

after Section 171A and to be known as Section 171B, and to read as follows:

171B. (Deposit of Securities.) Every attorney duly authorized and acting for each domestic Reciprocal Exchange or Inter-Insurer hereafter organized and having authority to exchange reciprocal or inter-insurance contracts covering automobile liability, general public liability, or compensation insurance, or fidelity or surety bonds, shall, before being entitled to transact any such business or exchange any such contracts, assign to and deposit with the Treasurer of the State of Maryland, in trust, as security for all the holders of policies of said Reciprocals or Inter-Insurers, bonds, coin, or treasury notes of the United States of America, bonds of the State of Maryland or of any county or municipal corporation of this State, or of the Home Owners Loan Corporation, a corporation created under an Act of the Congress of the United States, approved June 13, 1933, ground rents, first mortgages and/or interest-paying bonds secured by first mortgage on unencumbered real estate situated in this State, such mortgages not to exceed sixty-six and two-thirds per cent. ($66\frac{2}{3}\%$) of the fair market value of such real estate, and not in default, having a market value of not less than one hundred thousand dollars (\$100,000.00).

Every attorney duly authorized and acting for each foreign and alien Reciprocal or Inter-Insurer hereafter applying for admission into this State and having authority to exchange reciprocal or inter-insurance contracts covering automobile liability, general public liability, or compensation insurance, or fidelity or surety bonds, shall, before being entitled to receive a license to transact any such business or exchange any such contracts in this State, have no deposit with some proper official of the State where incorporated or organized, or in some other State of the United States, in trust as security for all the holders of policies of said Reciprocal or Inter-Insurer, coin, notes or securities authorized by the laws of the State where incorporated or organized, and approved by the proper officials thereof having authority therefor, in an amount not less than that required by the laws of this State to be deposited with the Treasurer of Maryland by domestic Reciprocals or Inter-Insurers, doing the same class or classes of business or exchanging the same class or classes of contracts, and furnish this Department with a certificate to this effect, and such certificate shall be renewed annually.

SEC. 2. *And be it further enacted,* That this Act shall take effect June 1, 1945.

Approved April 5, 1945.