The Insurance Commissioner may not withhold authority for the organization or operation of such associations unless he has found and established to his satisfaction that the person or persons applying is disqualified under the law.¹⁴⁴

The Commissioner may revoke the authority or license granted to any burial association which operates on any plan, scheme, or bylaw not in substantial compliance with those set forth in this law.¹⁴⁵

Punishment is provided for the use of fraudulent statements, the keeping of false or substandard records, and other misdeeds.¹⁴⁶

Upon revocation of authority by the Insurance Commissioner, the association or individual has the right to appeal to the Superior Court of Wake County.¹⁴⁷

It is required that each domestic insurance company, association, order, or fraternal benefit society doing business on the assessment plan collect and keep at all times in its treasury one regular loss assessment sufficient to pay one regular average loss. No such organization may be licensed by the Insurance Commissioner unless it makes and maintains with him for the protection of its obligations the deposit required of assessment life insurance companies described above. The Insurance Commissioner may, however, accept bonds or deeds of trust executed by the proper officers of the association. If such association operates a branch for members of the colored race and the officers of both associations are the same, the association need deposit only one bond for \$5,000.¹⁴⁸

No burial association may operate in the State of North Carolina unless it receives a charter from the Secretary of State as recommended and approved by the Insurance Commissioner.¹⁴⁹

141. Public Laws, 1937, c. 239, s. 1.

142. Ibid., ss. 2, 11.

143. Ibid., s. 3.

144. Ibid., s. 4.

145. Ibid., s. 5.

146. Ibid., ss. 6-9.

147. Ibid., s. 10a.

148. Ibid., s. 11.

149. Ibid., s. 14.

Health and Accident Insurance

No insurance policy may be issued against loss or damage from the sickness, bodily injury, or death of the insured by accident until a copy of the form, a classification of the risk, and a list of premium rates has been filed with the Insurance Commissioner. No such policy may be issued or delivered until the expiration of 30 days after it has been filed unless the Commissioner gives his written approval sooner. If the Insurance Commissioner notifies the company in writing that the form does not comply with the requirements of the law it is thereafter unlawful for any company to issue any policy in such form. The action of the Commissioner in this regard is subject to the review of any court of competent jurisdiction.¹⁵⁰

The specifications as to the form of policy are set forth in the law,¹⁵¹ as are the standard provisions to be included in the policy¹⁵² and minute regulations concerning conflicting provisions, false statements in applications, alteration of applications, constructing of policies, and discriminations between individuals of the same class.¹⁵³

Compensation Rating and Inspection Bureau of North Carolina

In order to regulate compensation insurance rates under the workmen's compensation laws companies writing compensation insurance were required by an act of 1931, before they could be licensed by the Insurance Commissioner, to subscribe to and become members of the Compensation Rating and Inspection Bureau of North Carolina.¹⁵⁴

The Compensation Rating and Inspection Bureau of North Carolina is organized as follows:

Each company writing compensation insurance in North Carolina must be represented in the Bureau and is entitled to one representative and one vote in the administration of the affairs of the Bureau. The representatives must meet and select a governing committee.¹⁵⁵

The Bureau must adopt such rules and regulations as are necessary to the performance of its functions. Its expenses are prorated among the members in proportion to the amount of premiums derived from compensation insurance during the year 1930 and are payable quarterly. Any members entering thereafter are assessed according to the rules of the Bureau.¹⁵⁶

The Insurance Commissioner, or a deputy appointed by him, is ex officio chairman of the Bureau and presides over meetings of the governing committee and other meetings of the Bureau. He must determine any controversy which may arise by reason of a tie vote among the members of the

150. Public Laws, 1911, c. 209, s. 1; 1913, c. 91, s. 1.

151. Ibid., s. 2.

152. Ibid., 1911, c. 209, s. 1; 1913, c. 91, s. 3.

153. Ibid., 1911, c. 209, ss. 3, 5,

6; 1913, c. 91, ss. 5-12; 1921, c. 136, s. 5.

154. Ibid., 1931, c. 279, ss. 1, 2.

155. Ibid., s. 2a.

156. Ibid., s. 2b.

governing committee.¹⁵⁷

In order to carry into effect the objects of the 1931 act the members of the Bureau were required to elect a governing committee to employ and fix the salaries of personnel and assistants, including a general manager. The appointment of personnel is subject to the approval of the Insurance Commissioner. The Commissioner may compel the production of records for the purpose of compiling the pure cost and expense loading of compensation insurance. The information so compiled is available for the use of the Bureau in promulgating rates, but all such rates must be submitted to and approved by the Commissioner before being put into effect.¹⁵⁸

North Carolina Automobile Rate Administrative Office

A similar organization, the North Carolina Automobile Rate Administrative Office, was created by the act of the legislature of 1939 as a branch of the Compensation Rating and Inspection Bureau. All insurance organizations writing automobile bodily injury, property damage, and collision insurance in this State must be members before they may be licensed by the Insurance Commissioner. Representation and organization of the Automobile Rate Administrative Office are the same as that of the Compensation Rating and Inspection Bureau and the Commissioner has the same relationship to it. The office may employ personnel and assistants subject to the approval of the Commissioner, except the general manager of the Compensation Rating and Inspection Bureau must be the general manager of the Automobile Rate Administrative Office.¹⁵⁹

Compensation Insurance Companies

When any insurance carrier with liability outstanding under the Workmen's Compensation Act withdraws from doing business in the State, the Insurance Commissioner must immediately notify the Industrial Commission, which must prosecute through court proceedings and turn over to the injured employee the sum recovered.¹⁶⁰

In 1935 a fund, created and replenished by tax on the gross annual premiums collected by each company and administered by the Commissioner, and kept by the State Treasurer, was provided by the General Assembly as security for payment of benefits in event of the insolvency of an insurance carrier authorized to write workmen's compensation insurance in this State.¹⁶¹

The Insurance Commissioner is given authority to defend before the Industrial Commission or any court of claims, claims for compensation made against any employer insured by an insolvent carrier. He is authorized to employ counsel and assistants for such purpose.¹⁶²

He is required to report to the Industrial Commission the insolvency

157. Public Laws, 1931, c. 279, s. 2c. 160. Ibid., 1933, c. 474, s. 1.
158. Ibid., s. 3. 161. Ibid., 1935, c. 228.
159. Ibid., 1939, c. 394, ss. 1-3. 162. Ibid., s. 15.

of any carrier.¹⁶³

Fraternal Orders and Societies

Two types of fraternal orders and societies are recognized, namely: fraternal benefit societies which provide death benefits in excess of \$300 or disability benefits not exceeding \$300 in any one year to any 1 person, and fraternal orders which provide benefits of \$300 or less.¹⁶⁴

Ten or more persons desiring to form a fraternal benefit society may make, sign, and acknowledge before some officer competent to take deeds articles of incorporation in which must be stated the proposed name, purpose for which it was organized, its form, and data concerning its officials. Copies of such incorporation papers, proposed forms and circulars of the society, and a bond in the sum of \$5,000 must be filed with the Insurance Commissioner, who may require any such further information as he desires. The Commissioner may issue a temporary license authorizing the society to solicit members during the time the registration with the Secretary of State is taking place. After a careful examination the Commissioner may issue a certificate or license to operate. No preliminary license, however, may be valid after 1 year from its date of issue unless the organization has been completed. When any domestic society has discontinued its business for a period of 1 year, its incorporation papers become null and void.¹⁶⁵

Each society must prepare a constitution and bylaws. This constitution and bylaws, together with any amendments, must be filed with the Insurance Commissioner.¹⁶⁶

Qualifications for membership, benefits which may be paid, qualifications concerning the relationship of beneficiaries to insured, and provisions of benefit certificates are all subject to minute regulation.¹⁶⁷

The funds from which benefits are paid must be collected in periodical installments and must be based on the national fraternal congress table of mortality or any higher standard with an interest assumption of not more than 4 percent each year.¹⁶⁸ Every society organized in this State must invest its funds as is required for any life insurance company.

Societies existing at the time of the passage of the law of 1913 could exercise rights already existing and not inconsistent with the law, and no society already organized might be required to re-incorporate.¹⁶⁹

No domestic society may merge with or transfer members to any other society unless a copy of the merger contract is filed with the Insurance Commissioner and approved by him.¹⁷⁰

163. Public Laws, 1935, c. 228, s. 14.

164. Ibid., 1899, c. 54, s. 87; 1901, c. 706, s. 2; 1913, c. 46.

165. Ibid., c. 89, s. 11.

166. Ibid., ss. 11, 19.

167. Ibid., ss. 4-6.

168. Ibid., s. 8.

169. Ibid., s. 12.

170. Ibid., s. 13.

Societies authorized to transact business in this State must have their authority renewed annually. For each license or renewal the society must pay the Insurance Commissioner \$25.¹⁷¹

Any fraternal benefit society previously organized, incorporated, and operating within the definitions set forth in the 1913 law providing for benefits in case of death or disability resulting solely from accidents but not obligating itself to pay death or sick benefits may be licensed.¹⁷²

Certain societies which limit their membership to persons engaged in hazardous occupations and others are not affected.¹⁷³

The following reports are required to be made by fraternal benefit societies and fraternal orders to the Insurance Commissioner: an annual report filed on or before the 1st day of March, a report of the valuation of its certificates in force on December 31 of the year preceding, and a verification of the valuation by a competent accountant or actuary paid by the society, whose report must be filed with the Commissioner within 90 days after the submission of the last preceding annual report.¹⁷⁴

The Insurance Commissioner or any person he may appoint is authorized to visit and examine the affairs of any domestic society. He may employ assistant for the purpose of such examination, and any person he may appoint must be given free access to all books, papers, and documents that relate to the business of the association. He may also summon, qualify as witness under oath, and examine its agent, officers, employees, and other persons in relation to the affairs, transactions, and condition of the society. The expense of such examination, which must be made at least once every 3 years, is paid by the society.¹⁷⁵

Failure to abide by the law is reason for dissolution and the Insurance Commissioner may present the relevant facts to the Attorney General, who may, if the circumstances warrant, commence an action in court in quo warranto. If the hearing discloses that the society is guilty as charged, a receiver is appointed to take possession of its books, papers, moneys, and other assets and to close its affairs. No such proceeding may be commenced by the Attorney General until after notice has been served on the chief executive officers and a reasonable opportunity given to them on a date named in the notice to show cause why the proceedings should not be commenced.¹⁷⁶

The Insurance Commissioner or any person whom he may appoint may examine any foreign society transacting or applying for permission to transact business in this State. The actual expense of the examination must be paid by the society. If any such foreign society refuses to submit to examination, the Commissioner may revoke or suspend its license until satisfactory evidence is furnished relating to the condition and affairs of the society.¹⁷⁷

171. Public Laws, 1913, c. 89,
s. 14.

172. Ibid., s. 27.

173. Ibid., s. 26.

174. Ibid., s. 20.

175. Ibid., s. 21.

176. Ibid., . .

177. Ibid., s. 23.

When the Insurance Commissioner has investigated and found that any foreign society has exceeded its powers or has failed to comply with any provisions of the law, he must notify the society of his findings, stating the grounds for his dissatisfaction. After reasonable notice he may require the society to show why its license should not be revoked. If on the date named the objections have not been removed or the society does not present good and sufficient reasons, he may revoke its authority to continue business. All proceedings of the Commissioner may be reviewed in any court of competent jurisdiction.¹⁷⁸

A merger of two societies must be approved by the Insurance Commissioner.¹⁷⁹

Every foreign fraternal society now transacting business in this State, except labor organizations which limit their membership to persons engaged in one or more hazardous occupations in the same or similar lines of business, must appoint in writing the Insurance Commissioner and his successor as its true and lawful attorney upon whom all legal processes may be served. Copies of such appointment certified by the Insurance Commissioner are deemed admissible as evidence. All legal processes must be served on the society through the Commissioner.¹⁸⁰

Fire Insurance Companies

Fire insurance companies may, with the approval of the Commissioner, attach to policies for fire insurance riders covering damage from accidents to fire prevention apparatus.¹⁸¹

Every fire insurance company transacting business in this State must, upon receiving notice of loss by fire of property in North Carolina on which it is liable under a policy of insurance, notify the Insurance Commissioner, and no insurance upon any such property may be paid until 1 week after the notification. The Insurance Commissioner may fine any company violating this provision and may revoke the license of any company refusing to comply.¹⁸²

With every application for the transaction of business of fire insurance in North Carolina there must be filed with the Commissioner a sworn declaration that the applicant will not reinsure any risks for any property in this State with any company not authorized to transact fire insurance business in this State. Every fire insurance company admitted must annually, at such times as the Insurance Commissioner requires and in addition to all returns now required by law, make a return to the Commissioner of all reinsurance it contracts for affecting property located in this State. If any company, domestic or foreign, reinsures any of its risks on any property located in this State in any company not duly authorized to transact business in this State, or if it refuses to make the required returns,

178. Public Laws, 1913, c. 89, s. 25.

179. Ibid., 1921, c. 60, s. 2.

180. Ibid., 1939, c. 130.

181. Ibid., 1899, c. 54, s. 24; 1907, c. 1000, s. 6.

182. Ibid., 1899, c. 54, s. 40; 1903, c. 438, s. 4; 1915, c. 166, s. 4.

the Insurance Commissioner must revoke its authority to transact business in this State.¹⁸³

The Insurance Commissioner, upon the annual payment of a fee, may issue a license to any citizen of this State permitting the citizen to procure fire insurance policies on property in this State in foreign insurance companies not authorized to transact business in this State. Before the person named may procure any insurance in such companies, he must file with the Insurance Commissioner an affidavit that he is unable to procure in a company admitted to do business in this State the amount of insurance necessary to protect such property. Each person so licensed must keep a separate account of the business done under this license and must file a certified copy of the account, showing in detail statements concerning the policy, with the Insurance Commissioner. Before he can obtain such license the applicant must deliver to the Insurance Commissioner a bond of \$1,000, with the condition that the licensee will faithfully comply with all the requirements, will file with the Commissioner in January of each year a sworn statement of gross premiums charged and gross returned premiums on such insurance canceled under such license during the year ending the 31st day of December next preceding, and at the time of filing will pay into the treasury a sum equal to 5 percent of such gross premiums less return premiums.

