

**APPEAL OF TITLE GUAR. & TRUST CORP., 1925-NMSC-050, 31 N.M. 94, 240 P.  
988 (S. Ct. 1925)**

**Appeal of TITLE GUARANTY & TRUST CORPORATION**

No. 3098

SUPREME COURT OF NEW MEXICO

1925-NMSC-050, 31 N.M. 94, 240 P. 988

November 04, 1925

In the matter of the appeal of the Title Guaranty & Trust Corporation from the State Corporation Commission affirming a decision of the Superintendent of Insurance.

**SYLLABUS**

**SYLLABUS BY THE COURT**

The securities of a corporation are not available for investment by a domestic insurance company until such corporation has been in business for ten years without defaulting in any of its obligations, under the provisions of section 30, chapter 135, Laws 1925.

**COUNSEL**

Hall & McGhee, of Clovis, for appellant.

J. N. Bujac, Asst. Atty. Gen., for appellees.

**JUDGES**

Parker, C. J. Bickley and Watson, JJ., concur.

**AUTHOR: PARKER**

**OPINION**

{\*95} {1} OPINION OF THE COURT The question in this case is whether a domestic insurance company may invest its accumulations, and capital in securities of a corporation which has been in business for less than ten years. The question was first submitted to the superintendent of insurance, and he decided that such investment could not be made. The interested party appealed to the State Corporation Commission, which held likewise, and the cause is here on removal from the

Commission. The provisions of law covering the matter are contained in chapter 135, Laws 1925, and section 30 of that chapter provides:

"It shall be lawful for any domestic insurance company licensed to transact an insurance business in the state of New Mexico to invest any of the funds accumulated in its business, including its capital, in: \* \* \* (d) in the bonds or debentures or secured obligations of any solvent corporation which has not defaulted in the payment of the interest or principal, of any of its obligations for ten years previous."

**{2}** This section requires no interpretation. It means exactly what the words import, and how it can be said a corporation has not defaulted for ten years previous, unless it is first to be assumed that it has been in business for ten years, is hard to understand. The section evidently means that the corporation whose bonds are to be available for such investment must have been in business for ten years, and must not have defaulted during that period of time.

**{3}** It follows that the judgment of the State Corporation Commission is correct and should be affirmed, and it is so ordered.