# SUPPLEMENT.

## Laws---General.

[CHAPTER 91.]

FREE PUBLIC SCHOOLS.

AN ACT

To prescribe and define the duties of the Comptroller of the Treasury, relative to the apportionment and distribution of the revenue derived from the annual tax levied for the support of Free Public Schools, and to confirm the apportionments and distributions thereof heretofore made by that officer.

WHEREAS doubts have arisen as to the manner in which, under existing laws, the apportionment of the revenue derived from the annual tax levied for the support of Free Public Schools should be apportioned among the several counties and the City of Baltimore, and as to what expenditures and appropriations are properly chargeable to the fund derived from said tax, therefore for the settlement of the same.

Section 1. Be it enacted by the General Assembly of Maryland, That in making the apportionments required by the Act of eighteen hundred and seventy-two, Chapter three hundred and seventy-seven, sub-Chapter nineteen, Section six, it shall be the duty of the Comptroller to equalize as far as may be possible the sums to be apportioned, so as to apportion and distribute the same amount as far as may be practicable on each of said days.

Section 2. And be it enacted, That until otherwise expressly directed by law, the Comptroller shall charge to said fund, and pay therefrom the annual appropriations that have been, or may hereafter continue, or be made for the education of colored children, and also with like appropriations for the support of the State Normal School, for the Colored Normal School, and the expenses of the State Board of Education.

Section 3. And be it enacted, That all apportionments and disbursements of the said revenue that have been heretofore made by the Comptroller be, and the same are hereby ratified and confirmed.

Section 4. And be it enacted, That all Acts of Assembly, or parts thereof, inconsistent with the provisions of this Act be, and the same are hereby repealed.

Section 5. And be it enacted, That this Act shall take effect from the date of its passage.

EDWARD LLOYD,
President of the Senate.

FETTER S. HOBLITZELL,
Speaker of the House of Delegates.

Approved, March 15, 1878.

JOHN LEE CARROLL,
Governor

We hereby certify, that the aforegoing is a correct copy of an Act passed the General Assembly of Maryland, at the January Session, 1878.

AUGUSTUS GASSAWAY,
Secretary of the Senate.

MILTON Y. KIDD,
Chief Clerk House of Delegates.

[CHAPTER 79.]

CORPORATIONS.

AN ACT

To add an additional section, to Article twenty six, of the Code of Public General Laws, as the same was re-enacted by the Act of eighteen hundred and sixty-eight, Chapter four hundred and seventy-one, in relation to she incorporation under the General Laws of this State of corporations previously formed under the General Laws of this State, or under any special laws.

Section 1. Be it enacted by the General Assembly of Maryland, That the following section be enacted as an additional section to article twenty-six, of the Code of Public General Laws, relating to corporations.

Section — The notice for the assembling of a meeting of the stockholders of any corporation, formed under the General Laws of this State, or under any special Act, for any purpose for which a corporation may be formed under this Article, which is required to be given by Section seventy-four, of this Article, in case where it is proposed that such corporation shall be incorporated under this Article, shall be deemed and taken to have been, and to be a corporate Act, and a sufficient compliance with all the requirements of said seventy-fourth Section relating to said notice, in all cases where the said notice has been, or may be signed by the persons who were or may be directors, managers or trustees of such corporation at the time of signing such notice, or by a majority of them, provided the said notice contained, or shall contain the particulars directed by said seventy-fourth Section to be specified in said notice, and shall have been, or shall be published and communicated to the stockholders of the said corporation in the manner directed by the said seventy-fourth Section.

Sec. 2. And be it enacted. That this Act shall take effect from the date of its passage.

FETTER S. HOBLITZELL,
Speaker of the House of Delegates.

EDWARD LLOYD,
President of the Senate.

Approved this 21st day of February, 1878.

JOHN LEE CARROLL,
Governor of Maryland.

We hereby certify that the aforegoing is a correct copy of an act of assembly passed at the January session 1878.

MILTON Y. KIDD,
Chief Clerk of the House of Delegates.