Any broker licensed under this regulation may, upon application to the Insurance Commissioner, be allowed to place policies with any mutual fire insurance company not doing business in this State, not having agents to solicit business, not paying commissions, and doing only one class of fire insurance business if he files with the Insurance Department a certified charter of each such company, a statement of its financial condition, and a certificate of its authority to do business at its home office and if he receives from the Insurance Commissioner a license for each company to do business through him. All such contracts are valid and legal and the risks may be examined and inspected by regular agents or inspectors licensed by the Commissioner upon the application of the broker writing the insurance.¹⁸⁴

When any person or corporation insures any property located in this State with an insurance company not licensed to do business in this State, it is his duty to deduct from the premium charged on the policy or policies 5 percent which he must remit to the Insurance Commissioner at the time that he reports the name of the company issuing the policy, the location of the property, and the premium charged. The Commissioner must pay this amount to the State Treasurer. If such report is not made on or before the 30th day of June and January of each year, the sum of 1 percent must be added to the amount of taxes on the 1st day of each month.¹⁸⁵

Foreign fire insurance companies legally authorized to do business in this State through regularly commissioned agents may make contracts on property in the State only through resident agents. This regulation does not apply to insurance covering the rolling stock of railroads or other common carriers or property in transit.¹⁸⁶

183. Public Laws, 1899, c. 54, s. 63;
1901, c. 391, s. 5.

184. Ibid., 1899, c. 54, ss. 68,
95; 1903, c. 438, s. 7; c. 680.

185. Ibid., 1915, c. 109, s. 8.

186. Ibid., 1899, c. 54, s. 107;
1901, c. 391, s. 8.

No licensed agent may pay a commission to a non-resident or unlicensed person on account of any policy covering property in this State. The Insurance Commissioner may license a non-resident as a broker when he applies on the proper blank and makes affidavit that he will not place fire insurance on any property located in North Carolina except through a licensed resident agent.¹⁸⁷

When the Insurance Commissioner has information of violation of any of the provisions of the law concerning non-resident agents, he must immediately investigate the matter. If he finds there has been a violation, he must immediately revoke the license. The failure or refusal of any fire insurance company, firm, or corporation licensed to do business in this State to appear before the Insurance Commissioner or to produce records and papers when requested to do so subjects such person, firm, or corporation to penalties.¹⁸⁸

It must be clearly shown on each fire insurance policy that the rates have been filed with the Insurance Commissioner.¹⁸⁹ Except for certain minor exceptions no fire insurance company may issue on property in this State policies other than those of the standard form filed in the office of the Insurance Commissioner.¹⁹⁰ The form of the standard policy is set forth in detail.¹⁹¹

Unless otherwise provided, every fire insurance company operating in this State but chartered by any other state or foreign government must, by its general agent or through some authorized officer, deliver under oath to the Insurance Commissioner a statement of the amount of capital stock of the company and must deposit with him bonds of the United States, of the State of North Carolina, of the cities or counties of this State, or first mortgages on real estate situated in this State and approved by the Commissioner. The Insurance Commissioner is required to give a receipt acknowledging the deposit. With the securities so deposited the company must at the same time deliver to the Commissioner a power of attorney authorizing him to transfer the securities or any part thereof for the purposes of paying any of the liabilities provided for by law. The Insurance Commissioner may require each company to make good any depreciation in value of the securities. The securities required to be deposited by each insurance company must be delivered by the Insurance Commissioner to the Treasurer of the State, who must give receipts for them and pledge the faith of the State that they will be returned to the party entitled to receive them. The securities deposited may not be subjected to taxation but must be held exclusively and solely for the protection of contract holders.¹⁹²

187. Public Laws, 1903, c. 488, s. 2; 1905, c. 170, s. 2; 1923, c. 4, s. 70; 1925, c. 70, s. 6.

188. Ibid., 1903, c. 488, ss. 3, 4.

189. Ibid., 1915, c. 109, s. 3; 1925, c. 70, s. 3.

190. Ibid., 1899, c. 54, s. 43; 1901, c. 391, s. 4; 1907, c. 800,

s. 1; 1915, c. 109, s. 10; 1925, c. 70, s. 5.

191. Ibid., 1899, c. 54, s. 43; 1901, c. 391, s. 4; 1915, c. 109, s. 9.

192. Ibid., 1909, c. 923, s. 1; 1911, c. 164, s. 1; Extra Sess., 1915, c. 62, ss. 1-3; 1915, c. 166, s. 6.

The Insurance Commissioner, when he receives the securities, must give the depositing company authority to draw the interest; this authority continues in force until the company fails to pay any liability arising on any policy made in favor of any person, firm, or corporation which is at the time the liability arises a resident of this State. In case of such failure the company charged with the payment must forthwith be notified and thereafter the interest, so long as the liability exists, is payable to the Insurance Commissioner to be applied, if necessary to the payment of the liability.¹⁹³

If any company fails to pay any of the liabilities on its contracts the Insurance Commissioner, upon the application of the beneficiary and upon satisfactory proof that the required notice has been given to the company, must sell at public auction such an amount of the securities which, together with the interest in his hands, will pay both the sum due and the expenses of the sale. The company must make good any deficiency in the amount of the policy caused by such sale. The party making application must give to the company or its agent in this State 20 days notice of his intention to apply to the Commissioner for the sale of securities. The Insurance Commissioner must advertise the sale of the securities for 30 days prior to the date of the sale in some daily newspaper published in the city of Raleigh.¹⁹⁴

Holders of contracts have a lien on the securities deposited by insurance companies with the Commissioner and when any company becomes insolvent, any holder of such contract may institute proceedings in the Superior Court of Wake County. The Insurance Commissioner must be a party to the suit. The funds may be distributed by the court, but no cost of such action is to be adjudged against the Insurance Commissioner.¹⁹⁵

When the principal of any securities deposited by a company is paid to the Commissioner, he must notify the company, which must send replacing securities within 30 days in order to receive the money. Upon failure of the company to send replacing securities, the Commissioner is authorized to reinvest the money and hold the securities in the same manner in which he held the original securities.¹⁹⁶

If any insurance company ceases to do business in this State and its liabilities have been satisfied or terminated, the Insurance Commissioner may require the State Treasurer to deliver the securities in his possession belonging to it.¹⁹⁷

Mutual Fire Insurance Companies

Mutual fire insurance companies may be formed but no policy may be issued by a purely mutual fire insurance company or by a mutual fire insurance company with a guaranty capital less than \$50,000 until not less than \$200,000 of insurance in not less than 200 separate risks upon pro-

193. Public Laws, 1909, c. 923,
s. 2.

194. Ibid., s. 3.

195. Ibid., s. 4.

196. Ibid., s. 5.

197. Ibid., s. 6.

perty located in North Carolina has been subscribed to and entered upon its books; but in the formation of a mutual fire insurance company to operate in not more than two counties in this State, whether town or farmers mutuals, the requirement as to the amount of insurance is \$25,000 in risks owned by at least 25 adult residents of such towns or counties. For an association of corporations for the purpose of interinsurance for mutual protection by members who are engaged in the same line of business, the requirement is 50 instead of 200 separate risks. No policy may be issued until the president and secretary of the company have certified under oath that every subscription for insurance in the list presented to the Insurance Commissioner for approval is genuine and made with an agreement with each subscriber for insurance that he will take the policies subscribed for by him within 30 days after the granting of a license to the company by the Insurance Commissioner.¹⁹⁸

Mutual fire insurance companies are regulated in a manner similar to other general insurance companies.

Fidelity Insurance Companies

Any corporation licensed by the Insurance Commissioner, if it is so chartered, may be guardian, trustee, assignee, receiver, executor, or administrator in this State without giving any bond; the clerks of superior courts or other officials charged with the duty of making appointments are authorized to appoint such corporations to any fiduciary office, whether or not the corporation is a resident of this State.¹⁹⁹

Before any corporation is authorized to issue any bond, obligation, or undertaking or to act in a fiduciary capacity without bond, it must be licensed by the Insurance Commissioner. This can be done when he is satisfied that the company or corporation is safe and solvent and has complied with the laws of this State applicable to such companies; if it is a foreign company, it must comply with the conditions, rules and regulations governing the admission of foreign insurance companies to do business in this State.²⁰⁰

The Commissioner may examine into the solvency of such corporation and if he deems it necessary, may at its expense make or cause to be made an examination of its assets and liabilities.²⁰¹

After any fidelity corporation has been licensed by the Commissioner, the certificate of the Commissioner that it has been admitted to do business in this State, is licensed by him, and is solvent to the amount of

198. Public Laws, 1899, c. 54, ss. 25, 32, 34; 1901, c. 391, s. 3; 1903, c. 438, s. 4; 1911, c. 93.

199. Ibid., 1899, c. 54, s. 47; 1903, c. 438, s. 5.

200. Ibid., 1899, c. 54, s. 46; 1901, c. 706, s.

1. If such a corporation is a bank, it receives its license from the Commissioner of Banks. Ibid., 1931, c. 387.

201. Ibid., 1899, c. 54, s. 46; 1901, c. 706.

not less than \$100,000, is, until revoked by him, equivalent to the justification of sureties and full evidence of its authority to give such bonds and undertakings. The Commissioner may make no charge for the seal.²⁰²

The Commissioner, upon licensing such corporation, must immediately notify the clerk of superior court of each county in the State that such corporation has been licensed. Whenever he is satisfied that the corporation licensed by him is insolvent, he must revoke the license and notify the clerks of superior court. After such notification the right of the corporation to function ceases.²⁰³

Promoting or Holding Companies

Every unauthorized insurance corporation and every promoting or holding corporation whose securities are offered for sale in this State must file with the Insurance Commissioner copies of all securities to be offered for sale and an application for a certificate of authority which must contain a statement in detail of the plans and purposes of such corporation, the amount and par value of the securities to be offered for sale, the selling price, manner in which the money derived is to be spent or employed, the rate of commission to be offered, the salary to be paid to the officers of the corporation, and such other information as the Commissioner may require. No change may thereafter be made in the form or character of the securities or in the plans or purposes of the corporation without the written approval of the Commissioner. It is the duty of the Commissioner to examine the application and other documents filed and to make any further inquiry or examination of the corporation as he deems advisable. If he approves of the details of the statement he may issue a certificate that the corporation has complied with all the provisions of the law and is authorized to sell or offer for sale its securities in this State.²⁰⁴ The certificate must state in bold type that the Commissioner in no way recommends the securities authorized to be sold.²⁰⁵

No printed matter may be used in connection with the sale of securities of any such promoting or holding corporation for advertising purposes or for the dissemination of information with reference thereto unless it is first submitted to and approved in writing by the Insurance Commissioner. No such corporation or official thereof may issue or permit to be issued any statement, printed or oral, misrepresenting or exaggerating either earnings of insurance corporations, the value of their corporate stock, or the profits to be derived directly or indirectly from the organization and management of insurance corporations. No insurance or other corporation and no individual, co-partnership, or association may place or offer to place insurance in any corporation in connection with the sale or purchase of the securities of any insurance corporation or of any promoting or holding corporation.²⁰⁶

202. Public Laws, 1899, c. 54, s. 46; 1901, c. 706.

203. Ibid., 1899, c. 54, s. 50.

204. Ibid., 1913, c. 182, s. 4.

205. Ibid., s. 2.

206. Ibid., s. 5.

Rate-making Organizations

Every corporation, association, board, bureau, or person existing for the purpose of suggesting, approving, or making rates to be used by more than one underwriter for insurance must file with the Insurance Commissioner a copy of the articles of agreement of the association or incorporation, a copy of the bylaws and of all amendments under which it operates or proposes to operate, its address, a list of the members of insurance corporations represented or to be represented by it, and such other information as may be required by the Insurance Commissioner.²⁰⁷

The Insurance Commissioner must examine each such organization at least once each 3 years or as often as he deems it expedient, make public the results of his examination, and report to the General Assembly in his annual report on the methods of such rating organization and the manner of its operation. Every such organization must file with the Insurance Commissioner, whenever he may call for it, any and every schedule of rates.²⁰⁸

Whenever the Commissioner finds that a rate-making organization has discriminated unfairly in making fire ratings, he may effect a full hearing and order such discrimination removed immediately.²⁰⁹

Every rating organization must keep a record of its proceedings and provide a means, approved by the Commissioner, whereby any person affected by a rate may be heard before the proper executive of such a rating organization on an application for a change in rate.²¹⁰

Any person, firm, or corporation aggrieved by any rating of a fire insurance company, bureau, or board may file a complaint in writing with the Insurance Commissioner stating in detail the grounds upon which the complainant asks relief. The Commissioner must set a time and a place for the hearing not earlier than 7 days after the date of notice. After due hearing the Commissioner must decide as to whether or not the established rating is excessive or unfair and must make such recommendations as he deems advisable. The findings and recommendations in each case must be a matter of record open to public inspection.²¹¹

The Insurance Commissioner is not authorized to raise the rate of any mutual insurance company doing business in North Carolina and farmers mutual fire insurance companies are not required to file their rates.²¹²

Real Estate Title Insurance Company

A real estate title insurance company which has a capital of not less than \$50,000 may be formed for the purpose of examining titles to real estate, for furnishing information in relation thereto, and for insuring

207. Public Laws, 1913, c. 145, s.

1; 1915, c. 166, s. 8.

208. Ibid., 1913, c. 145, s. 3,

1915, c. 166, s. 8.

209. Ibid., 1913, c. 145, s. 4.

210. Ibid., s. 5.

211. Ibid., 1915, c. 166, s. 8.

212. Ibid., 1913, c. 145, s. 6;

1935, c. 152.

owners and others interested therein against loss by reason of encumbrance and defective title. Such companies are subject to the provisions of the general insurance law only in matters of organization.²¹³

Before any such company may issue any policy or make a contract it must file with the Insurance Commissioner a certified copy of the record or the certificate of its organization in the office of Secretary of State and obtain from the Commissioner a certificate that it has complied with laws applicable to it and that it is authorized to do business.²¹⁴

Every such organization must, on or before the 30th day of each January, file in the office of the Insurance Commissioner a statement such as he may require showing the condition of its affairs for the year ending the previous December 31. For neglect to file the annual statement or for making a willful false statement it is liable to the same penalties imposed on other insurance companies. The Commissioner must license annually such companies and their agents and has the same power and authority to visit and examine them as he has in the case of other insurance companies. The duties and liabilities of such corporations and their agents in reference to these examinations are the same as those of other domestic companies.²¹⁵

Any domestic land mortgage company or title insurance company having a paid-in capital in surplus of at least \$200,000 may, under the supervision and control of the Insurance Commissioner, issue collateral loan certificates or other certificates of indebtedness secured by the deposit of first mortgages on real estate with the Commissioner or under his direction or of collateral trust bonds secured by first mortgages the principal and interest of which is guaranteed by a surety company with assets of at least \$10,000,000.²¹⁶

Any domestic land mortgage company or title insurance company wishing to do business upon making written application and submitting proof satisfactory to the Insurance Commissioner that its business, capital, and other qualifications comply with the provisions of the law and upon paying to the Commissioner a license fee and all other fees assessed against such company, may be licensed to do business in this State until the 1st day of the following April. It may have its license renewed for each year thereafter so long as it complies with the provisions of law and with such rules and regulations as may be promulgated by the Commissioner. For each such renewal the Commissioner must collect the sum of \$200 and all other fees assessed against the company and the renewal continues in force until a new license be issued or renewal is specifically refused. The Insurance Commissioner or any person appointed by him has the power and authority to make such rules and regulations and to make such examination, not inconsistent with the provisions of the law, as he deems necessary and proper.

