

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.

*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, 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.

*Sixth.* For every company doing fire and inland insurance business in this State, he shall calculate the re-insurance reserve for unexpired fire and inland risks, by taking fifty per centum of the premium 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 insurance he shall charge sixty per centum of the amount of premium written in its marine policies upon yearly risks, and risks covering more than one passage, not terminated, and the full amount of premium under its policies upon all other marine risks less than one year, not terminated; provided, that the foregoing requirements of re-insurance reserve, when applied to companies organized