AUGUSTUS GASSAWAY,
Secretary of the Senate.

[CHAPTER 136.]

CHANCERY.

AN ACT

To repeal section one hundred and thirty-eight, of Article sixteen, of the Code of Public General Laws, title "chancery," as enacted by Chapter four hundred and twenty-eight, of the Acts of the General Assembly of Maryland, passed at the January Session, eighteen hundred and seventy-four, as enacted by Chapter three hundred and seventy, of the Acts of the General Assembly, passed at the January Session, in the year eighteen hundred and seventy, and to re-enact the said Section with amendments.

Section 1. Be it enacted by the General Assembly of Maryland, That Section one hundred and thirty-eight, of Article sixteen, of the Code of Public General laws, as enacted by Chapter four hundred and twenty-eight, of the Acts of the General Assembly of Maryland, passed at the January Session, eighteen hundred and seventy-four, as enacted by Chapter three hundred and seventy, of the Acts of the General Assembly, passed at the January Session, eighteen hundred and seventy, be and the same is hereby repealed and re-enacted so as to read as follows:

138. In all cases where a trustee has been appointed by will or deed to execute any trust, and any person interested in such trust, shall make it appear to the Court that it is necessary for the safety of those interested in the execution of the trust, that the trustee should give bond and security for the due execution of the trust, the Court may order that such bond be given, on or before such day as the Court shall name, and if the bond with such security as the Court shall approve, be not given by such trustee, then the Court may remove such trustee and appoint one in his stead, who shall give such bond and security as the Court may require.

Section 2. And be it enacted, That this Act shall take effect from the date of its passage.

EDWARD LLOYD,
President of the Senate.

FETTER S. HOBLITZELL,
Speaker of the House of Delegates.

Approved Mar. 27, 1878.

JOHN LEE CARROLL,
Governor.

We hereby certify, that the aforegoing is a correct copy of an Act passed the General Assembly of Maryland, at the January, Session, 1878.

AUGUSTUS GASSAWAY,
Secretary of the Senate.

MILTON Y. KIDD,
Chief Clerk House of Delegates.

[CHAPTER 139.]

CONVEYANCING.

AN ACT

To repeal the forty-fourth Section, of Article twenty-four, of the Code of Puplic General Laws entitled "Conveyancing," sub-title "Bills of Sale," and to re-enact the same with amendments.

Section 1. Be it enacted by the General Assembly of Maryland, That Section forty-four, of Article twenty-four, of the Code of Public General Laws, be and the same is hereby repealed, and re-enacted so as to read as follows:

44. A bill of sale if acknowledged within this State, may be acknowledged before any one Justice of the Peace for the county or city in which the vendor happens to be at the time of the acknowledgement, or before any Justice of the Peace, or Judge of the Orphans' Court of the county or city in which the vendor resides. And if acknowledged before a Justice of the Peace out of the county or city in which the vendor resides, the official character of said Justice shall be certified by the Clerk of the Circuit Court of the county in which said acknowledgement is made, or by the Clerk of the Superior Court of Baltimore City, if acknowledged in said city.

Section 2. And be it enacted, That this Act shall take effect from the date of its passage.

EDWARD LLOYD,
President of the Senate.

FETTER S. HOBLITZELL,
Speaker of the House of Delegates.

Approved March 27, 1878.

JOHN LEE CARROLL,
Governor.

We hereby certify, that the aforegoing is a correct copy of an Act passed the General Assembly of Maryland, at the January Session, 1878.

AUGUSTUS GASSAWAY,
Secretary of the Senate.

MILTON Y. KIDD,
Chief Clerk House of Delegates.

[CHAPTER 106.]

