

CHAPTER 631.

AN ACT to add five new sub-Sections to Section 178 of Article 23 of Bagby's Code of Civil Laws, title "Corporations," sub-title "Insurance Department," to be known as sub-Sections Eleventh, Twelfth, Thirteenth, Fourteenth and Fifteenth, requiring bonding and casualty insurance companies doing business in this State to set aside reserves for unadjusted claims and for unearned premiums.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That five new Sub-Sections be added to Section 178 of Article 23 of Bagby's Code of Civil Laws, title "Corporations," sub-title "Insurance Department," to be known as Eleventh, Twelfth, Thirteenth, Fourteenth and Fifteenth, and to read as follows:

Eleventh. All stock corporations doing the business of bonding and casualty insurance, whether incorporated under the laws of Maryland or of some other State and authorized by the Insurance Department to transact such business in this State, shall at all times keep and maintain adequate reserves sufficient to pay the claims which may have been filed against such corporations, and also reserves for unearned premiums, said reserves to be estimated as hereinafter described.

Twelfth. The reserve for outstanding losses under insurance against loss or damage resulting from accident to or injuries suffered by an employee or other person and for which the insured is liable, and under insurance against loss from liability on account of the death of or injury to an employee not caused by the negligence of the employer, shall be determined as follows: Each corporation which writes policies covering any of the said kinds of insurance shall include in the annual statement required by the insurance laws of this State a schedule of its experience thereunder, in the United States and foreign countries in the case of corporations organized in the United States, and in the United States only in the case of corporations organized outside of the United States, giving each calendar year's experience separately, and crediting or charging each item to the year in which the policy to which it relates was written, as follows: (1) The earned premium on all such policies written during the period of ten years immediately preceding the date as of which the statement is made, being the gross premiums on all such policies including excess and additional premiums