

missioner with full particulars as to the methods and proposed cost of promotion. Before any such person shall solicit subscriptions to or sell the stock of such company, he shall be required to secure a license from the insurance commissioner, who, prior to the issuance of such license, shall investigate the record of the applicant and may, for good cause shown, refuse to issue same. The fee for each such license shall be ten dollars. The cost of promotion, including commissions to the stock salesmen and all expenses of organization of whatever character, shall not exceed five per centum of the subscription or selling price of each share of stock, and the insurance commissioner shall require this provision to be plainly set forth in the stock subscription agreement or contract for the sale of stock. No part of the commissions to the salesmen or other organization expense under any subscription for stock shall be payable until such share or shares of stock have been fully paid for in cash or securities of equivalent value. The subscription to or sale of stock in any such company in series is prohibited, except that after a company is organized and actively engaged in the insurance business, the insurance commissioner is empowered to authorize it to sell a new issue of stock at an advanced price on conditions not otherwise inconsistent with the provisions of this section. The fiscal agent, person or corporation engaged in promoting the organization of any such insurance company shall be required to give to the insurance commissioner a surety bond in the amount of ten per cent. of the proposed maximum capital of such company for the faithful performance of the undertaking in accordance with the provisions of this section by both himself and his salesmen.

Any violation of the provisions of this section shall be deemed a misdemeanor and shall be punishable by a fine not exceeding one hundred dollars for the first offense, and by a fine of not less than one hundred dollars or more than one thousand dollars for each subsequent offense.

See art. 32A, sec. 11, *et seq.*

1922, ch. 492, sec. 44.

44. *Rebating Unlawful (Life and Accident).* No insurance company doing business in this state shall make or permit any discrimination or distinction in favor of individuals of the same class and equal expectation of life in the amount of premiums or rates charged for policies of life or endowment insurance, or for policies insuring persons against accidental bodily injury, or in any of the terms and conditions of the contracts it makes, as an inducement of such insurance; nor shall any such company or any officer, agent, solicitor or representative thereof, or any insurance broker, pay, allow or give, or offer to pay, allow or give, directly or indirectly, as inducement to such insurance, or after the insurance shall have been effected, any rebate from the premium which is specified in the policy, nor shall the insured, his agent or representative, directly or indirectly accept or knowingly receive any rebate from the premium specified in the policy, or any special favor or advantage in the dividends or other benefits to accrue thereon, or any paid employment or contract for services of any kind, or any special advantage in date of policy or age of issue, or any