*LICENSES.*

AN ACT

To repeal Sections twenty-seven, twenty-eight, twenty-nine, thirty, thirty-one, thirty-two, thirty-three, thirty-four, thirty-five and thirty-six, of Article fifty-six, of the Code of Public General Lews, entitled "Licenses," sub-title "Foreign Corporations and Companies," and the amendments thereto, made by chapter three hundred and eighty-eight, of the Acts of the General Assembly, passed at the January session, eighteen hundred and seventy-two, chapter four hundred of the Acts of the General Assembly, passed at the January session, eighteen hundred and seventy-four, and chapter two hundred and forty-eight of the Acts of the General Assembly, passed at the January session, eighteen hundred and seventy-four; and to repeal section one hundred and five of article twenty-six, of the Code of Public General Laws, title "Corporations," sub-title "Insurance Companies," and the amendments made thereto by chapter nine, of the acts of the General Assembly, passed at the January session, eighteen hundred and seventy-four, be, and the same are hereby repealed; and that said sections twenty-seven, twenty-eight, twenty-nine, thirty, thirty-one, thirty-two, thirty-three, thirty-four, thirty-five and thirty-six, of article fifty-six, of the Code of Public General Laws, title "Licenses," sub-title "Foreign Corporations and Companies," and section one hundred and five, of article twenty-six, of the Code of Public General Laws, title "Corporations," sub-title "Insurance Companies," be, and the same are hereby repealed, amended and re-enacted, so as to read as follows:

27. There is hereby established a distinct department, to be known as the Insurance Department, the office for which shall be in the city of Annapolis, which shall be charged with the execution of the laws of this State in relation to insurance, the chief officer of which shall be appointed by the Governor, Treasurer and Comptroller, for the term of four years, and shall be known as the Insurance Commissioner, and shall receive an annual salary of twenty-five hundred dollars, payable only out of the fees of said department authorized by this act; and shall hold his office during the term for which he is appointed, or until his successor is appointed and qualified, unless sooner removed by the Governor, Treasurer and Comptroller; and the said Insurance Commissioner shall give bond to the State of Maryland in the sum of twenty thousand dollars, for the faithful discharge of his duties; and no person who is a director, officer, or agent of, or directly or indirectly interested in any insurance company, except as insured, shall be appointed as such Insurance Commissioner; and the said Insurance Commissioner is authorized to appoint an actuary for his said insurance department; and also to employ such clerical assistance as he may deem necessary to the proper discharge of the duties and efficiency of his department; *provided, however*, that the salary and pay of such actuary and clerks, shall be paid out of the fees of said insurance department; and *provided further*, that he shall not exceed the sum of five thousand dollars for the pay of such clerical assistance.