213. Public Laws, 1899, c. 54, s. 58; 1901, c. 391, s. 3; 1923, c. 71.

214. Ibid., 1899, c. 54, s. 38;

1901, c. 391, s. 3.

215. Ibid., 1899, c. 54, s. 38; 1901, c. 391, s. 3.

216. Ibid., 1927, c. 204, s. 1.

The Commissioner must charge the land mortgage company or title insurance company with the actual expenses of any examination he makes.²¹⁷

Every domestic land mortgage company and title insurance company doing business in North Carolina must file annually with the Insurance Commissioner on or before the 1st day of March in each year a full and complete sworn statement of its financial condition as of December 31 of the preceding year. The Commissioner is empowered to require any other information as may be reasonably necessary to satisfy him that the statements are true and correct.²¹⁸

Inter-Insurance Exchanges

Individuals, partnerships, and corporations of this State are authorized to exchange reciprocal or inter-insurance contracts with each other or with similar companies of other states providing indemnity among themselves from any loss, excepting life insurance, which may be insured against under other provisions of the laws. Such contracts may be issued by the properly designated attorney acting for the subscribers.²¹⁹ The attorney in fact for each of such exchanges must obtain a written power of attorney executed by each of the subscribers and must have such power of attorney in his possession before any contracts of insurance of any kind or description may be issued or renewed to subscribers. A full copy of the provisions of the powers of attorney used at the exchange and on file with the Commissioner must be incorporated into or made a part of all contracts issued to subscribers in this State.²²⁰

The subscribers so contracting among themselves, through their attorney must file with the Insurance Commissioner a declaration of intention to exchange contracts.²²¹ At the time of filing the declaration, the attorney must also file with the Commissioner a power of attorney executed by him for the subscribers. Service of process may be had upon the Insurance Commissioner in the usual manner.²²²

The attorney must also file with the Commissioner a statement under oath showing the maximum amount of indemnity upon any single risk and a statement to the effect that he has examined the commercial rating of the subscribers and that no subscriber has assumed, on any single risk, an amount greater than 10 percent of his worth.²²³

After the filing of the above mentioned papers and upon the payment of the fees provided for, the Insurance Commissioner must examine and pass upon them and if found correct, may issue a certificate of authority which expires on the 1st day of April next succeeding.²²⁴

The attorney must make an annual report to the Insurance Commissioner for each calendar year showing the financial condition of affairs at that

217. Public Laws, 1927, c. 204, s. 2.

218. Ibid., s. 3.

219. Ibid., 1913, c. 183, ss. 1, 2.

220. Ibid., 1937, c. 130.

221. Ibid., 1913, c. 183, s. 3.

222. Ibid., s. 4.

223. Ibid., s. 5.

224. Ibid., s. 6.

office in which such contracts are issued and must furnish such additional information and reports as may be required. The business affairs and assets of the exchanges are subject to the examination of the Insurance Commissioner.²²⁵

The Insurance Commissioner must issue an annual certificate of authority to each attorney by or through whom any contracts for indemnity are issued and may revoke or suspend any certificate or authority in case of a breach of any of the conditions imposed by law.²²⁶

Building and Loan Associations

In 1905 the regulation of building and loan associations was made a function of the Insurance Department. Prior to that time associations were regulated by the Auditor and Treasurer. An act of 1871 required each association to receive a license from the Treasurer after paying a license tax based on the amount of capital stock.²²⁷ In 1893 it was provided that all non-resident associations must appoint a resident agent and file a copy of its charter and a certificate of appointment with the Auditor.²²⁸ Each association whether foreign or domestic, should file with the Auditor an annual verified statement of its financial condition; the Auditor was required to examine the statement and have it published in a newspaper in the State. If he was not satisfied with financial condition as shown by the statement, he could recommend that Treasurer revoke the license. For the purpose of making an examination the Auditor was to be allowed access to all records.²²⁹

In 1899 the powers and duties of the Auditor relative to building and loan associations were assigned to the Corporation Commission. The chairman of the Commission was authorized to make all examinations and issue all certificates;²³⁰ the Auditor was required to turn over all records relative to the regulation of associations.²³¹

Since 1905 the functions of the Chairman of the Corporation Commission with regard to associations have been exercised by the Insurance Commissioner. The associations must report annually to the Commissioner and must be licensed, examined, and regulated by him in the same manner as general insurance companies are regulated.²³²

All foreign building and loan associations operating in this State are required to list with the Auditor for taxation all shares of stock held by residents of this State.²³³

The Commissioner must investigate every association formed. If he is satisfied that it is entitled to commence business, he must certify his approval to the clerk of the superior court in the county in which the association was formed, in order that the clerk may issue and record a certi-

225. Public Laws, 1913, c. 183, s. 8.

226. Ibid., s. 11.

227. Ibid., 1871-72, c. 58.

228. Ibid., 1893, c. 434, s. 1.

229. Ibid., s. 2.

230. Ibid., 1899, c. 164, ss. 2, 29.

231. Ibid., s. 4.

232. Ibid., 1905, c. 435, ss. 1-23.

233. Ibid., 1901, c. 7, s. 34; 1905, c. 435, s. 25.

ificate of incorporation.²³⁴

The court, acting on a bankrupt association, must file a notice in the office of the association and of the Insurance Commissioner 5 days before appointing a receiver.²³⁵

The Commissioner must approve the procedure for converting a building and loan association into a federal savings and loan association²³⁶ and for converting a federal savings and loan association into building and loan association.²³⁷ In the latter case, the procedure for certification and recordation are the same as provided for the formation of a building and loan association.²³⁸

Before any unit of local government may invest any sinking funds in shares of stock of any building and loan association or any federal savings and loan association having its principal office in this State, the association must be approved by the Insurance Commissioner and, in the case of the federal savings and loan association, by an officer of the Federal Home Loan Bank in Winston-Salem.²³⁹

Auctioneers

All actioneers, except those engaged in selling jewelry and silverware, must receive a license from the Insurance Commissioner. Before a license may be issued, the applicant must prove that he has been a bona fide resident of North Carolina for 2 years prior to the date of the application, must file a \$5,000 bond approved by the Commissioner, and must pay a fee of \$200. The license expires on the 1st day of April following, unless previously revoked; the Commissioner may revoke a license for any cause he deems sufficient.²⁴⁰

Collecting and Detective Agencies

All detective agencies and agencies for the collection of accounts must obtain a permit from the Insurance Commissioner to do business in this State, and the Commissioner is empowered to regulate and control them in every way.²⁴¹

Bond and Investment Companies: Capital Issues

The Insurance Commissioner was originally authorized to supervise bond and investment companies in the same manner in which he supervised and regulated insurance companies. Such supervision included approval of organization before the Secretary of State gave it a certificate of incorporation and licensing after the completion of organization.²⁴²

234. Public Laws, 1931, c. 73, s. 1.

235. Ibid., 1923, c. 38.

236. Ibid., 1935, c. 104, s. 1.

237. Ibid., 1937, c. 12, s. 1.

238. Ibid., 1931, c. 73, s. 1;

1937, c. 12, s. 4.

239. Ibid., 1939, c. 146.

240. Laws of North Carolina, 1891,

c. 576; Public Laws, 1899,

c. 40; 1923, c. 243, s. 1.

241. Ibid., 1931, c. 217.

242. Ibid., 1899, c. 54, s. 87;

1901, c. 706, s. 2.

In 1913 the scope of the previous provisions was extended and the incidence of regulation made greater.²⁴³ "The laws of Massachusetts on the subject [of capital issues] have been copied with few exceptions throughout the country. This class of legislation has come to be known as the 'Blue Sky Laws.' The object, of course, of the 'Blue Sky Laws' is not only to keep worthless stock off the market but to make actual values and par values correspond."²⁴⁴

The powers, duties, and records relative to the supervision and regulation of capital issues were transferred by an act of the General Assembly of 1925 to a member of the Corporation Commission designated by the Governor.²⁴⁵ Such supervision is now a function of the office of Secretary of State.²⁴⁶

Fire Laws

The Insurance Commissioner and the chief of the fire department of each incorporated city or town are authorized to investigate fires of incendiary origin.²⁴⁷ In 1901 it was further provided that in any town which had no fire chief, the chief of police should assist the Commissioner.²⁴⁸ The Commissioner is required to keep a record of the investigations.²⁴⁹ In 1915 it was required that every incorporated city and town appoint a fire chief; the Commissioner is required to enforce the law.²⁵⁰

Since 1903 all incorporated cities and towns have been required to report annually to the Commissioner on the condition of their buildings and to make a quarterly report on the condition of buildings in the fire district. The Commissioner is authorized to make an inspection of the buildings in each city or town in the State.²⁵¹

By an act of 1901 it was required that all buildings of two stories or more be equipped with fire escapes. The Insurance Commissioner is given discretionary powers and is charged with the enforcement of the law.²⁵² Requirements for other safety devices are set forth²⁵³ and any lessee may appeal to the Commissioner in case of any violation by the owner.²⁵⁴

No plans for public buildings of the State or any county or city may be accepted until approved by the Insurance Commissioner.²⁵⁵

The Insurance Commissioner and the Superintendent of Public Instruction must require all public schools, the building or buildings of which

243. Public Laws, 1913, c. 156.

244. North Carolina Law Review, 27.

245. Public Laws, 1925, c. 190.

246. Ibid., 1937, c. 194. For a full discussion of the laws and records relative thereto, see Series I, General Governmental Agencies, number 8, Secretary of State, of the Inventory of State Archives of North

Carolina.

247. Ibid., 1899, c. 58.

248. Ibid., 1901, c. 387.

249. Ibid., 1899, c. 58.

250. Ibid., 1915, c. 192.

251. Ibid., 1903, c. 719.

252. Ibid., 1909, c. 637, s. 1.

253. Ibid., ss. 2-5.

254. Ibid., s. 6.

255. Ibid., 1909, c. 880; 1923, c. 149.

are more than one story high, to conduct a least one fire drill each month during the school year.²⁵⁶

Emergency Act

In March 1933 the General Assembly, recognizing the existence of a public emergency and as a result of the declaration by the President of the United States and the Governor of North Carolina that all banking activities were suspended temporarily, gave the Insurance Commissioner emergency powers.²⁵⁷ He was authorized to extend the grace periods allowed on insurance policies²⁵⁸ and to suspend temporarily any and all insurance laws.²⁵⁹ The law expired by limitation at midnight May 1, 1933.²⁶⁰

Insurance on State Owned Property

It is the duty of the Insurance Commissioner to prepare a schedule of the different properties of the State, to procure insurance policies according to the provisions and appropriations for the insurance of state property and to inspect and pass upon all policies issued upon public buildings or other property belonging to the State with regard to the form of contract, the rate, the description, and such other things as are necessary to have the policies in proper form. He must keep a record in his department showing the number and date of each policy, the name of the company, the amount for which insured, the amount of the premiums, the date of expiration, and the property insured and its location.²⁶¹

When the Insurance Commissioner has placed the insurance on state property and approved the bill for it, the Auditor must issue his warrant on the State Treasurer for the bill and the Treasurer must pay out of funds not otherwise appropriated an amount necessary to insure the property for 50 percent of the schedule value. Property of or in charge of the Agricultural Department and the State Prison is excepted.²⁶²

The insurance on the property of or in charge of the Agricultural Department and the State Prison must be for the amount agreed upon by the Insurance Commissioner and the officers having such property in charge, and the premiums must be paid out of the special fund of the Agricultural Department and the State Prison on the order of the Commissioner.

Before any board, public officer, or other person charged with the custody or safekeeping of any public building or other property of the State may pay any sum as premium for an insurance policy, he must receive and file among the records a certificate from the Insurance Commissioner that he has examined and approved the insurance policy.²⁶³

256. Public Laws, 1925, c. 130.

257. Ibid., 1933, c. 121, s. 1.

258. Ibid., s. 2.

259. Ibid., s. 3.

260. Ibid.

261. Ibid., 1901, c. 710, ss. 1, 2; 1903, c. 771, s. 1; 1905,

c. 441.

262. Ibid., 1905, c. 441, s. 1; 1919, c. 155; Extra Sess., 1921, c. 61; 1923, c. 248.

263. Ibid., 1901, c. 710, ss. 1, 2; 1903, c. 771, ss. 2, 3; 1905, c. 441, s. 2.

It is the duty of the different officers or boards having in their custody any property belonging to the State to inform the Commissioner giving him detailed description of the property, and to keep him informed of any changes.²⁶⁴

It is the duty of the Commissioner, at least once in each year or oftener, to visit, inspect, and thoroughly examine each State institution or other State property, with a view to its protection as well as to the safety of its inmates or of the property therein in case of fire, and to call to the attention of the board or officer having the property in charge any defects noted by him or any improvements deemed necessary.

