

indebtedness to the company on the policy, and less any premiums that may by the terms of the policy be deducted.

APPROVED—The 4th day of June, A. D. 1937.

GEORGE H. EARLE

No. 339

AN ACT

To amend section two hundred fifteen of the act, approved the seventeenth day of May, one thousand nine hundred and twenty-one (Pamphlet Laws, six hundred eighty-two), entitled "An act relating to insurance; amending, revising, and consolidating the law providing for the incorporation of insurance companies, and the regulation, supervision, and protection of home and foreign insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and fire insurance rating bureaus, and the regulation and supervision of insurance carried by such companies, associations, and exchanges, including insurance carried by the State Workmen's Insurance Fund; providing penalties; and repealing existing laws," by requiring the Insurance Commissioner to determine the qualifications of the incorporators of any proposed insurance company.

Section 1. Be it enacted, &c., That section two hundred fifteen of the act, approved the seventeenth day of May, one thousand nine hundred and twenty-one (Pamphlet Laws, six hundred eight-two), entitled "An act relating to insurance; amending, revising, and consolidating the law providing for the incorporation of insurance companies, and the regulation, supervision, and protection of home and foreign insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and fire insurance rating bureaus, and the regulation and supervision of insurance carried by such companies, associations, and exchanges, including insurance carried by the State Workmen's Insurance Fund; providing penalties; and repealing existing laws," is hereby amended to read as follows:

Section 215, act
of May 17, 1921
(P. L. 682),
amended.

Section 215. Examination of Companies; Certificate To Do Business.—

(a) As soon as the entire amount of the authorized capital of a stock insurance company, incorporated under this act, has been paid in, certificates shall be issued therefor to the persons entitled to receive the same, which certificates shall be transferable upon the books of the company; and the president or secretary of the company shall notify the Insurance Commissioner that the entire capital of the company has been paid in, and that it is ready to commence business. Upon receipt of such notice, the Insurance Commissioner shall, in person or by deputy or examiners, examine the company;

and, in case he finds that it has complied with the provisions of this act, and is possessed of funds, invested in the manner hereinafter specified, equal to the amount of its capital, he shall issue to said company a certificate showing that it has been organized in accordance with the provisions of this act, and that it has the requisite amount of capital for the transaction of business in the Commonwealth, which certificate shall empower the company to issue policies, and otherwise transact the business of insurance for which it was incorporated.

(b) In the case of a mutual life insurance company incorporated under this act, upon the receipt of a notice from the president or secretary of such company, the Insurance Commissioner shall make an examination; and, if he finds that the necessary amount of insurance has been applied for, and that fifty per centum (50%) of the guarantee capital has been paid in and invested, less the necessary expenses of organization, and that obligations have been given for the remaining moiety of the guarantee capital, he shall issue a certificate authorizing the company to commence business.

(c) The Insurance Commissioner shall, upon the receipt of a notice from the president or secretary of any mutual company, other than a life company, incorporated under this act, make an examination of such company; and, if he finds that such company has complied with the provisions of this act, he shall issue a certificate authorizing the company to commence business.

The Insurance Commissioner may also conduct such examination of any proposed company, as may be deemed necessary, to determine whether the responsibility, character, and general fitness for the business, of the incorporators and directors, named in the articles, are such as to command the confidence of the public, and to warrant the belief that the business of the proposed company will be honestly and efficiently conducted, in accordance with the intent and purpose of this act.

APPROVED—The 4th day of June, A. D. 1937.

GEORGE H. EARLE

No. 340

AN ACT

To amend the act, approved the seventeenth day of May, one thousand nine hundred and twenty-one (Pamphlet Laws, seven hundred eighty-nine), entitled "An act relating to insurance; establishing an insurance department; and amending, revising, and consolidating the law relating to the licensing, qualification, regulation, examination, suspension, and dissolution of insur-