28. It shall be the duty of the Insurance Commissioner: First. To see that all laws of this State relating to insurance or insurance companies, are faithfully executed, to keep on file in his office, copies of the the charter, declaration of organization, or deed of settlement of every insurance company, including partnerships, joint stock associations and corporations, organized under the laws of this State, or organized under the laws of some other State or nation, and applying to do business in this State, which copies shall be duly certified in accordance with law by the Secretary of State or other proper officer of the State or nation wherein such companies are organized; and the Insurance Commissioner shall, upon application of any such company or association, furnish them with certified copies of their charter, so filed in his department. Second. To furnish in December of each year, to the companies required by this act, to report to him the necessary blank forms for the statement required; and as soon as practicable, in each year, he shall cause to be calculated by the actuary of his department, under his supervision, the net value, on the thirty-first day of December of the previous year, of all the policies in force on that day, in each life insurance company doing business in this State, organized by authority of this State, and of every other life insurance company doing business in this State, that shall fail to furnish him as hereinafter provided, a certificate of the insurance commissioner of the State by whose authority the company was organized, or of the State in which it may elect to have its policies valued and its deposit made, in case the company is chartered by the Government of the United States, or by any foreign government, or by any State not having an insurance department, giving the net value of all policies in force in the company on the thirty-first day of December of the preceding year, which calculation of the net value of each policy shall be based upon the "American Experience Table of Mortality," and four and one-half per cent. interest per annum; and the net value of a policy at any time shall be taken to be the single net premium which will at that time effect the insurance, less the value at that time of the future net premiums payable upon the policy, as determined by the table of mortality and rate of interest designated above. Third, the insurance commissioner shall accept the valuation made by the insurance commissioner of the State, under whose authority a life insurance company is organized, or that of the State in which it may elect to have its policies valued, when such valuations have been properly made on sound and recognized principles, and legal basis, not less than that prescribed above; *provided*, that the company shall furnish to the insurance commissioner of this State a certificate from the insurance commissioner of such State, setting forth the value, calculated on the data designated above, of all the policies in force in the company on the previous thirty-first day of December, and stating that said company is fully authorized to do business in its own State, and every life insurance company doing business in this State during the year for which the statement is made, that fails promptly to furnish the certificate aforesaid, shall be required to make a full detailed list of its policies and securities to the insurance commissioner of this State, who shall thereupon cause the same to be valued at the expense of said company. Fourth. And it is hereby made the duty of the insurance commissioner, after having ascertained the amount of the net values of all the policies in force, to see that the company has that amount in safe legal securities of the description and character hereinafter provided for in this act, after all its other debts and claims against it, including those resisted by the company, but exclusive of capital stock, have been provided for; and in case it is found that any life insurance company, doing business in this State, has not in hand, after so deducting all debts and claims against it, exclusive of capital stock, an amount of assets of the character hereafter prescribed in this act, equal in value to the net present value of all its policies in force; it shall be the duty of the insurance commissioner to publish the fact that the existing condition of the affairs of the company is below the legal standard of solvency, established by this State, and he shall require the company at once to cease doing new business, and he shall immediately institute such proceedings as are necessary to protect the right of all persons interested in said company; and it shall be his duty to see that no company is permitted to issue lives in this State whose charter authorizes it to do fire, marine or inland insurance business. Fifth. It shall be the duty of the insurance commissioner after he has notified a life insurance company, organized under the authority of this State, to cease doing new business, on account of its condition being below the legal standard of solvency established by this State, at once to cause a rigid examination in regard to all the affairs of such company; in case it shall appear that there is no fraud or gross incompetency, or recklessness in the management, he may, upon publishing the facts in the case, permit such company to continue in charge of its business for one year; *provided*, there is, in his opinion, reason to believe that the company may eventually be able to re-establish its solvency according to the legal standard; at the expiration of such year he may renew the permission, in case, on examination, he is satisfied that the company is likely to retrieve its condition; but, in case the insurance commissioner does not permit the company to continue in the control of its business, it is hereby made his duty to institute the necessary proceedings for the protection of its policy holders, in accordance with the laws of this State, and to publish the result of the examination of the affairs of such company, whenever he may deem it for the interest of the public so to do, in one or more papers published in this State. Sixth. For every company doing fire insurance business in this State, he shall calculate the reinsurance reserve for unexpired fire risks, by taking fifty per cent. of the premiums received on all unexpired risks that have less than one year to run, and a *pro rata* of all premiums received on risks that have one year or longer to run; and in marine and inland insurance he shall charge all the premiums received on unexpired risks as a re-insurance reserve. *Provided*, that the foregoing requirements of re-insurance reserve, when applied to companies organized under the laws of foreign governments, shall be calculated only upon the business of such company in the United States; and only the assets of such company, held and invested in the United States, shall be recognized as constituting the reserve fund so required. Seventh. Having charged against a company the re-insurance reserve, as above determined, for fire, inland and marine insurance, and adding thereto all debts and claims against the company, he shall, in case he finds the capital stock of the company impaired to the extent of twenty five per cent. give notice to the company to make good its whole capital stock within sixty days, and if this is not done, he shall require the company to cease to do new business within this State; and shall thereupon, in case the company is organized under the authority of this State, immediately institute such legal proceedings as are necessary to protect the rights of all persons interested in said company. Eighth. Once at least during his term of office, and oftener if he should deem it expedient so to do, the insurance commissioner shall visit the principal office of every insurance company organized under the laws of this State, for the purpose of examining its affairs; at such time he shall have free access to its books and papers, and shall thoroughly inspect and examine its affairs to such extent, and make such inquiries as may be necessary to ascertain its condition and ability to fulfill its engagements, whether it has complied with all the provisions of law applicable to its transactions, and and whenever the insurance commissioner may have reason to doubt the solvency or the correctness of the statement of any company not organized under the laws of this State, he shall communicate such doubts, and the reasons for them, to the insurance commissioner, or other proper officer of the State in which such company is located; and if he is not satisfied from the information obtained from such insurance commissioner, or other officer, or from the officers of the company, that the condition of the company is such as to warrant him in permitting it to transact business in this State, under the provisions of this act, he shall notify such company that it will be necessary for him to examine its affairs before giving it authority so to transact business in this State; and for that purpose he shall visit such company at its principal office, and make, or cause to be made under his supervision, a thorough examination into all its affairs, and such examination shall only go to the extent of ascertaining whether the assets claimed to be possessed by such company are *bona fide* their own property, and of the character required by law, and the actual value thereof, and to the extent of ascertaining the liabilities of such company; and the expenses of such examination shall be paid by the company.—And if such company shall refuse to permit such examination, or shall refuse free access to all its books and papers, or shall in any way prevent or obstruct a thorough examination into its affairs, he shall not grant a license to such company, or if a license shall have been already granted, he shall at once revoke it, and publish the fact of such revocation in one daily newspaper published in the city of Baltimore. For the purpose of examinations authorized by law, the insurance commissioner shall have power to summon and examine any person being within this State, under oath, which he is hereby authorized to administer, in relation to the affairs and condition of any insurance company; and in order that the public may be fully informed as to the condition of companies doing business in this State, the result of the official examination of any company doing business in this State shall, within thirty day thereafter, in such condensed form as shall show the true condition of the company examined, be published by the insurance commissioner, at the expense of the company, in one daily newspaper printed and published in the city of Baltimore. Ninth.—Whenever the insurance commissioner shall have reason to believe that any insurance company is insolvent, or fraudulently conducted, or that its assets are not sufficient for carrying on the business of the same, or during any non-compliance with the provisions of this act, he shall make complaint thereof to the Judge of the Circuit Court of Baltimore city, or any Judge of the Circuit Court of the county where the company or agent may be located, as the case may be, which judge shall, upon the requisition of the commissioner, appoint a commission, consisting of the insurance commissioner and two disinterested and competent persons, whose duty it shall be to examine every detail of the business and condition of said company, and report in writing the result of such examination to the judge appointing them, who shall, if in his judgment the charges of insolvency, fraud, neglect or abuse, as charged by the insurance commissioner, are sustained by the said report, at once issue an injunction suspending the business of said company; and the insurance commissioner shall institute, or cause to be instituted, the necessary proceedings under the laws of this State, to close the affairs of any insurance company of this State, which shall appear to him upon examination to be insolvent, or to be fraudulently conducted; and the insurance commissioner is a necessary party to any proceedings instituted for the purpose of closing up the affairs of any insurance company, when the same shall not be in the name of the State of Maryland. It shall be the duty of the insurance commissioner to report in detail to the Attorney General, any violation of the laws relative to insurance companies, their officers or agents, or the business of insurance, and he shall have power to institute suits and prosecutions, either by the Attorney General or such other attorney as the Attorney General may select, for any violation of the provisions of this act. Tenth. The insurance commissioner shall preserve, in permanent form, a full record of his proceedings, and a concise statement of the condition of each company visited or examined, and report annually to the Governor, on or before the first day of June, his official acts, and shall, on the first day of December annually, report to the Comptroller the fees received, and expenses of his department for the year then to end, and pay into the treasury all excess of receipts over disbursements, and in his report to the Governor he shall report the condition of the companies doing business in this State, and such other information as will exhibit the affairs of his department, a copy of which said report to the Governor, he shall forward to the insurance commissioner or other similar officer of every other State of the United States, and to each company doing business in this State, and on request, he shall communicate to the insurance commissioner, or other proper officer of any other State, any facts, which, by law, it is his duty to ascertain, respecting companies of this State doing business within such other State; and at the request of any person, and on payment of the proper fee as hereinafter provided, he shall give certified copies of any recordor paper in his office, when he deems it not prejudicial to public interest so to do; and he shall give such other certificates as this act provides for, and he shall adopt and renew, from time to time, when necessary, with the approval of the Governor, a seal of office, an impression and description of which, with the Governor's certificate of approval, shall be filed with the Secretary of State.