Any board, commissioner, superintendent, or other person or persons authorized and directed by law to select plans and erect buildings for the use of the State of North Carolina or any institution thereof, or for the use of any county, city or incorporated town, or school district may not receive and approve any plans until they are submitted to and approved by the Insurance Commissioner as to the safety of the proposed building from fire as well as for the protection of the inmates in case of fire.²⁶⁵

The Insurance Commissioner must submit annually to the Governor a full report of his official acts with regard to insurance on State property together with such recommendations as commend themselves to him. Such report must be embodied in or attached to his biennial report to the General Assembly.²⁶⁶

The Commissioner was originally entitled to payment for expenses incurred in the inspection of State property and in placing insurance thereon, but in 1917 this provision was repealed.²⁶⁷

Fireman's Relief Fund

In 1891 a Fireman's Relief Fund was created by the General Assembly from funds collected by taxes on fire insurance companies. The fund was loosely administered under the supervision of the State Treasurer and seems to have become inoperative after a few years.²⁶⁸

In 1907 the General Assembly recreated the Fireman's Relief Fund, placing it under the supervision of the Insurance Commissioner. Every fire insurance company, corporation, or association doing business in any town or city in North Carolina which has a regularly organized fire department under the direction of the mayor or other governing body of the town or city, which has in serviceable condition for fire duty apparatus and equipment amount in value to \$1,000 or more and which enforces the fire laws to the satisfaction of the Insurance Commissioner, must return

264. Public Laws, 1901, c. 710, ss. 1, 2; 1903, c. 771, s. 2.

265. Ibid., 1901, c. 710, ss. 1, 2; 1903, c. 771, s. 3; 1909, c. 880; 1919, c. 186, s. 3.

266. Ibid., 1901, c. 710, ss. 1, 2; 1903, c. 771, s. 4.

267. Ibid., 1901, c. 710, s. 2; 1917, c. 70, s. 1.

268. Ibid., 1891, c. 468, ss. 1-3; 1893, c. 474.

to the Commissioner an account of all premiums collected from all fire insurance business done within the corporate limits of such town and city during each year ending December 31.²⁶⁹

Every such fire insurance company, corporation, or association must within 75 days after the 31st of December of each year deliver and pay to the Insurance Commissioner the sum of 50 cents out of every \$100 on all premiums of fire and lightning policies covering property situated within the incorporated limits of such town and city during the previous year.²⁷⁰

Every such company must make accurate returns of all business done; in case of fraud, misrepresentation, or mistake the Commissioner must investigate such returns and collect the amount which he finds to be due.²⁷¹

For each failure to report or to pay money due on premiums, the offending fire insurance company must forfeit \$300 which may be recovered in civil action in the name of the town or city.²⁷²

The Commissioner must deduct 5 percent from the money collected from insurance companies and pay it to the treasurer of the State Fireman's Association for general purposes; the remainder of the money he must pay to the treasurer of each town or city to be held by him as a separate and distinct fund. The treasurer of the town or city must in turn give the money to the treasurer of the local board of trustees of the Fireman's Relief Fund for use of the board in each town or city.²⁷³

The board of trustees must keep an accurate account of all money received and distributed by them and at the annual meeting of the North Carolina Fireman's Association must read an itemized statement for publication in the annual report, a copy of which must be sent annually to the Insurance Commissioner. Upon failure of any board of trustees to perform its duties or upon its willful misappropriation of funds entrusted to it, the Commissioner must withhold all further payments until the matter has been fully investigated by an official of the State Fireman's Association and adjusted to the satisfaction of the Commissioner. Should the matter not be adjusted for a period of 15 months from the time a payment would otherwise be made, the Insurance Commissioner must pay the required amount to the trustees of the State Fireman's Association as a regular part of the Fireman's Relief Fund.²⁷⁴

The clerk of any municipality having an organized fire department must on or before the 31st of October of each year make and file with the Insurance Commissioner his certificate stating the existence of such department, the amount of equipment, number of organized companies, and the system of water supply in use by the municipality. This is to be done on a blank to be furnished by the Commissioner. Forfeiture of the next payment is penalty for failure to do so.²⁷⁵

269. Public Laws, 1907, c. 831, s. 1. 273. Ibid., 1907, c. 831, s. 5;

270. Ibid., s. 2. 1925, c. 41.

271. Ibid., s. 3. 274. Ibid., 1907, c. 831, s. 7.

272. Ibid., s. 4. 275. Ibid., s. 8; 1925, cc. 41, 309.

For the purposes of supervision it is provided that every department enjoying the benefits of the State Fireman's Relief Fund must be a member of the North Carolina State Fireman's Association, must send one accredited delegate to the annual meeting of the Association, and must comply with the provisions of its constitution and bylaws. Failure to do so forfeits the next annual payment. If the delegate, in the opinion of the executive officer of the association, has valid excuse for his failure to attend, the penalty does not go into effect.²⁷⁶

There must be no discrimination in case of color.²⁷⁷

3. Housing, Care, and Accessibility of Records

The offices of the Insurance Department occupy the entire third floor of the State Departments Building, popularly called "The Red Brick Building," which is situated on the northeast corner of West Edenton and North Salisbury streets in Raleigh. The building, erected in 1885, was first known as the Supreme Court Building and housed the Supreme Court, the State Library, and the Attorney General's offices. It was renovated in 1905 and since that time has housed at various times the Commissioner of Labor, the Corporation Commission, the Board of Health, and the Department of Education. Its present occupants include the Utilities Commissioner, the State Employees Credit Union, the Banking Department, the North Carolina Civilian Conservation Corps, the Commissioner of the World War Veterans Loan Fund, the Blind Commission, and the Pension Division of the Auditor's Department, as well as the Insurance Department.

The State Departments Building is a four-story "L"-shaped structure of adapted Georgian architecture. It is built of brick over a wooden frame. The ceiling and approximately half of the walls are of plaster on wooden laths; and the remainder of the walls are of plaster on brick. Window casements and floors are of wood. The building is heated by steam from the State's central heating plant which is located on the same block. There is an old cage-type elevator to the left of the entrance of the building.

The Department uses 14 offices and a vault on the third floor, and a portion of its inactive records are kept in the basement of the building. The offices are small and are not very well lighted. Artificial light, supplied by direct electric lighting fixtures, is used at all times in some of the offices. The records are not in good condition, being poorly filed because of lack of sufficient space and filing equipment. The safety of the records in the basement is endangered by dampness and dirt.

Reception Room and Deputy Commissioner's Office. Facing the lobby and to the right of the elevator in the east wing of the building is the entrance to the office used as a reception room for visitors to the Commission. The Deputy Insurance Commissioner also uses this room as an office. There are no records in the office but bookcases, containing

276. Public Laws, 1907, c. 831,
s. 9; 1925, cc. 41, 309,

s. 2.
277. Ibid., 1907, c. 831, s. 10.

reports from insurance departments of other states and miscellaneous volumes on insurance, line the western and northern walls.

Secretary. Adjoining the reception room and facing the lobby at the head of the stairway is the office of the Secretary of the Commissioner and Deputy Commissioner. There are no records in this office.

Commissioner. Directly behind the two above-mentioned offices and extending entirely across the end of the east wing of the building is the office of the Insurance Commissioner. This office also houses no records but contains bookcases holding reports.

Actuary. The first office on the southern side of the corridor which runs west from the lobby is occupied by the Actuary. This office contains only a few annual statements of insurance companies, a reference file to registered policies, and burial association records, in all about 5 percent of all the records of the Department. The remainder of the Actuary's records are in the vault, filing room, examination room, bookkeeper's office, and basement.

Vault. Across the corridor from the Actuary's office is the vault which contains most of his records, old powers of attorney, copies of court summonses, charters, miscellaneous reports, a few records relative to insurance on State property, most of the financial records and securities deposited with the Department. These are about 15 percent of all the records of the Department.

Statistical Division. Adjoining the office of the Actuary and opening on the corridor is the office of the clerk in charge of insurance on State property. The clerk in this office also compiles the annual report of the Department. This office contains about 4 percent of the records.

Agents' License Division. In the corner of the building between the State Insurance office and the bookkeeper's office is the office of the clerk in charge of licensing agents. The room contains applications for license, a card directory to licensed agents, and records of cancelation, approximately 5 percent of the records.

Bookkeeper. Across the northern corridor from the entrance to the vault is the office of the bookkeeper which contains only an index to charters, a general ledger, and a general file, about 3 percent of the records of the Department. Most of the active records are kept in the vault and inactive records in the basement.

Examination Department. Adjoining the bookkeeper's office and on the same side of the corridor is the office of the clerk in charge of agents' examinations. Suspended applications, records relative to cancelations and refunds prior to examination, and records of passage of examinations, which constitute about 3 percent of the records, are housed in this.

Examination Room. Across the corridor from the Agents' Examination Department is the examination room in which are housed the annual reports from insurance companies for the previous two years, rates filed by companies with the Commissioner, and a file on State Insurance. This room is

open to the public for inspection of annual reports of companies in accordance with the law which requires such reports to be open to the public. About 7 percent of the records are in the examination room.

Field Men's Room. Connecting with the Agents' Examination Department and on the same side of the corridor is the room used for conducting examinations and holdings. There are no records.

Deputy Commissioner in charge of the Building and Loan Division. This office is occupied by Deputy Commissioner in charge of building and loan associations. No records are kept in this room.

Building and Loan Division Records. The seven clerks of the Building and Loan Division are in this room. There are also records relative to the regulation and supervision of building and loan associations comprising about 4 percent of the records of the Department.

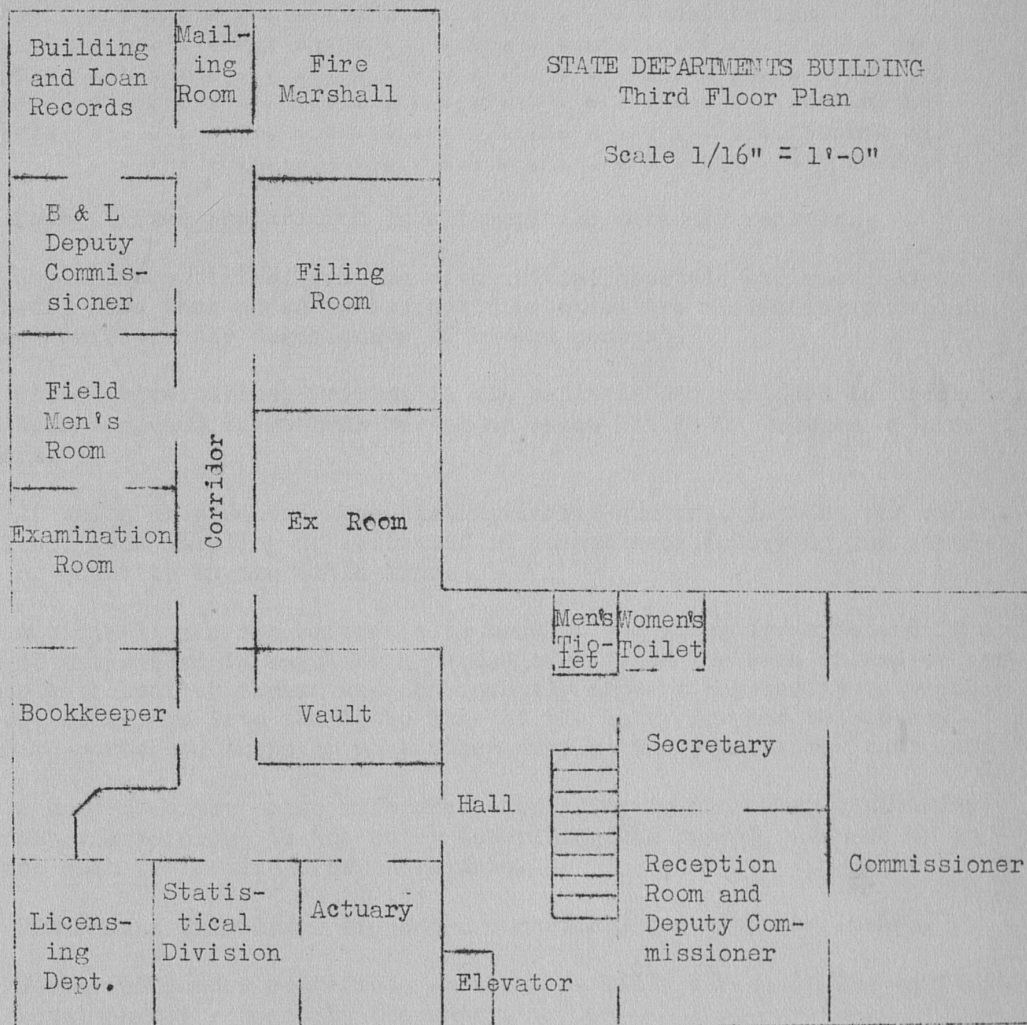
Filing Room. Adjoining, but not connecting with, the examination room is the filing room which contains all the records of the Commissioner and other general administrative records. About 25 percent of the Department's records are housed here.

Fire Marshal. In the northeast corner of the north wing, adjoining the filing room, is the office of the Fire Marshal and electrical inspector. This office contains records relative to fire investigations, state property, and electrical inspections, all of which comprise about 4 percent of the Department's records.

Mailing Room. A partition across the extreme northern end of the corridor forms the mailing room.

Basement. The Insurance Department and the Utilities Commission share the basement of the State Departments Building as a records depository. Inactive records of all phases of the work of the Insurance Department are housed in this room; these are about 25 percent of all the records.

Salisbury Street



STATE DEPARTMENTS BUILDING
Third Floor Plan

Scale 1/16" = 1'-0"

Edenton Street

ABBREVIATIONS, SYMBOLS, AND EXPLANATORY NOTES

art.		article
c.		chapter
Const.		Constitution of N. C.
<u>ibid.</u>		the same
p., pp.		page (s)
s., ss.		section (s)
vol (s).		volume (s)
--		current

Exact titles are written in all capitals without brackets.

Explanatory titles, written with initial capitals and enclosed in brackets, have been added to exact titles which are misleading or which are not sufficiently descriptive of record content.

Descriptive titles, written in all capitals and enclosed in brackets, have been assigned to records having no exact titles on volumes or containers.

If units of a record have distinguishing numbers, letters, or other labeling, such labeling is indicated in parentheses following the statement of quantity in the title line.

A title-line cross reference is used in the entry for a record if a part of the record is kept for a period of time in the same volume or container with another record and consequently appears physically in another entry. It brings into the title line of the entry for the record any separate parts and shows in what other entries those parts are contained.

A body-of-entry cross reference, appearing in the entry containing the part and referring to the entry describing the record, is used to complement each title-line cross reference.

Dimensions of volumes or record containers are given in inches.

Number of papers contained, as shown in title lines, is the approximate total number covered by the entry.

RECORDS OF THE INSURANCE DEPARTMENT

Records of the Commissioner

1. GENERAL [Correspondence], 1926--. 30,000 papers in 9 file boxes (6 file boxes, labeled by contained letters of alphabet and dated; 2 file boxes, dated; 1 file box, unlabeled) and 4 file drawers (labeled by contained letters of alphabet and dated). Title varies: Old Accounts, 1932, 1 file box. 1927-39 also in Budget Bureau--Marine Insurance, entry 90.

