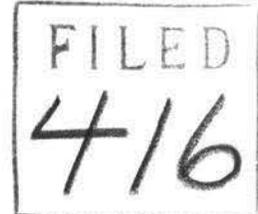


INSURANCE: Acceptance of regular life insurance law by Manchester Life Insurance Company, a stipulated premium plan company.

Opinion No. 416

December 14, 1964



Honorable Ralph H. Duggins
Superintendent
Division of Insurance
Jefferson Building
Jefferson City, Missouri

Dear Mr. Duggins:

By letter dated December 9, 1964, you requested an opinion from this office pursuant to Section 377.450, RSMo 1959, as to whether documents submitted by Manchester Life Insurance Company are in proper legal form for the acceptance of the provisions of Sections 376.010 to 376.670, RSMo 1959, by a life insurance company doing business under the stipulated premium plan pursuant to Sections 377.200 to 377.460, RSMo 1959. These documents consist of the Certificate of Amendment, Minutes of Special Meeting of Board of Directors, and Waiver of Notice of Special Meeting.

Section 377.450, provides that the Articles of Incorporation and bylaws shall be amended to conform to the provisions of Sections 376.010 to 376.670 the same as if the company had originally been incorporated thereunder. This section also provides that the amended articles, together with other documents, shall be submitted to the attorney general for his examination and approval of the legal form thereof. Upon such examination the following comments are tendered.

1. The Certificate of Amendment submitted sets forth only the amendments to the Articles of Incorporation. We construe Section 377.450 to require the entire articles as amended to be submitted. This office is unable to determine whether or not the amended articles of incorporation are in accordance with the provisions of Sections 376.010 to 376.460 unless we are able to examine the entire document.

Honorable Ralph H. Duggins

2. Proposed Article Sixth recites that one of the purposes for which the company is formed is to provide for indemnity against death or disability occasioned by accident or sickness. Pursuant to Section 376.010 Article Sixth should provide that such accident and health insurance shall be made a separate department of the business of the company.

3. Proposed Article Third provides that the amount of the capital stock shall be \$200,000.00. Section 376.280, Cum. Supp. 1963, provides that no company formed under the provisions of Sections 376.010 to 376.670 shall commence to do business unless upon an actual capital of at least \$200,000.00 and a surplus of at least \$200,000.00. Proposed Article Third should include a provision for a surplus of at least \$200,000.00.

4. The Certificate of Amendment does not show the number of directors or the manner in which the corporate powers granted by Sections 376.010 to 376.670 shall be exercised. The Minutes of Special Meeting of Board of Directors reflect that all of the directors were present, seven in number. Section 376.060 and 376.100 require that the charter of a corporation formed under Sections 376.010 to 376.670 shall set forth the manner in which the corporate powers shall be exercised showing the number of directors, which shall be not less than nine nor more than twenty-one, their powers and duties, the manner of electing them, and such other particulars as may be necessary. The amended articles of incorporation should include a provision in this regard.

Because of the deficiencies above noted, the legal form of the Certificate of Amendment of Manchester Life Insurance Company is not approved.

The foregoing opinion, which I hereby approve, was prepared by my Assistant, Thomas J. Downey.

Very truly yours,

THOMAS F. EAGLETON
Attorney General

TJDDg