29. No declaration of organization or charter of any insurance company formed under any general law of this State, and no alteration or amendment thereof, shall be operative until it has been submitted to the Attorney General for examination, and found by him to be in accordance with the provisions of this act, and of such general law, and not inconsistent with the constitution and laws of this State, and so certified by him and delivered to the insurance commissioner; and before any such company shall begin to do any business, the insurance commissioner shall examine the officers of said company under oath, to ascertain whether the capital required of the company named in the charter, according to the nature of the business proposed to be transacted by such company, to an amount of not less than one hundred thousand dollars, has been paid in money, and is held by the board of directors subject to their actual control, according to the provisions of the charter of said company, or has been by them invested in securities negotiable and worth in the market not less than the sum of one hundred thousand dollars; or, if a mutual company, that it has received, and is in actual possession of the promises or *bona fide* engagements of insurance or other securities, as the case may be, to the full extent, and of the value required by law, and the name and residence of the maker of each premium note forming part of the capital or assets, and the amount of such note shall be reported to the insurance commissioner; and the officers or corporations of such company shall be required to certify under oath that the capital exhibited to the insurance commissioner is *bona fide* property of the company, which certificate shall be filed in the office of the insurance commissioner; and any officer swearing falsely in regard to the provisions of this section, shall be deemed guilty of perjury, and shall be subject to the penalty, or penalties, prescribed for such offences by the laws of this State.