General correspondence relative to requests for information on claims, insurance laws, licenses, status of insurance companies, and other inquiries about insurance. Arranged alphabetically by name of correspondent, thereunder chronologically by date of writing. No index. Handwritten and typed. 12 x 13 x 25. 9 file boxes, 1926-35, basement; 4 file drawers, 1935--, filing room.

2. INSURANCE COMMISSIONERS [Correspondence], 1929--. 3,000 letters in 1 file drawer. 1934-- also in Bill Folder--Legislative Folder, entry 3.

Commissioner's correspondence with other state insurance commissioners pertaining to complaints, meetings, and other administrative matters. Arranged alphabetically by name of state, thereunder chronologically by date of writing. No index. Typed. 13 x 15 x 25. Filing room.

3. BILL FOLDER--LEGISLATIVE FOLDER, 1934--. 2,500 papers in 1 file drawer. 1934-- also in Re: Agents Examination [correspondence], entry 45.

Copies of bills introduced in legislature and relative correspondence. Also contains Insurance Commissioners [Correspondence], entry 2. No obvious arrangement of bills; correspondence arranged alphabetically by name of state. No index. Typed. 13 x 15 x 25. Filing room.

4. APPROVED POLICY FORMS--CONNECTICUT GENERAL LIFE [Correspondence Relative to Insurance Advice], 1927--. 4,000 letters in 2 file drawers. Title varies: A Few Claims A-TW and State Insurance Miscellaneous, 1929-30, 1 file drawer.

Correspondence requesting advice on insurance and other information. Arranged alphabetically by name of correspondent. No index. Handwritten and typed. 12 x 13 x 25. 1 file drawer, 1929-30, basement; 1 file drawer, 1927--, filing room.

5. UNLICENSED COMPANIES, 1934--. 3,000 papers in 1 file drawer. Correspondence with persons requesting information as to reliability and status of companies which were found upon investigation to be unlicensed in North Carolina. Arranged chronologically by date of writing. No index. Handwritten and typed. 12 x 13 x 25. Filing room.

6. RE: AGENCY QUALIFICATION LAW [Correspondence], 1927-33. 2,500 papers in 1 file drawer. 1922-32 also in Securities [Correspondence], entry 86.

Correspondence with insurance companies pertaining to the qualifications of agencies and agents and to infractions of the qualification law. Arranged chronologically by date of writing. No index. Handwritten and typed. 10 x 12 x 25. Basement.

7. ADMISSION--RE: RATE COMPLAINTS [Correspondence], 1929--. 2,000 papers in 1 file drawer.

Correspondence with companies making inquiry as to requirements for admission into State. Also contains correspondence pertaining to complaints against rates. Arranged alphabetically by name of company; thereunder chronologically by date of writing. No index. Typed. 13 x 15 x 25. Filing room.

For other complaints, see entry 9.

8. FIELD WORKERS [Correspondence], 1924--. 3,000 papers in 1 file drawer.

Correspondence with field agents pertaining to investigation of fires, complaints of agents and policyholders, and examination of insurance companies. Arranged alphabetically by name of field worker; thereunder chronologically by date of writing. No index. Handwritten and typed. 12 x 13 x 25. Filing room.

9. RECENT COMPLAINTS [of Policyholders], 1927--. 40,000 papers in 21 file drawers (19 file drawers, labeled by contained letters of alphabet; 2 file drawers, unlabeled). Title varies: Current Complaints, Recent Complaints, 1927-39, 12 file drawers; Complaints Not Current, 1930-39, 8 file drawers.

Correspondence with policyholders making complaints against insurance companies and with companies pertaining to adjustment or settlement of complaints. Arranged alphabetically by name of complainant; thereunder chronologically by date of writing. For index, see entry 10. Typed and handwritten. 12 x 13 x 25. 12 file drawers, 1927-34, basement; 9 file drawers, 1930--, filing room.

For rate complaints, see entry 7.

10. [Index to] COMPLAINTS, 1927--. 8,000 cards in 4 file drawers (labeled by contained letters of alphabet).

Index to complaint files, entry 9, showing name of complainant, number and letter of file. Arranged alphabetically by name of complainant. Handwritten. 4 x 6 x 15. Filing room.

11. COMPLAINTS AGENTS, 1921--. 45,000 papers in 14 file drawers (labeled by contained letters of alphabet). Title varies: Old Agents Complaints, 1929-30, 8 file drawers.

Correspondence with agencies and agents pertaining to dismissal of agents by agencies, revocation of licenses of agents, warning to agents about unethical procedure, disposition and settlement of complaints; papers relative to each case in one folder; cases numbered. Folders arranged alphabetically by name of agent; papers therein arranged chronologically by date of filing. For index, see entry 12. Handwritten and typed. 12 x 13 x 25. Filing room.

12. [Index to] AGENTS COMPLAINTS, 1921--. 2,000 cards in 1 file drawer.

Card index to Complaints Agents, entry 11, showing name of agent, name of company, and number of complaint. Arranged alphabetically by name of agent. Handwritten. 4 x 6 x 15. Filing room.

13. WORKMEN'S COMPENSATION [Correspondence], 1929-34. 2,000 papers in 1 file box.
Correspondence from insurance companies requesting information regarding workmen's compensation for their employees. Arranged alphabetically by name of company; thereunder chronologically by date of writing. No index. Typed. 11 x 12 x 25. Basement.
14. INDUSTRIAL COMMISSION COMPENSATION RATING BUREAU [Correspondence 1935--]. 2,000 letters in 1 file drawer.
Correspondence relative to compensation insurance referred to Compensation Rating and Inspection Bureau of North Carolina. Arranged alphabetically by name of correspondent. No index. Typed. 12 x 15 x 25. Filing room.
15. RE: COMPENSATION RATES AUTOMOBILE LIABILITY, 1929-39. 2,000 papers in 1 file drawer. Discontinued.
Correspondence, work papers, and reports on examination of rates of companies asking increase of rates, (referred to Automobile Rate Administrative office after 1939) and result of hearing. No obvious arrangement. No index. Typed. 13 x 15 x 25. Filing room.
16. OLD POWERS OF ATTORNEY FILED BEFORE FORMATION OF DEP[artmen]T, 1881-98. 100 documents in 1 file drawer.
Powers of attorney given by insurance companies, showing date, name of company, and name of attorney. No obvious arrangement. No index. Handwritten. 11 x 5 x 13. Vault.
17. [Receipts for] SUMMONS, 1928-34. 2,900 papers in 1 file drawer. After 1934 filed with summons.
Letters from insurance companies acknowledging receipt of summonses transmitted by Insurance Commissioner. Arranged chronologically by date of filing. No index. Typed. 11 x 12 x 25. Basement.
18. [Court] SUMMONS, 1916--. 3,000 papers in 15 file drawers (dated Copies of court summonses transmitted by Commissioner as process agent for companies involved in court actions brought by policyholders. Arrange chronologically by date of filing and numbered serially. For index, see entry 19. Handwritten and typed on printed form. 11 x 5 x 13. Vault.
19. [Card Index to Court] SUMMONS, 1916--. 4,800 cards in 4 file drawers (labeled by contained letters of alphabet).
Card index to court summonses, entry 18, showing number of summons, name of plaintiff and defendant, county court, and date. Arranged alphabetically by name of defendant. Typed. 6 x 14 x 16. 2 file drawers, bookkeeper's office; 2 file drawers, vault.
20. PUBLICATIONS [Correspondence], 1921--. 5,000 papers in 2 file drawers (1 file drawer, labeled by contained letters of alphabet and dated; 1 file drawer, unlabeled).
Correspondence with newspaper publishers relative to the publication of financial statements of insurance companies. Arranged in folders by subject, thereunder chronologically by date of writing. No index. Handwritten and typed. 12 x 13 x 25. 1 file drawer, 1921-25, basement; 1 file drawer, 1924--, filing room.
21. FIRE REPORTS, 1921, 1923-28, 1931-37. 22,000 papers in 1 file

drawer, 1 bundle and 10 file boxes (5 file boxes, dated and labeled by contained letters of alphabet; 4 file boxes, dated; 1 file box, unlabeled).

Reports of fire conditions in cities and towns, showing type and detailed condition of fire departments, water supplies, fire district, and fire escapes; names of trustees of Firemen's Relief Fund; names of city officials; and testament of city clerk. Arranged numerically by report number. No index. Handwritten and typed on printed form. 12 x 13 x 25. 1 bundle and 1 file drawer, 1925-27, 1932-33, vault; 10 file boxes, 1921, 1923-28, 1931-37, basement.

Records of the Actuary

22. [ADMISSION PAPERS AND CHARTERS], 1899--. 15,700 papers in 106 file drawers (labeled by contained folder numbers).

Individual record file of papers required from insurance companies of all kinds for procuring licenses to transact business in North Carolina, including for each company application for license, specimen policy forms, statement of assets and liabilities, copies of original charter and incorporation papers, powers of attorney by insurance companies, and papers and correspondence pertaining thereto. Folders arranged chronologically by date of filing and numbered serially. For indexes, see entries 23 and 24. Handwritten and typed on printed heads and printed forms. 5 x 11 x 13 Vault.

For record of admission papers, see entry 25.

23. [Index to Charters of] LIFE COMPANIES, 1899--. 1,000 cards in 2 file drawers (labeled by contained letters of alphabet).

Card index to admission papers and charters of companies now operating, entry 22, showing file number, charter number, name of company, address, date of license, and names of officials. Arranged by type of insurance, thereunder alphabetically by name of company. No index. Typed. 4 x 5 x 1 Bookkeeper's office.

24. [Index to Charters] DEAD COMPANIES, 1899--. 600 cards in 2 file drawers (labeled by contained letters of alphabet).

Card index to admission papers and charters of companies out of business, entry 22, showing file number, charter number, name of company, address, date of license, names of officials, and reason for dissolution. Arranged by type of insurance; thereunder alphabetically by name of company. No index. Handwritten and typed. 4 x 5 x 14. Bookkeeper's office.

25. RECORD OF ADMISSION PAPERS, 1899--. 2 vols. (1 vol. numbered 1-1470; 1 vol. lettered B).

Record of admission papers, showing name of company, date of filing application of admission, type of papers with application, date examined, date license filed, date admitted, and date power of attorney papers filed. Arranged chronologically by date of entry and numbered serially. No index. Handwritten. 16 x 11 x 3. Vault.

For admission papers and charters, see entry 22.

26. EXAMINATION OF NORTH CAROLINA COMPANIES, 1915--. 8,000 vols. in 7 file drawers (4 file drawers labeled by contained letters of alphabet; 3 file drawers unlabeled). Title varies: Examina-

tion Fraternal, 1915--. 1 file drawer; Examination, Fire Co., 1915--. 1 file drawer.

Reports to Commissioner on examination of financial status of all insurance companies doing business in North Carolina, showing date of examination and statement of income, disbursements, assets, and liabilities. Arranged alphabetically by name of company. Indexed by card index, entry 28. Typed. 13 x 15 x 25. Filing room.

For examinations of county mutual fire insurance companies, see entry 27; for reference file, see entry 28; for work sheets, see entry 30.

27. POLICY FORMS [Examination Reports], 1930--. 1,600 papers in 1 file drawer.

Examination reports of county mutual fire insurance companies, showing financial condition of company, 1938-39. Also contains correspondence relative to mistrials and to other insurance matters, 1930--. Arranged alphabetically by name of company. No index. Handwritten and typed. 13 x 15 x 25. Filing room.

For similar reports, see entry 26; for reference file, see entry 28.

28. [CARD REFERENCE TO EXAMINATIONS], 1909--. 5,000 cards in 4 file drawers (labeled by type of insurance).

Card reference file to examinations of all types of companies, to determine last date of examination, showing date, name of company, address of home office, and date of examination. Arranged alphabetically by name of company. No index. Typed on printed form. 6 x 16 x 25. Filing room.

For reports see entries 26 and 27.

29. EXAMINATIONS OF UNLICENSED COMPANIES [Financial Statements], 1918-27. 150 reports in 1 file box.

Reports of examinations, showing financial condition of insurance companies which are unlicensed in North Carolina. No obvious arrangement. No index. Typed. 12 x 13 x 25. Filing room.

30. [WORK SHEETS ON INSURANCE COMPANY EXAMINATION], 1927--. 2,000 reports in 4 boxes and 1 bundle.

Work sheets of examiners of financial status of insurance companies from which the reports on examinations of insurance companies are compiled. No obvious arrangement. No index. Handwritten. 12 x 14 x 24. Filing room.

For reports of examinations, see entries 26 and 27.

31. ANNUAL STATEMENT, 1927--. 6,000 statements in 12 bundles.

Annual statements of insurance companies doing business in North Carolina, showing statements of assets and liabilities, amount of insurance written, amount in force, losses, real estate, and mortgages. Arranged by class of company and thereunder alphabetically by name of company. No index. Printed. 18 x 12 x 36. 10 bundles, 1927-36, basement; 2 bundles, 1937--. examination room.

32. [FARMERS MUTUAL FIRE INSURANCE COMPANIES], 1934-38. 120 statements in 2 bundles.

Annual statements of farmers mutual fire insurance companies, showing home office address, name, address and salaries of officers and directors, income, disbursements, assets, liabilities, exhibit of policies and amount of insurance in force, method of transacting business, and affidavits. No

obvious arrangement. No index. Handwritten and typed. 8 x 14 x 2.
1 bundle, 1934-36, examination room; 1 bundle, 1937-38, office of actuary.

33. APPROVAL POLICY FORMS [Correspondence], 1919-20, 1923--.
30,000 letters in 15 file drawers (9 file drawers, 1919-20,
1923-31, 1935--, dated; 3 file drawers, 1923-24, 1928-36,
dated and labeled by contained letters of alphabet; 3 file
drawers, 1929-36, unlabeled). Title varies: Re: Policy
Forms, 1928-36, 3 file drawers; Approval Policies, 1923-28,
1 file drawer; Old Policy Forms, 1927, 1 file drawer; 2
file drawers untitled.

Correspondence with insurance companies relative to the approval of policy
forms used in the State and copies of forms and policies that have been
approved. Also contains correspondence with National Bureau of Under-
writers, 1934--. Arranged alphabetically by name of company; thereunder
chronologically by date of writing. No index. Typed. 12 x 13 x 25.
7 file drawers, 1919-20, 1923-31, basement; 8 file drawers, 1932--,
filing room.

