

concerned, to the provisions of Section 158 of this Article, applicable in the organization of new associations; provided that the contributions and funds of such new members shall be kept separate and apart from the other funds of the association until the required improvement shall be shown by valuation. If such required improvement is not shown by the succeeding triennial valuation, then the said new members may be placed in a separate class and their certificates valued as an independent association in respect of contribution and funds.

1922, ch. 492, sec. 172.

**175.** *Examination of Domestic Associations.* The Insurance Commissioner, or any person he may appoint, shall have the power of visitation and examination into the affairs of any domestic association. He may employ assistants for the purpose of such examination, and he, or any person he may appoint, shall have free access to all the books, papers and documents that relate to the business of the association, and may summon and qualify as witnesses under oath and examine its officers, agents and employees or other person in relation to the affairs, transactions and condition of the association.

The expense of such examination shall be paid by the association examined, upon statement furnished by the Insurance Commissioner, and the examination shall be made at least once in three years. Whenever after examination the Insurance Commissioner is satisfied that any domestic association has failed to comply with any provisions of this Article, or is exceeding its powers, or is not carrying out its contracts in good faith, or is transacting business fraudulently, or wherever any domestic association after the existence of one year or more shall have a membership of less than 400 (or shall determine to discontinue business), the Insurance Commissioner may present the facts relating thereto to the Attorney-General, who shall, if he deem the circumstances warrant, commence an action in quo warranto in a court of competent jurisdiction, and such court shall thereupon notify the officers of such association of a hearing; and if it shall then appear that such association should be closed, said association shall be enjoined from carrying on any further business; and some person shall be appointed receiver of such association and shall proceed at once to take possession of the books, papers, monies and other assets of the association, and shall forthwith, under the direction of the court, proceed to close the affairs of the association and to distribute its funds to those entitled thereto. No such proceedings shall be commenced by the Attorney-General against any such association until after notice has been duly served on the chief executive officers of the association and a reasonable opportunity given to it, on a date to be named in said notice, to show cause why such proceedings should not be commenced.

1922, ch. 492, sec. 173.

**176.** *Application for Receiver.* No application for injunction against or proceedings for any dissolution of or the appointment of a receiver for