30. It shall not be lawful for any insurance company, association, partnership or corporation, organized under the laws of any other State of the United States, or by the Government of the United States, or any foreign government, directly or indirectly, to take risks or transact any business of insurance, whether life, fire, marine or inland or other insurance risks in this State, unless it be fully organized and possessed of the amount of actual capital required of similar companies formed under the laws of this State, or until the following conditions have been fully complied with, there must be filed with the insurance commissioner: First. A copy of its charter, declaration of organization or deed of settlement duly approved and certified by the Secretary of State, insurance commissioner, or other proper officer of its own State or Nation with his certificate that the company is entitled to assume risks and issue policies therein; Second. A power of attorney appointing a citizen of this State, resident within this State, the agent or attorney for the company, upon whom process of law can be served; there must also be filed with the insurance commissioner a certified copy of the vote or resolution of the directors appointing such attorney, which appointment shall continue until another attorney be substituted. And said writing or power of attorney shall stipulate and agree on the part of the company making the same, that any lawful process against said company, which is served on such agent, shall be of the same legal force and validity as if served on such company or association within this State; and also that in case of the death or absence of the attorney so appointed, service of process may be made upon the insurance commissioner of this State; and such power of attorney cannot be revoked or modified, (except that a new one may be substituted,) so long as any policy or liability remains outstanding against such company in this State.—The term "process" used above shall be held and deemed to include any writ, summons or order, whereby any action, suit or proceeding shall be commenced, or which shall be issued in or upon any action, suit or proceedings by any court, officer or magistrate; Third. A statement of the condition of the company on the thirty-first day of December next preceding, under oath of the president or vice president of the company, with that of the secretary or actuary as hereinafter provided for; Fourth. A certificate of the appointment of a general agent of the company for this State, and a list of its agents authorized to transact business for said company within this State, and no certificate of authority as hereinafter described shall be issued to any person or persons not so designated by the company as agent, except in the case of solicitors of life insurance, who may be designated by the general agent of the company for this State.

