

estate, and in addition may, with the written approval of the Insurance Commissioner, acquire other real estate if necessary or convenient for the purpose of enhancing the sale value of real estate previously acquired or held by it pursuant to the provisions of this sub-paragraph. Real estate sold under contract of sale, where title is retained in the company, shall be classified as real estate.

l. Interest, rents or other fixed income due and accrued on any of the investments named in sub-paragraphs a, b, c, d, e, g, h, i, j and k.

m. To the extent necessary to satisfy the investment requirements as to reserves and capital, no investment or loan shall be made on any of the securities mentioned in this Act, which are in default as to principal or interest or that has passed its dividend at the last preceding dividend date at the time such investment is made.

#### (2) GENERAL PROVISIONS.

a. The entire reserves of a domestic life insurance company, as used in this section, shall be the sum of:

Net present value of all outstanding policies in force (less reinsurance); reserves for accidental death benefits and total and permanent disability benefits (less reinsurance); present value of supplementary contracts and including dividends left with the Company to accumulate at interest; liability on policies cancelled and not included in "net reserve" upon which a surrender value may be demanded, and policy claims and losses outstanding, and reserves for taxes and expenses due or accrued; less amount of net uncollected and deferred premiums.

b. No investment or loan, except loans made on the Company's own policies, shall be made by any domestic insurer unless the same be authorized or approved by the Board of Directors, or by a committee thereof charged with the duty of supervising or making such investment or loan. The minutes of any such committee shall be recorded and a report shall be submitted to the Board of Directors.

c. No loan may be made, directly or indirectly, to any officer or director of the Company, except loans made on the company's own policies or on a bona fide mortgage loan on the residence for his habitation of such officer or director, which mortgage loan shall be duly approved or ratified by the Board of Directors.

d. When any of the investments mentioned in this section and held by any domestic insurer are of doubtful value, or without ascertainable value on a public exchange, unless the