

son or company wilfully making a false statement in any report to the insurance commissioner shall be liable to the fines imposed by section nine hereof.

8. The capital stock of no insurance company, mutual insurance companies excepted, incorporated by this State, or incorporated by the laws of any other State or nation, and doing business in this State, whether life, fire, marine, or inland insurance, shall be less than one hundred thousand dollars; and every insurance company authorized to do business in this State, must have, and continually keep, an amount equal to its entire reinsurance reserve, and all other debts and claims against it, exclusive of capital stock invested in the bonds, coin, or treasury notes, of the United States, or bonds or stocks of this or any other State of the United States, or of any county, incorporated city, or other corporation of this or any other State having legal authority to issue the same, not only bearing but paying interest, or it may be invested in real estate for their office or business purpose only; *provided*, however, that they shall have the right to purchase and hold real estate under a foreclosure of their own mortgages for a period of not more than five years; and for five years longer if in the judgment of the insurance commissioner it is advisable so to do, or it may be invested in ground rents, or loaned upon mortgages of unincumbered real estate, in this or any other State of the United States, worth at least double the amount loaned thereon exclusive of buildings, except where such buildings are insured against fire, and the policies duly assigned as additional security, when the value of the buildings so insured—to an extent not exceeding the amount for which they are insured—shall be taken into account as a part of the security for such loan, in determining whether the security is worth double the amount loaned thereon; or it may be loaned on pledges of any security named in this section, or on the policies of the company in force; *provided*, that each loan is less than the net reserve of the policy on which the loan is made, according to the standard of valuation prescribed in this act; and *provided*, that the current market value of such pledged securities, other than the bonds and stocks of this State, or of the United States, shall be at all times during the continuance of such loans, at least ten per cent more than the sum loaned on them; and all such loans shall be subject to the power of the company to terminate the same in case of the depreciation of the securities below that limit; and *provided*, that in all investments made upon mortgage securities, the evidence of the debt shall accompany the mortgage or deed of trust; and the insurance commissioner shall have the authority, when any of the securities mentioned in this section and held by any insurance company reporting to him, are of doubtful market value, or without any ascertainable value in the exchanges, to cause the same to be appraised by two disinterested and competent persons, whose estimate of the value of such securities shall be taken to be the value thereof unless the

1873, c. 106
Amount of
capital stock
required

Amount and
character of
securities.

PROVISOS.