

net unearned premiums or deposits collected and credited to the accounts of subscribers, or 50 per cent. of the net annual advance premiums or deposits collected and credited to the accounts of subscribers on policies having one year or less to run and pro rata on those for longer periods. In addition to the foregoing sum, in the case of liability and workmen's compensation insurance, there shall be maintained as a reserve in cash or such securities, assets sufficient to discharge all liabilities on all outstanding losses arising under policies issued; the same to be calculated on the basis of net premiums or deposits as in this section defined and in accordance with the laws of the state relating to similar reserves for companies insuring similar risks. Net premiums or deposits as used in this section shall be construed to mean the advance payments made by subscribers after deducting therefrom the amount specifically provided in the subscribers' agreements for expenses. If at any time the assets on hand are less than the foregoing requirements, or less than the \$100,000.00, whichever is the greater, where the attorney is exchanging contracts covering liability or workmen's compensation insurance, the subscribers shall make up the deficiency. Whenever such assets are less than the amount required above, or less than \$50,000.00, whichever is the greater, if the attorney is exchanging contracts other than those covering liability and workmen's compensation insurance, the subscribers shall make up the deficiency.

SEC. 138. *Annual Reports; Examinations.* Such attorney shall, within the time limited for filing the annual report by insurance companies transacting the same kind of business, make a report to the insurance commissioner for each calendar year, showing the financial condition of affairs at the office where such contracts are issued, and shall furnish such additional information and reports as may be required to show the total premium or deposits collected, and total losses paid, the total amounts returned to subscribers and the amounts retained for expenses. Provided, however, that such attorney shall not be required to furnish the names and addresses of any subscribers. The business, affairs, records and assets of such organization shall be subject to examination by the insurance commissioner at the expense of the organization examined.

SEC. 139. *All Domestic Corporations Authorized to Exchange Contracts of Insurance.* Any corporation now or hereafter organized under the laws of this state, shall, in addition to the rights, powers and franchises specified in its articles of incor-