

March 29, 1938

Mr. Roy B. Rummage
Liquidator of
Union Reserve Life Insurance Co.
Corporation Commission
Phoenix, Arizona

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ARIZONA ATTORNEY GENERAL

Dear Mr. Rummage:

Replying to your letter of March 16th, in reference to the liability of stockholders of the Union Reserve Life Insurance Company, you are advised that Section 11, Article XIV of the State Constitution is as follows:

" The shareholders or stockholders of every banking or insurance corporation or association shall be held individually responsible, equally and ratably, and not one for another, for all contracts, debts, and engagements of such corporation or association to the extent of the amount of their stock therein, at the par value thereof, in addition to the amount invested in such shares or stock."

It is the opinion of this office that under the above mentioned constitutional provision, the stockholders of the Union Reserve Life Insurance Co., are individually responsible, equally and ratably, and not one for another, for an amount equal to the par value of their stock, in addition to the amount already invested therein. In other words, if a person is the owner of stock of the par value of \$100.00, for which he has paid \$100.00, he is also obligated to pay an additional \$100.00.

Very truly yours,

JOE CONWAY
Attorney General

EARL ANDERSON
Special Assistant
Attorney General