

determined by a consideration of the facts and circumstances of each particular claim, the amount so set aside as a reserve to be reasonably sufficient to cover the probable expenses and payments in each case. The reserves for claims of the classes mentioned in this sub-Section (Thirteenth) shall be first estimated and set aside by each such corporation, and may be inquired into and verified by the Insurance Commissioner, or any deputy, examiner, or assistant from his office, during any regular examination of said corporation, and, if found to be inadequate, the said corporation may be required to set aside such reserves on claims mentioned in this Section as may in the aggregate be deemed reasonably and fairly sufficient by the Insurance Commissioner.

Fourteenth: On all policies of casualty insurance and bonds in force and written for one year or less there shall be maintained a premium reserve of fifty per centum of the current year's premium. On all such policies and bonds in force and written for more than one year there shall be maintained a premium reserve of fifty per centum of the current year's premium, plus the whole of the premium for subsequent years. If the premium for the entire term is paid in one installment the premium for the current year shall be calculated on a pro rata basis. Such premium reserves shall be subject to verification by the Insurance Commissioner during any regular examination of such corporation.

Fifteenth. Should any corporation incorporated under the laws of any other State, but authorized by law to do a bonding and casualty insurance business in this State, fail or refuse to set aside reserves for premiums and unadjusted losses, then the Insurance Commissioner of this State is authorized and directed to revoke the license of such foreign bonding or casualty insurance company until this Act is complied with.

SEC. 2. *Be it further enacted*, That all laws or parts of laws heretofore enacted, which are or may be in conflict with this Act or any part thereof, are hereby repealed in so far as they so conflict.

SEC. 3. And this Act shall take effect from the date of its passage.

Approved April 13th, 1914.