

it is hereby made his duty to institute the necessary proceedings for the protection of its policy-holders, in accordance with the laws of this State, and to publish the result of the examination of the affairs of such company, whenever he may deem it for the interest of the public so to do, in one or more papers published in this State.

May publish
result of ex-
amination

Sixth.—For every company doing fire insurance business in this State, he shall calculate the reinsurance reserve for unexpired fire risks by taking fifty per cent. of the premiums received on all unexpired risks that have less than one year to run, and a *pro rata* of all premiums received on risks that have one year or longer to run, and in marine and inland insurance he shall charge all the premiums received on unexpired risks as a reinsurance reserve; *provided*, that the foregoing requirements of reinsurance reserve, when applied to companies organized under the laws of foreign governments, shall be calculated only upon the business of such company in the United States, and only the assets of such company held and invested in the United States shall be recognized as constituting the reserve fund so required.

Calculation of
reinsurance
reserve in fire,
marine, and
inland com-
panies.

Proviso

Seventh.—Having charged against a company the reinsurance reserve, as above determined, for fire, inland, and marine insurance, and adding thereto all debts and claims against the company, he shall, in case he finds the capital stock of the company impaired to the extent of twenty five per cent., give notice to the company to make good its whole capital stock within sixty days, and if this is not done he shall require the company to cease to do new business within this State, and shall thereupon, in case the company is organized under the authority of this State, immediately institute such legal proceedings as are necessary to protect the rights of all persons interested in said company.

In case capital
stock impaired

Notice to make
the same good.

Eighth. Once, at least, during his term of office, and oftener if he should deem it expedient so to do, the insurance commissioner shall visit the principal office of every insurance company organized under the laws of this State, for the purpose of examining its affairs. At such time he shall have free access to its books and papers, and shall thoroughly inspect and examine its affairs to such extent, and make such inquiries as may be necessary to ascertain its condition and ability to fulfil its engagements, and whether it has complied with all the provisions of law applicable to its transactions. And whenever the insurance commissioner may have reason to doubt the solvency, or the correctness of the statement of any company not organized under the laws of this State, he shall communicate such doubts, and the reasons for them, to the insurance commissioner or other proper officer of the State in which such company is located. And if he is not satisfied, from the information obtained from such insurance commissioner or other officer, or from the officers of the company, that the condition of the company is such as to warrant him in permitting it to transact business in this State, under the pro-

Commissioner
to inspect each
company at
least once dur-
ing term of
office.

Proceedings
where state-
ment of foreign
company
doubted.