34. OLD POLICY FORMS [Specimen Life Policy Forms], 1915--. 30,000
forms in 32 file drawers.

Specimen of all life insurance policies sold in North Carolina and re-
quired to be filed with Commissioner. Arranged alphabetically by name
of company. No index. Printed forms. 13 x 17 x 25. 16 file drawers,
1915-38, basement; 16 file drawers, 1915--, vault.

35. [Specimen of] CASUALTY POLICY FORMS, 1914--. 17,500 policy
forms in 9 file drawers (labeled by contained letters of
alphabet). Title varies: Old Policy Forms, 1914-38, 2 file
drawers; Policy Forms Casualty, 1923-39, 1 file drawer.

Specimen of casualty insurance policies approved by Insurance Commis-
sioner. Arranged alphabetically by name of company; thereunder chrono-
logically by date of filing. No index. Typed on printed form.
12 x 13 x 25. 2 file drawers, 1914-38, basement; 7 file drawers,
1923--, filing room.

36. [INACTIVE CARD REFERENCE TO REGISTERED POLICIES], 1905-31.
60,000 cards in 33 file drawers. Discontinued.

Card reference to registered policies, showing registration number, month
and year issued, payment, age, amount, and years for which registered,
and name of company. Policies filed with regular life policies, entry
34. Arranged chronologically by date of filing and numbered serially.
No index. Typed on printed form. 12 x 4 x 25. Office of actuary.

37. RATE BOOKS, undated. 600 books in 84 file drawers (labeled
by name of insurance company).

Rate books issued to agents by insurance companies, showing amounts of
premiums on various policy contracts. No obvious arrangement. No index.
Printed. 4 x 12 x 20. 56 file drawers, examination room; 28 file
drawers, filing room.

38. [LIQUIDATED COMPANIES], 1931--. 7,000 papers in 2 file draw-
ers (labeled by names of contained companies). 1933-- also
in Electric Inspections, entry 61.

Correspondence with policyholders and others pertaining to claims against

and to distribution of securities and assets of liquidated companies. No obvious arrangement. No index. Handwritten and typed. 12 x 13 x 25. Filing room.

39. REPORT OF EXAMINATIONS, 1935-38. 6 reports in 1 file drawer. Reports of examination of companies which have been liquidated but are now in good financial condition, including statement of assets, liabilities, receipts, and disbursements. Also contains a record of hearing upon revocation of license of Modern Woodmen of America, 1936. No obvious arrangement. No index. Printed. 12 x 13 x 25. Filing room.

40. [CHARTERS OF BURIAL ASSOCIATIONS], 1937--. 1,000 charters in 1 file drawer.
Certificates of incorporation showing certificate number, date of issue, name of association and signature of Secretary of State and other incorporation papers of burial associations. Arranged alphabetically by name of association. No index. Typed; typed on printed form. 12 x 13 x 26. Office of Actuary.

41. FRATERNALS, ETC. [Correspondence], 1916-19, 1921-31. 7,000 papers in 3 file drawers. Title varies: Fraternal Orders, 1916-19, 1 file drawer; Fraternals--Odd Fellows, etc., 1921-31, 1 file drawer.
Correspondence with burial associations and fraternal relative to regulation and laws for doing business in this State. No obvious arrangement. No index. Handwritten and typed. 12 x 13 x 25. 2 file drawers, 1916-19, 1921-31, basement; 1 file drawer, 1921-31, filing room.

42. [BURIAL ASSOCIATION FILE], 1933--. 6,000 papers in 3 file drawers.
General file of burial associations containing applications for licenses for burial associations, certificates of membership, reports on financial condition, bonds given by associations to amount of \$5,000 each to cover any losses to members, evidence of bond in amount of \$1,000 which is deposited with Secretary of State, applications for charter, applications for agents, applications for membership, and correspondence pertaining to laws, reports, administrative matters, irregularities, bonds, and completion of reports and examinations. Arranged in folders alphabetically by name of company; thereunder by name of town. No index. Handwritten and typed. 12 x 13 x 26. Office of actuary.

43. [FINANCIAL STATEMENTS OF BURIAL ASSOCIATIONS], 1933--. 5,000 papers in 2 file drawers, 2 bundles, and 1 loose-leaf binder. Financial statements of burial associations, showing receipts, disbursements, assets, liabilities, organization, membership, assessments made, and benefits paid. Also contains [Applications for Agents' Licenses] 1937-38, entry 48. Arranged chronologically by year of statement. No index. Handwritten and typed. 12 x 13 x 26. Office of actuary.

44. [MISCELLANEOUS CORRESPONDENCE RELATIVE TO BURIAL ASSOCIATIONS], 1937--. 1,500 papers in 1 file drawer.
Miscellaneous file including:

- i. Correspondence with unlicensed associations which have gone out of business because of lack of members or of merging with other companies, pertaining to bonds, return of fees, and administrative matters.

- ii. Work sheets of examinations of associations.
- iii. Annual financial statements of various burial associations, Arranged alphabetically by name of subject. No index. Handwritten and typed. 12 x 13 x 26. Office of actuary.

Records of Agents' Examinations and Licenses

- 45. RE: AGENTS EXAMINATION [Correspondence], 1933--. 2,000 papers in 1 file drawer.
Correspondence relative to agents' examinations including inquiry of cost, age limit, and results of examination. Also contains Bill Folder--Legislative Folder, 1934--, entry 3. No obvious arrangement. No index. Typed. 13 x 15 x 25. Filing room.
- 46. NON-RESIDENTS [Correspondence], 1923-28. 3,000 papers in 2 file boxes.
Correspondence with unlicensed persons selling various kinds of insurance inquiring about license requirements. Arranged chronologically by date of writing. No index. Handwritten and typed. 10 x 12 x 25. Agents' license division office.
- 47. PAPERS [Correspondence Re: Agents Licenses], 1927--. 95,000 papers in 37 file drawers (2 file drawers, 1927, 1929, labeled by contained letters of alphabet; 20 file drawers, 1927, 1929-37, labeled by contained letters of alphabet and dated; 9 file drawers, 1927-32, 1936-37, dated; 6 file drawers, unlabeled).
Correspondence with companies and agents pertaining to applications, licenses, and fees. Arranged alphabetically by name of company, thereunder chronologically by date of filing. No index. Typed. 11 x 13 x 25. Agents' license division office.
- 48. [APPLICATIONS FOR AGENTS' LICENSES], 1916--. 223,000 papers in 111 file drawers (labeled alphabetically by contained companies and dated). Subtitled by type of company. 1921-22 also in Permanent Record Cards, entry 54; 1937-38 also in [Financial Statements of Burial Associations], entry 43.
Applications of insurance companies for agents license, showing name and address of agent, name and type of agency, application number, and date and certification of character with details of applicant's experience on back. Also contains Permanent Record Cards, 1913-33, entry 54. Arranged alphabetically by name of company, thereunder alphabetically by name of agent. No index. Typed on printed form. 6 x 16 x 25. Agents' license division office.
- 49. APPLICATIONS SUSPENSE [Life Insurance], current. 700 papers in 1 file drawer.
Pending applications for license of life insurance agents who have received temporary license but must take examination within 45 days. Arranged in folders alphabetically by name of applicant. No index. Handwritten and typed. 12 x 13 x 26. Agents' examination division office.
- 50. FIRE AND CASUALTY [Suspended Applications], 1937--. 1,000 papers in 1 file drawer.

Record of applications for fire and casualty agents suspended for failure of insurance company to file application for license. Arranged in folders alphabetically by name of applicant. No index. Handwritten and typed. 12 x 13 x 26. Agents' examination division office.

51. CANCELLATIONS, 1931--. 10,000 papers in 7 file drawers (labeled by contained letters of alphabet).

Records of persons who were granted temporary licenses for selling life insurance but whose licenses have been cancelled for failure to take examination within 45 days. Arranged in folders alphabetically by name of applicant. No index. Handwritten and typed. 12 x 13 x 26. Agents' examination division office.

52. REFUNDS, 1934--. 4,500 papers in 3 file drawers (labeled by contained letters of alphabet).

Records of refund of examination fees to persons who did not complete requirements for agents' licenses, and relative correspondence. Arranged in folders alphabetically by name of applicant. No index. Handwritten and typed. 12 x 13 x 26. Agents' examination division office.

53. PASSED EXAMINATIONS, 1931--. 40,000 papers in 48 file drawers (28 file drawers, 1931-- labeled by contained letters of alphabet; 20 file drawers, 1931-36, labeled by contained letters of alphabet and dated).

Records of agents having passed examinations for license to sell insurance, containing for each agent application form showing applicant's physical condition, record of occupation for previous 5 years, endorsements, questions pertaining to ethics of insurance agents, and examination paper. Arranged in folders alphabetically by name of agent. No index. Handwritten and typed. 12 x 13 x 26. Agents' examination division office.

54. PERMANENT RECORD CARDS, 1913--. 90,000 cards in 43 file drawers. 1913-33 also in [Applications for Agents' Licenses], entry 48.

Card record of agents holding or having held active licenses to sell insurance, used to determine whether agent's license is now active, showing name and address of agent, date examination passed, company code number, and date of each renewal. Also contains [Applications for Agents' Licenses], 1921-22, entry 48. Arranged alphabetically by name of agent. No index. Typed on printed form. 9 file drawers, 4 x 10 x 25; 16 file drawers, 16 x 16 x 25; 18 file drawers, 9 x 23 x 40. 9 file drawers, 1913-23, basement; 21 file drawers, 1922--, agents' license division office.

55. LICENSED AGENTS, 1908. 1 vol. (dated).

Register of licensed agents, showing date of license, name of agent, company, and residence. Arranged alphabetically by name of company. Indexed alphabetically by name of company. Handwritten on printed form. 300 pp. 16 x 12 x 2. Vault.

56. APPOINTMENT-CANCELLATION, 1926-27. 2,800 papers in 3 file drawers (labeled by contained letters of alphabet).

Correspondence from companies requesting cancellation of licenses of agents whose services have been terminated and transmitting Form A-2 showing cause of termination. No obvious arrangement. No index. Typed. 11 x 13 x 25. Agents' license division office.

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Records of the Fire Investigator

57. FIRE LOSSES [Correspondence], 1921--. 3,500 papers in 1 file drawer, 1933-- also in Firemen's Relief Fund, entry 108.

Correspondence pertaining to fire losses, investigation of losses, results of cases in which fires were shown to be incendiary, adjustment of losses, and payment of policies. Arranged alphabetically by subject, thereunder by date of writing. No index. Handwritten and typed. 12 x 13 x 25. Filing room.

58. [REPORTS ON FIRE INVESTIGATION], 1921--. 3,100 reports in 52 file drawers (labeled by contained report numbers).

Reports of investigation of fires of suspicious nature, showing report number, date, location, name of property owner, name of occupant, name of suspect, and results of investigation. Arranged chronologically by date of investigation and numbered serially. No index. Typed and handwritten on printed forms. 11 x 5 x 13. Vault.

59. RECORD OF FIRE INVESTIGATIONS, 1901--. 1 vol.

Records of investigations of fires of incendiary origin, showing for each case record of investigation, number of investigation report, name of defendant or suspect, name of property owner, location, date of investigation, description of property, disposition of case, location of court, date of trial, and remarks. Also contains list of convictions in back of book. Entries arranged chronologically by date of investigation and numbered serially. Indexed in front of vol. alphabetically by name of defendant. Handwritten. 210 pp. 20 x 15 x 2. Vault.

Records Relative to the Erection and Alteration of Buildings

60. BUILDINGS, ERECTIONS--ALTERATIONS, 1921-39. 20,000 papers in 7 file drawers (3 file drawers labeled by contained letters of alphabet; 4 file drawers unlabeled). Title varies: Erections and Alterations of Buildings, 1918-33, 1 file drawer; Re: Erections, Alterations, etc., Buildings and Old Correspondence, 1922-33, 1 file drawer; Re: Buildings, Erections, Alterations--Miscellaneous, 1926-36, 1 file drawer.

Correspondence, 1923-39, of deputy insurance commissioner and fire marshal with citizens of various towns pertaining to the erection and alterations of buildings in fire districts of cities and towns to conform with State building code laws. Also contains Schools, 1921-24, entry 63. Arranged alphabetically by name of town and city, thereunder chronologically by date of writing. No index. Handwritten and typed. 12 x 13 x 25. 5 file drawers, 1921-39, filing room; 2 file drawers, 1928-33, basement.

51. ELECTRICAL INSPECTIONS, 1933--. 1,500 papers in 1 file drawer.

Correspondence of electrical inspector with county electric inspectors and others pertaining to electrical wiring and installation of electrical appliances to conform with State laws. Also contains [Liquidated Companies], 1933--, entry 38. Arranged alphabetically by name of correspondent, thereunder chronologically by date of writing. No index. Handwritten and typed. 12 x 13 x 25. Filing room.

62. FIRE PREVENTION APPARATUS [Correspondence], 1915-20. 15,000 letters in 5 file drawers (1 file drawer, labeled by contained letters of alphabet; 4 file drawers unlabeled). Title varies: Fire Prevention Data, 1916-19, 1 file drawer; Unclassified Fire, Blue Sky Folder, 1917-18, 1920, 1 file drawer; Fire Preventional Fires, Institutes, Summer Schools, Movies and Slides, 1917-19, 1 file drawer; Fire Prevention Compliances, Firemen's Relief Fund, 1917-20, 1 file drawer.

Correspondence with field workers, schools, institutions, and city officials, and fire chiefs relative to prevention of fires, fire equipment, fire escapes, and clean-up weeks. No obvious arrangement. No index. Typed. 10 x 12 x 25. Basement.

63. SCHOOLS, 1914-20, 1925--. 10,000 papers in 4 file drawers (labeled by contained letters of alphabet). Title varies: Old School Correspondence prior to 1927, 1914-21, 1 file drawer; 1 file drawer untitled. 1921-24 in Buildings, Erections-Alterations, entry 60.

Correspondence of fire marshal with school officials, architects, and building contractors pertaining to fire hazards and safety conditions in plans of North Carolina school buildings, alterations, additions, and fire escapes on school buildings, and inspection of schools and with school groups on delivering addresses on safety. Arranged alphabetically by name of county, thereunder alphabetically by name of town or school. No index. Typed. 11 x 13 x 25. 1 file drawer, 1914-20, basement; 2 file drawers, 1925--, office of fire marshal.

For reports, see entry 66.

