

paying for the fractional parts of shares; and it shall be lawful for the directors of such company to create new stock and dispose of the same, and to issue new certificates therefor to any amount sufficient to make up the original capital of the company. Whenever the capital stock of any joint stock, fire or marine insurance company of this State becomes impaired, the Insurance Commissioner may in his discretion permit the said company to reduce its capital stock and the par value of its shares in proportion to the extent of impairment; *provided*, that in fixing such reduced capital no sum exceeding twenty-five thousand dollars shall be deducted from the assets and property on hand which shall be retained as surplus assets; and, *provided further*, that no part of such assets and property shall be distributed to the stockholders; and, *provided further*, that the capital stock shall not be reduced to an amount less than one hundred thousand dollars; and whenever he shall have reason to believe that any company is insolvent or fraudulently conducted, or that its assets are not sufficient for carrying on the business of the same, or during any non-compliance with the provisions of this Act, he shall make complaint thereof to the Judge of the Superior Court of Baltimore city, or any Judge of the Circuit Court of the county where the company or agent may be located, as the case may be, which judge shall, upon the requisition of the commissioner, appoint a commission, consisting of the Insurance Commissioner and two disinterested and competent persons, whose duty it shall be to examine every detail of the business and condition of said company, and report in writing the result of such examination to the judge appointing them, who shall, if in his judgment the charges of fraud, neglect or abuse, as charged by the Insurance Commissioner, is sustained by the said report, at once issue an injunction suspending the business of said company.

*Seventh.* It shall be the duty of the Insurance Commissioner, after he has notified a life insurance company, organized under authority of this State, to cease doing new business until the net value of its policies in force is equal to that called for by the

When the capital stock becomes impaired.

Proviso.

Make complaint.

Issue injunction.

To cause rigid examination.