

regulations. Such rules and regulations and fines and forfeitures shall be submitted to the state industrial accident commission and, when approved by it, shall be enforced by the directors of any such company. Should the members of such company fail to make such reasonable rules and regulations, the directors thereof shall make and submit them to the state industrial accident commission for its approval, and when approved by said commission the directors of such company shall enforce them. If such company appoints one or more inspectors or experts for the purpose of accident prevention, they shall have free access to all premises of employer members, where work is being conducted during regular working hours. The policy of any member neglecting to provide suitable safety appliances as provided by law, or as required by the rules and regulations of the company may be cancelled and terminated by the board of directors, after giving such member notice of such cancellation ten days prior to its becoming effective.

See art. 101, sec. 55.

1922, ch. 492, sec. 129.

**132.** *Employer and Employees May Agree Upon Scheme of Compensation.* Nothing in this article shall prevent any employer and his or its employees, subject to the approval of the state industrial accident commission, from agreeing upon and conducting any scheme of compensation, benefit or insurance for the purpose of insuring the payment of compensation or any other liability of such employer to his employees, or, in the event of death, to the dependents of such employees, as the result of accidental injury to such employees, or for insuring to such employees sick, old age or other benefits; provided any such scheme of compensation, benefit or insurance shall maintain the same reserves as are required under section 120 of mutual insurance companies for the same kind of business, and shall make reports to the insurance commissioner and shall be subject to examination by him as provided in section 125 for mutual insurance companies. But no such scheme shall assume any insurance risk until it receives a license from the insurance commissioner, who shall not grant or issue to it any license until the state industrial accident commission certifies to him its approval of the plan of such scheme; and no such scheme shall be so approved or certified by the state industrial accident commission unless there are at least five hundred employees to be insured therein and the premium rates to be paid are, in the judgment of said commission, adequate for benefits promised, and unless the scheme provides for extra payments thereto in the event they should be necessary to maintain the required reserves. But the approval of any such scheme for the insurance of so small a number of employees as five hundred shall be discretionary with the state industrial accident commission, which shall withhold its approval of any such scheme for the insurance of a smaller number than two thousand employees unless the financial plan of the scheme is especially strong, or the risk or hazard is exceptionally low.

If the state industrial accident commission shall at any time find that the scheme no longer fulfills the requirements of this section, or is not fairly