64. [BLUEPRINTS], 1914--. 2,000 blueprints in 2 boxes and 1 bundle. Blueprints of proposed public schools, theatres, and public buildings and additions thereto submitted before erection to State Fire Marshal for his approval regarding fire hazards. No obvious arrangement. No index. 1914-39, 2 boxes, basement; 1939--, 1 bundle, office of fire marshal.

65. [FIRE COLLEGE], 1927--. 1,000 papers in 1 file drawer. Records and correspondence of fire colleges, organizations formed in 1914 by groups of firemen's associations and insurance companies for purpose of training firemen in their duties and study of fire prevention, showing place or town in which meeting held, names of persons in attendance, officials, members and faculty, activities of members participating, and names of those receiving diplomas for completion of course. Arranged chronologically by year of meeting. No index. Typed. 11 x 13 x 25. Office of fire marshal.

66. INSPECTORS REPORTS, 1925. 300 papers in 1 file drawer. Fire Marshal's inspection reports of public schools, showing name and location of school, report number and detail report of condition and relative correspondence. Arranged in folders alphabetically by name of county or city, thereunder numerically by number of report. No index. Typed. 11 x 5 x 13. Vault.

For correspondence, see entry 63.

67. REQUESTS FOR STATE INSURANCE [Correspondence], 1921-23, 1930--. 2,000 letters in 1 file drawer. Correspondence between Insurance Commissioner and agents relative to

placing insurance on State property. Also contains reports of electrical inspection of wiring of towns, schools, and theatres, 1921-23. Arranged chronologically by date of writing. No index. Typed. 13 x 15 x 25. Filing room.

68. STATE INSURANCE, 1917--. 20,000 papers in 8 file drawers (5 file drawers, 1917-23. 1927-39, unlabeled; 1 file drawer, 1924-25, dated; 2 file drawers, 1926--, labeled by contained letters of alphabet). Title varies: State Insurance Summons, 1927-37, 1 file drawer; State Insurance Fire Losses, 1938-39, 1 file drawer.

Correspondence with insurance companies and officials of institutions pertaining to insurance on buildings of State and of State institutions, amount of insurance, renewal of policies, payment of premiums, payment of fire losses, and rates. Also contains correspondence of the Insurance Commissioner relative to summons issued against insurance companies for claims against them by the State, 1934--. Arranged alphabetically by name of institution; contained records in separate folders. No index. Handwritten and typed. 12 x 13 x 25. 3 file drawers, 1917-27, basement; 2 file drawers, 1938--, state insurance division office; 3 file drawers, 1926--, filing room.

69. [FIRE INSURANCE PREMIUM STATEMENTS], 1935-39. 3,500 papers in 2 file drawers.

Copies of approved statements of fire insurance premiums on State institutions sent to heads of institutions for remittance of amount to insurance companies. Arranged chronologically by date of filing. No index. Typed, typed on printed form. 12 x 13 x 25. State insurance division office.

70. [INSURANCE POLICIES ON STATE PROPERTY], 1937--. 350 policy forms in 46 file drawers (labeled by name of institution or division).

Insurance policies on State property, showing number, amount of insurance, amount of premium, date of expiration, and details of agreement. Arranged by assigned numbers. For index, see entry 71. Handwritten and typed on printed form. 10 x 5 x 13. State insurance division office.

71. [INDEX TO POLICIES ON STATE PROPERTY], 1937--. 1,500 cards in 6 file drawers.

Card index to insurance policies on State property, entry 70, showing name of property, coverage, company, policy number, amount of policy, amount of premium, date of expiration, and name of agency bought from. Arranged alphabetically by name of property. Handwritten. 7 x 9 x 16. State insurance division office.

72. RECORD OF STATE INSURANCE, 1905--. 3 vols., 100 papers in 1 bundle.

Register of insurance on all State property, showing name of property, policy number, company, date of issuance, terms, amount of insurance, amount of premiums, agent, date approved, date paid, date of expiration, losses, and date of probation. Arranged chronologically by date of entry. Indexed in front of vol. alphabetically by name of property. Handwritten on printed forms. 2 vols., 400 pp. 17 x 12 x 2; 1 vol., 150 pp. 17 x 29 x 1, 1 bundle, 17 x 12 x 6. Vault.

73. RECORD OF REGISTERED POLICIES [Distribution of State Insurance], 1917-22, 1924-28. 2 vols. (1 vol., labeled F; 1 vol., unlabeled).

Record of distribution of State insurance by agencies, showing name and address of agency, policy number, date issued, date of renewal, kind of policy, date warrant sent to agent, name of property insured, amount insured, and amount of premiums. Arranged chronologically by date of entry. Indexed in front of vol. alphabetically by name of company. Handwritten on printed form. 300 pp. 18 x 12 x 2. 1 vol., 1917-22, basement; 1 vol., 1924-28, vault.

74. SCHEDULE OF OBJECTS OF STATE OF NORTH CAROLINA INSURED BY THE HARTFORD BOILER INSPECTION AND INSURANCE COMPANY, HARTFORD, CONNECTICUT, 1935--. 1 vol.

Report of inspections of boilers and heating systems of public institutions, showing date of inspection, result, name of institution, type and size of equipment, insurance risk, and amount of insurance carried. Also contains copies of inspection reports by insurance company of all boilers used in State buildings and institutions and blanket policy, showing file number, date, policy number, name of institution or department, address, number of boilers, description, manufacturer's name, size, rating, general condition, amount of premium due, limit amount per accident, and date insurance suspended. Policy in front of volume. Entries arranged alphabetically by name of institution, thereunder chronologically by date of report. Indexed alphabetically by name of institution. Typed on printed forms. 100 pp. 12 x 19 x 1. State insurance division office.

75. [RECORD OF PAYMENT OF PREMIUMS ON POLICY ON STATE PROPERTY], 1925-26. 1 vol. Discontinued.

Records of payment of premiums on insurance on State property, showing name of property, payee, voucher number, amount of insurance, and amount of premium. Entries arranged alphabetically by name of property, thereunder chronologically by date of payment. No index. Handwritten. 150 pp. 11 x 13 x 1. Vault.

76. STATE EMPLOYEES BONDS [Correspondence], 1931--. 2,100 papers in 2 file drawers. Title varies: State Bond Insurance, 1934--, 1 file drawer.

Correspondence with bonding companies and various State officials and employees pertaining to bonds under the State schedule, showing name of each employee bonded, amount of bond, and amount of premium. Arranged alphabetically by name of division. No index. Typed, typed on printed heads. 12 x 13 x 25. 1 file drawer, 1931-33, filing room; 1 file drawer, 1934--, state insurance division office.

77. BONDS, 1930--. 1,800 cards in 1 file drawer.

Record of all State employees who are under bond, showing on a card for each employee name of employee, address, title, amount, date, department, item number, premium, notice number, amount of premium, and return premium. Arranged alphabetically by name of bond division, thereunder alphabetically by name of employee. No index. Typed on mimeographed forms. 5 x 6 x 16. State insurance division office.

78. BONDS OUT OF DATE, 1930-37. 500 cards in 1 file drawer.

Record of bonds of State employees which are out of date because of termi-

nation of service or of expiration of bond, showing same information as entry 77. Arranged alphabetically by name of division. No index. Typed on mimeographed forms. 5 x 6 x 16. State insurance division office.

Building and Loan Records

79. B[uilding] and L[ean] GENERAL, 1925--. 2,500 papers in 1 file drawer.

Correspondence with building and loan organizations including transmittal letters of examination and privilege tax and concerning other building and loan business. Arranged alphabetically by name of city, thereunder chronologically by date of writing. No index. Typed. 13 x 15 x 25. Filing room.

80. BUILDING AND LOAN CERTIFICATES [Active], 1905-39. 600 documents in 5 file drawers (labeled by contained letters of alphabet). Certificates of application and copies of charters of building and loan companies which have been licensed for business in North Carolina, showing organization, financial statements, and date. Arranged chronologically by date of filing. No index. Handwritten and typed. 11 x 5 x 13. Building and loan division office.

81. BUILDING AND LOAN CERTIFICATES--DEAD FILE, 1906-24. 60 documents in 2 file drawers (labeled by contained letters of alphabet). Applications and copies of charters of inactive building and loan companies. Arranged chronologically by date of filing. No index. Typed. 11 x 5 x 13. Vault.

82. B[uilding] AND L[ean] Correspondence and General File], 1921--. 60,000 papers in 34 file drawers (5 file drawers, 1930, 1932-33, lettered; 8 file drawers, 1928-31, lettered and dated; 21 file drawers, 1921-25, 1926-27, 1934--, dated). Title varies: Building and Loan, 1921-23, 2 file drawers. Annual examination reports of building and loan associations, showing name of company, date, detailed report on assets and liabilities, operations, undivided profits and reserves, exceptions in loans, loans delinquent 60 days or over, real estate owned, accounts receivable and payable, full paid shares, members' and investors' accounts and borrowed money, other operating expenses, and names of officers, directors, attorneys, and employees, and correspondence with building and loan associations relative to reports and statements. Arranged alphabetically by name of town, thereunder alphabetically by name of company. No index. Typed. 12 x 13 x 26. 15 file drawers, 1921-31, basement; 19 file drawers, 1932--, building and loan division office.

83. EXAMINATION WORK SHEETS [of Building and Loan Associations], 1931-32, 1936-39. 10,000 papers in 7 file drawers (labeled by contained letters of alphabet). Title varies: Work Papers Tarboro Building and Loan Association, 1931-32, 1 file drawer. Work sheets of examiners of building and loan associations, showing same information as reports, entry 82. Arranged in folders alphabetically by name of town, thereunder alphabetically by name of company. No index. Handwritten. 12 x 13 x 26. Building and loan division office.

84. RECEIVERSHIP PROCEEDINGS, ETC., IN VARIOUS CASES, 1923-28.
1,500 papers in 1 file box.

Records of building and loan associations having gone into receivership, showing statement of finances, cause of failure of business, proceedings and results in cases of embezzlement, and related correspondence. Arranged in folders alphabetically by name of company, thereunder chronologically by date of writing. No index. Handwritten and typed. 11 x 13 x 24. Basement.

Financial Records

85. ACCOUNTS--TAXES--LICENSES--FEES [Correspondence], 1921--.
35,000 papers in 9 file boxes and 6 file drawers (dated).
Title varies: Old Account, 1926-34, 1 file drawer; Re: Accounts - United Mutual Life, 1934--, 1 file drawer; Correspondence, 1934-39, 1 file drawer; Account, Taxes, Licenses, Fees, 1934-39, 2 file drawers; Account, 1934--, 1 file drawer; Accounts-Taxes-Licenses-Fees, 1921-30, 1 file box; Accounts, Taxes, Licenses, Fees, 1924-26, 2 file boxes; Re: Accounts--1924, Additional Taxes--1926, Re: Accounts--1924-26, 1928-34, 3 file boxes.

Correspondence relative to receipt and payment of licenses, taxes, and fees. Arranged alphabetically by name of company, thereunder chronologically by date of writing. No index. Typed. 12 x 13 x 25. 9 file boxes, 1921-37, basement; 6 file drawers, 1924--, filing room.

86. SECURITIES [Correspondence], 1922--. 14,000 papers in 6 file drawers (labeled by contained letters of alphabet).

Correspondence with companies pertaining to securities deposited with Insurance Commissioner to cover any losses which policyholder might incur. Also contains: Re: Agency Qualification Law [Correspondence], 1922-32, entry 6. Arranged alphabetically by name of company, thereunder by date of writing. No index. Typed. 12 x 13 x 25. 2 file drawers, 1922-32, basement; 4 file drawers, 1923--, filing room.

87. [MORTGAGES AND DEEDS OF TRUST], 1927-39. 700 deeds and mortgages in 1 bundle and 1 file drawer.

First mortgages and deeds of trust for loans made by insurance companies and filed with Insurance Commissioner. Arranged numerically by number of loan. No index. Handwritten and typed on printed forms. Bundle, 12 x 13 x 2; file drawer 12 x 13 x 25. Vault.

88. RECORD OF SECURITIES, 1909-39. 3 vols. (A-C).

Record of securities deposited by companies with State Treasurer through the Insurance Commission to cover deposits required by law, showing amount of deposit, date, number, class, security, certificate number, obligator, interest rate, date payable, issue and maturity dates, amount of par value and market value, date of payment or return, and balance. Arranged chronologically by date of deposit. No index. Handwritten on printed forms. 100 pp. 19 x 12 x 1. Vault.

89. [RECORD OF RECEIPT OF SECURITIES]. 1909--. 1 vol., 25 papers in 1 bundle.

Record of receipt of securities placed on deposit with State Treasurer by

fire, casualty, and bonding companies as required by law, showing name of insurance company, home office, date received, class of security, interest rate, date of issue, date of maturity, amount of securities, numbers, receipt by State Treasurer, date returned, and amount for which returned. Arranged alphabetically by name of company. Indexed in front of vol. alphabetically by name of company. Handwritten on printed forms. Vol. 125 pp. 7 x 18 x 3; bundle, 7 x 18 x 3. Vault.

90. BUDGET BUREAU--MARINE INSURANCE, 1927--. 750 papers in 1 file drawer.

Correspondence with Budget Bureau pertaining to budget, traveling expenses, and salaries. Also contains: General [Correspondence], 1927-39, entry 1. Arranged by name of subject or correspondent. No index. Typed. 12 x 13 x 25. Filing room.

91. [INSURANCE COMPANY LICENSE STUBS], 1919--. 11 vols. (labeled by type of insurance company).

Stubs of licenses issued insurance companies, showing number, date, company, to whom issued, address, type of insurance, amount of fee, and date paid. Arranged chronologically by date of entry. No index. Handwritten on printed forms. 4,500 pp. 12 x 4 x 2. 7 vols., 1919-37, basement; 4 vols., 1919--, vault. 3rd floor.

92. [NON-RESIDENT BROKER LICENSE STUBS], 1927-38. 2 vols.

Stubs of licenses issued to non-resident brokers, showing number, date, name of firm, address, and name of party to whom issued. Arranged chronologically by date of issue and stubs numbered serially. No index. Handwritten on printed forms. 700 pp. 15 x 14 x 1. 1 vol., 1927-34, basement; 1 vol., 1933-38, vault.

93. [Non-resident] BROKERS LICENSES, 1936--. 400 papers in 2 file drawers. 1920-36 in [Tax Returns, Annual Licenses, Brokers], Licenses, and Semi-Annual Returns, entry 112.

