would have the same rights to the refund as would the admin-
istrator, provided title to the motor vehicle had passed to the
person asking the refund.

Therefore, in view of what has heretofore been said, it is my
opinion that the Bureau of Motor Vehicles does have the
authority under the law to make a refund of a license plate
registration fee to the administrator of the estate of a dece-
dent. Also in my opinion the bureau is authorized to make a
refund of license plates registration fees to the widow or sole
heir of a decedent, provided, however, that such widow or sole
heir is the holder of such license plates.

INSURANCE DEPARTMENT: Group Life Insurance for
Labor Union, United Auto Workers.

The Honorable George Newbauer,
Commissioner of Insurance,
State of Indiana,
Indianapolis, Indiana.

May 18, 1938.

Dear Mr. Newbauer:

Your letter of May 14, 1938, asks several questions predi-
cated upon a statement of facts.

The pertinent facts as set out in your letter are as follows:

"The Reserve Loan Life Insurance Company of Indiana-
apolis, Indiana, has submitted a form of group policy
to this department, for the consideration of this depart-
ment in accordance with Section No. 167 of the Indiana
Insurance Law.

"The Reserve Loan Life Insurance Company proposes
to issue this form of policy to labor unions in accordance
with the definition of group life insurance in No. 3 of
Paragraph No. b of section No. 166 of the Indiana In-

urance Law.

"In the company's letter of transmittal it specifically
states that it is contemplating that this form be used
in connection with the United Automobile Workers of
America, an affiliate of the Committee for Industrial
Organization. The group being familiarly known as
U. A. W. A., an affiliate of the C. I. O. The policy contract would be issued to the International Union, United Automobile Workers of America having its headquarters in Detroit, Michigan."

Attached to your letter was a copy of the constitution and by-laws of the International Union, United Automobile Workers of America which copy was certified to be a true and exact copy of the constitution and by-laws by virtue of which and pursuant to the authority of which the International Union, United Automobile Workers of America was organized and is now operating.

Your letter then asks these questions:

"From the copy of the constitution and by-laws attached, will you please advise whether or not in your opinion the definition of group life insurance contained in Section No. 166 would include this union."

Your second question, a double one, asks:

"... whether or not the Reserve Loan Life Insurance Company has the right to include" in the insurance contract, a provision to pay back to the union 5% of the premium, "and if so what authority the union would have to receive such payment."

Your third question asks this:

"Does the union in this case have the right to act as agent for the insurance company?"

You point out in your letter that you are informed by the Reserve Loan Life Insurance Company that all of the premium in connection with the policy is to be paid by the members of the union. You then ask the fourth question which is:

"If all the premium in connection with this proposed policy is to be paid by the members, would such a contract comply with the definition in Section No. 166?"

The fifth question which you ask inquires whether or not in our opinion—

"... the place and time of delivery have any bearing on the contract, and if so what would be the effect of the place and time of delivery?"
As a basis for your sixth and last question your letter states that:

"The specimen contract submitted does not contain a provision in regard to keeping 75% of the members insured."

The question you then ask is this:

"In your opinion under the definition of Section No. 166, should it contain a provision in regard to keeping 75% of the members insured?"

Your first question set out above seeks advice as to whether or not the definition of group life insurance given in Section No. 166 would include the International Union, United Automobile Workers of America. Group life insurance is defined by section 39-4221 Burns' Indiana Annotated Statutes, 1933 (Cumulative Pocket Supplement 1937). This statute is the section 166 of chapter 162 of the Acts of 1935 of which you speak in your letter. It is provided in this portion of the Insurance Code of Indiana that:

"Group life insurance is hereby declared to be that form of life insurance covering not less than twenty-five (25) employees with or without medical examination, written under a policy issued to the employer, the premium on which is to be paid by the employer or by the employer and employees jointly, and insuring only all of his employees, or all of any class or classes thereof determined by conditions pertaining to the employment, for amounts of insurance based upon some plan which will preclude individual selection, for the benefit of persons other than the employer, etc."

Paragraph B of this same section provides in part that:

"The following forms of life insurance are hereby declared to be group life insurance within the meaning of this act: ... (3) life insurance covering the members of any labor union, written under a policy issued to such union which shall be deemed to be the employer for the purposes of this act, the premium on which is to be paid by the union or by the union and its members jointly, and insuring only all of its members who are actively engaged in the same occupation, for amounts
of insurance based upon some plan which will preclude individual selection, for the benefit of persons other than the union or its officials: Provided, however, That when the premium is to be paid by the union and its members, jointly, and the benefits are offered to all eligible members, not less than seventy-five (75) per cent of such members must be so insured.”

There then follows a provision for additional insurance.

Our first consideration then must be, what is a labor union? After determining what a labor union is, then we must measure the membership of the International Union, United Automobile Workers of America by that definition.

The case of Stone v. Textile Examiners and Shrinkers Employers’ Association, 122 N. Y. Supplement, 460, 462 sets out two definitions of a labor union. These are:

“A combination of workmen of the same trade or of several allied trades, for the purpose of securing by united action the most favorable conditions as regards wages, hours of labor, etc., for its members.’ 28 Am. & Eng. Ency. of Law, 440. ‘An association of workmen, usually, but not necessarily, employed in the same trade, for the purpose of combined action in securing the most favorable wages and condition of labor.’ 24 Cyc. 816.”

The objects of the International Union, United Automobile Workers of America are set out in Article 2 of the constitution. Among these objects is this:

“To unite in one organization, regardless of religion, race, creed, color, political affiliation or nationality, all employees engaged in the mass manufacture of all parts and the assembling of those parts into completed automobiles.”

