Finance to fix a rate of distribution prior to the effect date of said act, the act fixes a minimum of eighty per cent (80%) as the rate of distribution for the school year beginning August 1, 1943, and therefore the proper answer to your said question is in the affirmative.

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SECURITIES COMMISSIONER: Exemption, whether described certificate is exempt under the Securities Act.

May 19, 1943.

Hon. Warren Day,
Securities Commissioner,
State House,
Indianapolis, Indiana.

Dear Sir:

You call attention to an official opinion issued by this department on May 10, 1943, in which I held that a certain certificate proposed to be issued by the Indiana Mutual Life Insurance Company of Elkhart pursuant to Section 97 of the Indiana Insurance Law of 1935 is a security within the meaning of the Indiana Securities Law. See Opinions of the Attorney General, 1943, page —.

You now submit the following additional question:

"Is this security proposed to be issued by the Indiana Mutual Life Insurance Company, exempt from registration as provided by the Indiana Securities Law, by reason of section 4(c) of said Act, being Chapter 120, Acts of 1937, as amended by Chapter 30, Acts of 1941?"

The section referred to reads as follows:

"Except as hereinafter otherwise expressly provided, the provisions of this act shall not apply to any of the following classes of securities:

"* * *

"(c) Any security issued by the duly constituted authority of any religious communion or by a corporation organized under the laws of this state, exclusively
for religious, educational, benevolent, fraternal, charitable or reformatory purposes, and not for pecuniary profit, and no part of the net earnings of which authority or corporation inures to the benefit of any private stockholder or individual.”


Without prolonged discussion, it seems to me that the Indiana Mutual Life Insurance Company is not included in any of the above classes. It clearly is not a religious organization, nor is it a corporation organized exclusively for religious, educational, benevolent, fraternal, charitable, or reformatory purposes. As to the further provision that such organizations must not be for pecuniary profit and no part of the net earnings inures to the benefit of any private stockholder or individual, I desire to point out that these provisions are conjunctive and that it would not be sufficient to show that no part of the net earnings inures to the benefit of any private stockholder or individual or to show simply that the organization is not for pecuniary profit. In addition to these requirements, the organization must be some religious communion or a corporation organized under the laws of this state exclusively for religious, educational, benevolent, fraternal, charitable, or reformatory purposes, none of which apply to the Indiana Mutual Life Insurance Company. In my opinion, your question should be answered in the negative.

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STATE BOARD OF TAX COMMISSIONERS: Intangibles tax, whether stamps should be attached to securities distributed to creditors or stockholders distributed by the trustee under the National Bankruptcy Act. Whether same instrument is subject to tax.

May 19, 1943.

Hon. Charles H. Bedwell, Chairman,
State Board of Tax Commissioners,
State House,
Indianapolis, Indiana.

Dear Sir:

I have before me your letter of May 17, 1943, in which you request an official opinion in answer to certain questions sub-