Licenses issued to non-resident brokers who have no local agent licensed and can only transact business through a local agent. No obvious arrangement. No index. Handwritten and typed on printed forms. 11 x 5 x 10. 1 file drawer, 1937-38, vault; 1 file drawer, 1936--, bookkeeper's office.

94. [STUBS OF LICENSES FOR BUILDING AND LOAN], 1924-32. 4 vols.

Stubs of licenses granted building and loan associations filing application for doing business, showing number, date, name and address of associations, amount, and date of expiration. Arranged chronologically by date of issue and stubs numbered consecutively. Handwritten on printed forms. 600 pp. 10 x 13 x 5. Basement.

95. [STUBS OF RECEIPTS], 1933--. 2 vols.

Stubs of receipts for fee sent by plaintiff with summons, showing number of receipt, date, amount, names of plaintiff and defendant, and county. Arranged chronologically by date of issue and numbered serially. No index. Handwritten on printed forms. 375 pp. 15 x 14 x 1. Vault.

96. CASH RECEIPTS, 1915-16, 1918--. 13 vols., 1,000 papers in 1 bundle. Title varies: Cash Received, 1915-16, 1918-25, 7 vols.

Record of cash received from agents' licenses, premiums paid, insurance companies' taxes, building and loan licenses, annual fees, and miscell-

aneous fees. Arranged chronologically by date of entry. No index. Handwritten on printed heads. 12 vols., 17 x 28 x 2; 1 vol., 16 x 17 x 2; bundle, 17 x 20 x 4. 12 vols., 1915-16, 1920-33, and 1 bundle, 1933--; vault; 1 vol., 1918-20, basement.

97. [RECORD OF MONEY DEPOSITED WITH REVENUE DEPARTMENT], July 1926-December 1931, July 1932--. 19,250 papers in 15 bundles, 2 vols. Daily record of taxes, fees, and licenses collected and deposited with Revenue Department, showing date, name of company, type of taxes, licenses and fees, and total amount. Since 1929 this record has been made in duplicate; both copies are sent to Revenue Department which approves and returns one copy to the Insurance Commissioner. Arranged chronologically by date of entry. No index. Typed on printed heads; handwritten on printed forms. 15 bundles, 15 x 21 x 2; 2 vols. 250 pp. 18 x 5 x 1. July 1926-December 1931, July 1932-March 1934, 14 bundles and 2 vols., basement; 1 bundle, 1934--; vault.

98. [CHARGES FOR THE MONTH], 1921-24, 1927--. 1 vol., 75 papers in 1 bundle. Monthly record of agents' license fees charged to companies and issued by license clerk, used as a proof of payment by the treasurer, showing name of company, type of license issued, amount, and date. Arranged chronologically by date of entry. No index. Typed on printed heads. Vol., 200 pp. 12 x 15 x 3; bundle, 12 x 8 x 2. 1 vol., 1921-24, basement; 1 bundle, 1927--; vault.

99. CASH JOURNAL [Bank Accounts], 1912-25. 4 vols. Title varies: Journal and Bank Register, 1912-16, 1 vol. Cash entries of treasurer's accounts received and department accounts expended on four bank accounts. Arranged chronologically by date of entry. No index. Handwritten on printed heads. 5 vols., 500 pp. 18 x 25 x 1; 1 vol., 200 pp. 16 x 17 x 1, basement.

100. [GENERAL LEDGER], 1913--. 4 vols., 700 papers in 1 bundle. Ledger of all accounts under the jurisdiction of the Insurance Commissioner, covering licenses, taxes, fees, charters, investigations, publications, salaries, and general expenses, showing date of entry, receipts for money from various sources, record of voucher warrants issued, balances, and totals. Entries arranged chronologically by date of entry; no obvious arrangement as to account except Firemen's Relief Fund, which is arranged alphabetically by name of company and thereunder by name of city. No index. Handwritten on printed heads. Vols., 700 pp. 18 x 24 x 5; bundle, 18 x 24 x 5. 3 vols., 1913-27, basement; 1 bundle, 1927-38, vault; 1 vol., 1939--; bookkeeper's office.

101. [VOUCHER REGISTER], July 1922-June 1927. 1 vol. Record of vouchers for salaries, publications, Building and Loan examinations, firemen's relief, miscellaneous fire investigations, and general expense on special and general funds. Also contains register of received cash from collections, Building and Loan examinations, publication accounts, Building and Loan tax, and licenses. Arranged chronologically by date of entry, thereunder numerically by voucher number. No index. Handwritten on printed heads. 100 pp. 16 x 35 x 1. Basement.

102. [PURCHASE ORDERS], 1935-39. 250 papers in 1 bundle. Purchase orders issued to vendors for miscellaneous supplies on Form B.B. 401, showing supplies or equipment, name of vendor, price, date, purchase order number, and signature of purchasing officer. Arranged chronologically by date of purchase order. No index. Handwritten on printed form. 7 x 9 x 2. Vault.

103. [VOUCHER WARRANTS], 1923--. 7,500 papers in 1 box, 1 bundle, 1 file drawer, and 1 file case. Duplicate voucher warrants with requisitions, travel authorizations, and statements of account attached, covering administrative and general expenses. No index. Handwritten on printed form. Box 10 x 12 x 12; bundle 8 x 9 x 3; file drawer 9 x 12 x 24; file case 9 x 10 x 24. 1 box, 1924-34, basement; 1 bundle, 1 file drawer, and 1 file case, 1926--, vault.

104. [CANCELED CHECKS], 1905-30. 50 statements, 10 pass books, and 7,500 checks in 5 file boxes. Canceled checks, issued to cover administrative and general expenses; checks signed by Commissioner. Also contains pass books, 1910-25; bank statements, 1910-30; and check stubs, 1915-16. Checks arranged numerically by check number. No index. Handwritten on printed forms. 5 x 10 x 17. Vault.

105. [MONTHLY REPORTS TO THE BUDGET BUREAU], 1925-35, 1937--. 2,175 papers in 3 bundles, 5 post binders. Monthly reports to the Budget Bureau as follows: Monthly Report on the Budget, Form B.B. 701, showing purpose and amount of expenditure; Monthly Report on Appropriation and Allotment, Form B.B. 702, showing total appropriation, how allotted, total transactions, unexpended balance, outstanding obligations, and unencumbered allotment; Monthly Report of Outstand Obligations, Form B.B. 703, showing date of invoice, vendor, contractor, or claimant, amounts of obligations, budget classification, and time of delivery; Monthly Report of Expenditures, Form B.B. 704, showing purpose, amount for each, and totals; Voucher Register, Form B.B. 801, showing voucher number, payee, purpose, position, and amount; Voucher Register A/c Classification, Form B.B. 802, showing date, receipt number, from whom, purpose, amount, and total; Receipts Register, Form B.B. 804, showing date, receipt number, from whom, purpose, amount of receipts received, total, and deposits credited to State Treasurer; and Receipts Register A/c Classification, Form B.B. 805, showing summaries of totals to date. Also contains: request for quarterly allotment, Form B.B. 601--revised; notification of allotments for quarter, Form B.B. 302; institutional budget for biennium, Form B.B. 307; quarterly estimates revenues, Form B.B. 605--revised; interoffice communication, Form B.B. 606-706; transmittal of the estimates, Form B.B. 1001; estimates of the amounts required for the biennium, Form B.B. 1002; and statement supporting Form B.B. 1002, Form B.B. 1004. Arranged chronologically by year, thereunder chronologically by quarter, and thereunder chronologically by month. No index. Typed on printed form. Bundles, 10 x 12 x 3; vol. 201 pp. 10 x 12 x 1. 2 post binders, 1927-31, 1929-35, basement; 3 post binders and 3 bundles, 1927-35, 1937--, vault.

106. REPORT ON AUDIT, 1938-39. 2 vols. (dated). Report on audit of Insurance Department, including statements of revenue

and expenses, disbursements, salaries and traveling expenses, collections, and operation of special fund. No obvious arrangement. Typed. 40 pp. 12 x 9 x 1/4. Vault.

107. FIREMEN'S RELIEF BONDS, 1927-34. 1,200 papers in 3 file drawers (2 file drawers, 1927-29, labeled by contained letters of alphabet; 1 file drawer unlabeled). Title varies: Bonds Firemen's Relief Funds, 1930-34, 2 file drawers. Records of bonds given by custodians of firemen's relief funds in various towns, showing amount of bond, premium, and name of person bonded. Arranged chronologically by date of entry. No index. Handwritten and typed on printed form. 11 x 5 x 13. Vault.

108. FIREMEN'S RELIEF FUND, 1933--. 3,000 papers in 1 file drawer. Correspondence with fire departments of various towns pertaining to Firemen's Relief Fund, fire reports, and National Board of Underwriters. Also contains Fire Losses, 1933--, entry 57. Arranged alphabetically by name of correspondent, thereunder chronologically by date of writing. No index. Handwritten and typed. 12 x 13 x 25. Filing room.

109. CURRENT LEDGER [Firemen's Relief Fund], 1914-38. 1 vol. Yearly balance of Firemen's Relief Fund by cities, showing amount paid to treasurer of each city, location, amount, folio number, memorandum, and date of entry. Arranged alphabetically by name of city, thereunder chronologically by date of entry. No index. Handwritten on printed heads. 300 pp. 10 x 15 x 2. Vault.

110. REPORT ON SPECIAL TAX EXAMINATION, 1930, 1932-36. 25 vols. (dated and labeled by name of company). Title varies: Report on Examination, 1930, 1932-36. Report of examinations of various insurance companies made by a group of certified public accountants to find hidden taxes, showing report of taxes paid, schedule, name, date, and amount. Arranged chronologically by date of entry. No index. Typed. 12 x 8 x 2. Vault.

111. DETAILED REPORTS COVERING ADDITIONAL TAXES NORTH CAROLINA, 1923-37. 2 vols. (1 vol. dated). Title varies: North Carolina, 1923-36, 1 vol. Summary of taxes due State of North Carolina, showing name of company, claims, miscellaneous, and total. Also contains:
i. Additional taxes due as a result of misallocated premiums, 1923-37.
ii. Summary of taxes due State of North Carolina on unreported cotton premiums and reports on special tax examination, November 1936.
iii. Taxes developed, reports prepared, and fees and expenses paid and accrued, 1937. No obvious arrangement. No index. Typed. 350 pp. 12 x 9 x 3. Vault.

112. [Tax Returns, Annual Licenses, Brokers] LICENSES AND SEMI-ANNUAL RETURNS, 1920--. 18,000 papers in 9 file drawers (6 file drawers, 1920-34, dated). Title varies: Licenses and Annual Returns, 1920-24, 1 file drawer; Re: Approved Policy Forms, 1930-39, 1 file drawer. General files including:
i. Applications for licenses for all types of insurance companies,

building and loan associations, and fraternal organizations, 1920--.

ii. Returns for firemen's relief fund, 1920--, showing towns, amount, and interest.

iii. Semiannual returns, 1920--, of Workmen's Compensation Security Fund.

iv. Tax returns, 1930--.

Also contains [Non-resident] Brokers Licenses, 1920-36, entry 93. Arranged by subject, thereunder chronologically by date of writing. No index. Handwritten on printed forms. 10 x 14 x 25. 6 file drawers, 1920-34, basement; 3 file drawers, 1934--, bookkeeper's office.

Miscellaneous

113. [MISCELLANEOUS CORRESPONDENCE INACTIVE], 1925-33. 6,000 papers in 3 file drawers.

Correspondence pertaining to applications for agents' licenses, inspection reports on building, and examination of companies, agents of industrial insurance companies, laws regarding medical examinations, national conventions of insurance organizations and insurance commissioners, printing of forms, renewal of bonds by insurance companies, repairs and supplies for Todd protectograph, valuation of registered policies by insurance companies and requests for information on reliability of insurance companies. Arranged by subject and name of company, thereunder chronologically by date of writing. No index. 11 x 12 x 25. Basement.

114. MISCELLANEOUS [Correspondence], 1924--. 6,000 papers in 3 file drawers.

Correspondence of Insurance Commissioner with officials of insurance companies relative to meetings of insurance groups, auto insurance rates, unfair tactics of agents, bills pertaining to insurance, bills introduced in Congress, registration of security exchanges, inquiries from persons and corporations regarding insurance companies and regarding examinations of burial associations. Also contains correspondence with safety associations pertaining to traffic laws, complaints from policyholders pertaining to policies, and reports of fire conditions of various towns and cities. Arranged by subject, thereunder chronologically by date of writing. No index. Handwritten and typed. 12 x 13 x 25. Filing room.

115. BLUE SKY BONDS [Inactive], 1919-24. 400 documents in 3 file drawers and 1 bundle.

Bonds required of foreign corporations to assure validity of stocks, bonds, and investments sold in North Carolina. No obvious arrangement. No index. Handwritten and typed on printed forms. 11 x 5 x 13. Vault.

116. BLUE SKY PROSECUTIONS--REPORTS OF DISPOSITIONS [Inactive], 1924. 15 documents in 1 file drawer.

Records of disposition of cases in violations of Blue Sky laws. No obvious arrangement. No index. Handwritten and typed. 11 x 5 x 13. Vault.

117. ANNUAL REPORTS OF TRUST COMPANIES, 1921-22. 25 reports in 1 file drawer.

Annual reports of trust companies, showing financial statements of assets and liabilities. No obvious arrangement. No index. Handwritten and typed on printed forms. 11 x 5 x 13. Vault.

118. [PERSONAL LEDGER], 1924-30. 1 vol.

Insurance agent's personal-ledger of accounts received, showing account number, name and address, date, policy number, company, and value and description of property insured. Also contains debits and credits of fire and automobile insurance. No obvious arrangement. Indexed alphabetically by name of person having account. Handwritten on printed heads. 600 pp. 10 x 12 x 4. Vault.

B I B L I O G R A P H Y

Brookings Institution, Report on a Survey of the Organization and Administration of the State Government of North Carolina. Washington, 1930

Insurance Commission, Biennial Report of the Insurance Commission of the State of North Carolina, 1899-1938. 19 vols., Raleigh, 1901-1938.

Insurance Commission, Financial Condition of Building and Loan Associations, 1905-38. 16 vols., Raleigh, 1907-1938.

North Carolina Manual, 1929. Raleigh, 1929.

Public Laws of North Carolina.

Secretary of State, North Carolina Insurance Report, 1893-98. 5 vols., Raleigh, 1894-98.

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