By Section 1 of Article 3 of the constitution it is provided that:

“The International Union shall be composed of workers eligible for membership in the International Union, United Automobile Workers of America.”

Section 2 of Article 3 then provides that:

“Any person eligible to become a member of the International Union, United Automobile Workers of
America, who is not affiliated with any organization whose principles of philosophy are contrary to those of this International Union, may apply for membership to the local union having jurisdiction over the plant in which he or she is employed. The applicant must, at the time of application, be an actual worker in and around the plant.

Section 2 then sets up certain restrictions and conditions relative to the application, initiation fee and acceptance of such application which are immaterial to this opinion.

Measuring the membership of the International Union, United Automobile Workers of America by the definition of labor unions heretofore quoted, we find a combination of workmen of several allied trades united in one organization for the purposes set out in Article 2 of the constitution of the said Automobile Workers Union, namely, establishment of "a wage in accordance with the need and desires of its membership" and a regulation of "the hours of labor and working conditions."

In view of the foregoing, it is my opinion that the International Union, United Automobile Workers of America is a labor union such as is contemplated in part 3, paragraph B of section 166 of chapter 162 of the Acts of 1935. It therefore follows that the Reserve Loan Life Insurance Company of Indianapolis, Indiana, can write a group policy of life insurance giving coverage to the members of the aforesaid union, who are actively engaged in the same occupation, provided there is a compliance with the other requirements of the Indiana Insurance Code and provided further, that the said union remains the same as is now provided by the constitution which you submitted with your letter.

The second question you submitted inquires whether or not the Reserve Loan Life Insurance Company of Indianapolis, Indiana, has the right to include in its contract a provision to the effect that five per cent of each premium paid to the insurance company on the contract shall be paid to the union for the expenses of administration.

Section 273 of chapter 162 of the Acts of 1935 provides in substance that no insurance company acting through its officers or members or any other party shall directly or indirectly offer, promise, allow, set off or pay any rebate of or a part of
the premium payable on a policy unless such rebate is specified in the policy contract of insurance. In the instant case since the Reserve Loan Life Insurance Company of Indianapolis, Indiana, contemplates paying back to the union five per cent of the gross premium collected, and in my opinion such payment would constitute a rebate, the provision for the payment of five per cent should be included in the policy contract.

The second part of question number two asks what authority the union would have to receive this five per cent. Under the broad powers given in the constitution of the International Union, United Automobile Workers of America, relative to the improvement of working conditions and the maintenance and protection of the interests of automobile workers, it is my opinion, that the union has such power and authority. However, in accepting such five per cent for the expenses of administration, the union would be the agent of the insurance company. This then, raises the question whether the union as such can act as agent in Michigan for the insurance company. I think under the provisions of our law, particularly section 217 of chapter 162, supra, the union could not be the agent because by provisions of this section a life insurance agent must be a natural person. In the present case this provision is of no moment because the statutes of our state can not constitutionally have extraterritorial effect. The question then whether or not the union can act in the capacity of agent in view of what I shall say hereafter relative to the contract in answer to your question five, is solely a question for the Department of Insurance of the State of Michigan to decide pursuant to the provisions of their own insurance code.

Your question number three inquires whether the union would have the right to act as agent for the insurance company. Again I must say that under the broad powers of the constitution, the union would have such right. Whether or not it can legally do so in the state of Michigan is likewise a question for the insurance department of Michigan to answer, and for the same reason as is given in answer to the latter part of question number two, supra.

Question number four asks if there would be a compliance with section No. 166 if the entire premium in connection with this proposed policy were paid by members of the union. A reference to part 3 of paragraph B of section 166 leaves no doubt that there would not be such compliance and for the
reason that the portion of the statute referred to expressly provides that the premium is to be paid by the union or by the union and its members jointly. There is no provision made for the payment of the premiums by the members alone.

Your question number five asks whether or not the place and time of delivery of a contract have any bearing on it and if so, what would be the effect of the place and time of delivery.

In Equitable Life Assurance Society v. Clements, 140 U. S. 226, 35 L. E. 497, it was held in the case of insurance contracts, where the parties are in different jurisdictions, that the contract of insurance is deemed to be executed at the place where the last act is done which is necessary to complete the transaction and bind both parties. This is also the rule of law prevailing in the state of Michigan as is evidenced by the case of Dolan v. The Supreme Council of Catholic Mutual Benefit Association, 113 N. W. 10, 13 L. R. A. N. S. 424. Therefore, if the delivery of the insurance contract were the last act necessary to complete the transaction and bind the parties, the contract would be governed by the law of the state where the last act was done. (See Wiestling v. Marthim, 1 Ind. App. 217.)

In connection with your question numbered six, you set out that the specimen contract submitted to the insurance department by the Reserve Loan Life Insurance Company of Indianapolis, Indiana, does not contain a provision in regard to keeping 75 per cent of the members insured. You then ask whether or not under the definition contained in section 166 the policy should contain a provision in regard to keeping this percentage of the members insured. From a reading of the applicable portion of part 3 of paragraph B of section 166, we see that in the event that the premium is paid by the union and the members jointly and the benefits are offered to all eligible members that not less than 75 per cent of such members must be so insured. You will notice that 75 per cent of the members must be insured in the event that two things happen, namely, that the premium is paid by the union and its members jointly and the benefits are offered to all eligible members. There is nothing in section 166 which requires that the policy contract contain a provision relative to the keeping of 75 per cent of the members insured. On the other hand, there is nothing in said section which prohibits the incorporation within the policy of some such stipulation.