

PROVISO.

ations have been properly made on sound and recognized principles, and legal basis not less than that prescribed above, *provided*, that the company shall furnish to the insurance commissioner of this State a certificate from the insurance commissioner of such State, setting forth the value, calculated on the data designated above, of all the policies in force in the company on the previous thirty first day of December, and stating that said company is fully authorized to do business in its own State; and every life insurance company doing business in this State during the year for which the statement is made, that fails promptly to furnish the certificate aforesaid, shall be required to make a full detailed list of its policies and securities to the insurance commissioner of this State, who shall thereupon cause the same to be valued at the expense of said company.

Assets of company to be equal to net values of policies

Fourth.—And it is hereby made the duty of the insurance commissioner, after having ascertained the amount of the net values of all the policies in force, to see that the company has that amount in safe legal securities of the description and character hereinafter provided for in this act, after all its other debts and claims against it, including those resisted by the company, but exclusive of capital stock, have been provided for; and in case it is found that any life insurance company doing business in this State, has not on hand, after so deducting all debts and claims against it, exclusive of capital stock, an amount of assets of the character hereafter prescribed in this act, equal in value to the net present value of all its policies in force, it shall be the duty of the insurance commissioner to publish the fact that the existing condition of the affairs of the company is below the legal standard of solvency established by this State, and he shall require the company at once to cease doing new business; and he shall immediately institute such proceedings as are necessary to protect the rights of all persons interested in said company, and it shall be his duty to see that no company is permitted to insure lives in this State whose charter authorizes it to do fire, marine, or inland insurance business.

If below legal standard of solvency to cease doing new business and proceedings instituted
Not to insure lives when authorized by charter to do fire, marine, and inland insurance

Fifth.—It shall be the duty of the insurance commissioner, after he has notified a life insurance company, organized under the authority of this State, to cease doing new business on account of its condition being below the legal standard of solvency established by this State, at once to cause a rigid examination in regard to all the affairs of such company. In case it shall appear that there is no fraud or gross incompetency or recklessness in the management, he may, upon publishing the facts in the case, permit such company to continue in charge of its business for one year; *provided*, there is, in his opinion, reason to believe that the company may eventually be able to re-establish its solvency according to the legal standard. At the expiration of such year he may renew the permission, in case, on examination, he is satisfied that the company is likely to retrieve its condition; but in case the insurance commissioner does not permit the company to continue in the control of its business,

Proceedings in case solvency is below legal standard