

Institute necessary proceedings. continue in the control of its business, it is hereby made his duty to institute the necessary proceedings for the protection of its policy holders, in accordance with the laws of this State, and to publish the result of the examination of the affairs of such company, whenever he may deem it for the interest of the public so to do, in one or more papers published in this State.

Basis of reserve for fire insurance companies. Sixth. For every company doing fire insurance business in this State he shall calculate the reinsurance reserve for unexpired fire risks by taking fifty per cent. of the premiums received on all unexpired risks that have less than one year to run, and a *pro rata* of all premiums received on risks that have one year or longer to run, and in marine and inland insurance he shall charge all the premiums received on unexpired risks as a reinsurance reserve; provided that the foregoing requirements of reinsurance reserve, when applied to companies organized under the laws of foreign governments, shall be calculated only upon the business of such company in the United States, and only the assets of such company held and invested in the United States shall be recognized as constituting the reserve fund so required.

For marine and inland insurance companies and for foreign companies.

Standard of solvency for such companies. Seventh. Having charged against a company the reinsurance reserve, as above determined, for fire, inland and marine insurance, and adding thereto all debts and claims against the company, he shall, in case he finds the capital stock of the company impaired to the extent of twenty-five per cent., give notice to the company to make good its whole capital stock within sixty days, and if this is not done he shall require the company to cease to do new business within this State, and shall thereupon, in case the company is organized under the authority of this State, immediately institute such legal proceedings as are necessary to protect the rights of all persons interested in said company.

Impairment of capital must be made up, or new business discontinued.

Legal proceedings in case of companies of this State.

Examination of companies of this State. Eighth. Once at least during his term of office, and oftener if he should deem it expedient so to do, the Insurance Commissioner shall visit the principal office of every insurance company organized under the laws of this State for the purpose of examining