31. No person shall act as agent or solicitor in this State for any insurance company, including individuals, whether resident or non-resident, partnerships or joint stock associations, (except such companies as may be chartered under the laws of this State,) in any manner whatever relating to insurance risks until all the provisions of this act have been complied with, and there has been granted by the insurance commissioner a certificate of authority or license, for which said company, individual, resident or non-resident, or association, or their agent, shall pay into the State Treasury the sum of two hundred dollars, and shall also pay into said treasury, a tax of one and one-half per centum on the gross premiums received, less the losses, dividends and annuities, paid in this State during the last license year, for said company, individual resident or non-resident, partnership or association, (a report of which premiums, losses, dividends and annuities, so collected and paid for any such company, must be made to the insurance commissioner, under oath of the president, agent or chief accounting officer of such company; *provided*, that all premiums loaned in this State for a period not less than two years, shall be exempt from the payment of said tax of one and one-half per cent, and from the retaliatory clause of this act;) any company applying for admission into this State shall pay for license in like proportion for the fractional part of a year, so that all licenses issued shall expire on the thirty-first day of December, next ensuing; in addition to the above license and tax, there shall be paid by each company, individual, resident or non-resident, or association, whether of this State or otherwise, doing business in this State, the following fees, to defray the expenses of executing the provisions of this act; upon filing this declaration or certified copy of charter, (which is only to apply to companies hereafter admitted to do business in this State,) fifty dollars; for each annual statement, twenty-five dollars; for each certificate of authority, which each agent of every company not organized under the laws of this State, is hereby required to obtain the sum of ten dollars; *provided, however*, that sub-agents or solicitors, who may be appointed by the general agent of any life insurance company in this State shall only be required to pay for their certificates of authority the sum of two dollars; for each abstract of their annual statements for publication, two dollars; for every copy of any paper filed in the insurance department, the sum of twenty cents per folio; and for affixing the official seal to such copy, and certifying the same, one dollar; for valuing policies of life insurance companies, thirty dollars per million of insurance, or any fractional part thereof; for official examinations of companies under this act, the actual expenses incurred; *provided*, that the filing of the papers with the insurance commissioner, as required by this act, shall be in lieu of all papers now required by law to be filed with the Comptroller and Clerk of the Superior Court of Baltimore city.

32. Any person, body politic or corporate, who shall make, negotiate or solicit within this State, any contract of insurance, or shall effect an insurance or insurances or procure to be insured any risks or insurances or receive and transmit any offer or offers of insurance or insurances or receive or deliver a policy or policies of insurance, or connect any other person or persons with them in any policy they may at the time hold, or advertise or circulate any card, circular, notice or sign or keep any office for the transaction of said business, except as insurance broker duly licensed, without fully complying with all the provisions of this act, shall be subject to the fines imposed by section thirty-six of this act.

33. Every insurance company, including individuals, partnerships, joint stock associations or corporations, conducting any branch of insurance business in this State, must transmit to the insurance commissioner a statement of its condition and business for the year ending on the preceding thirty-first day of December, which statement shall be rendered on the first day of January following or within sixty days thereafter, (except that foreign companies may transmit their statement of business other than that done in the United States, at any time prior to the following first day of July,) which statements must be in the form, and state the particulars required by the blanks prescribed by the insurance commissioner; and he may require, at any time, statements from any company doing business within this State, or from any of its officers or agents, on such points as he may deem necessary and proper, to elicit a full exhibit of its business and standing; all of which statements herein required must be certified by the signatures and oath of the president or vice-president of the company, with that of the secretary or actuary. No company having neglected to file a statement required of it within the time and manner prescribed, shall do any new business, after notification by the insurance commissioner, while such neglect continues; and any company or association, neglecting for thirty days to make and transmit any statement required, shall forfeit one hundred dollars for each day's neglect; and any person or company wilfully making a false statement in any report to the insurance commissioner, shall be liable to the fines imposed by section thirty-six of this act.

34. The capital stock of no insurance company, mutual insurance companies excepted, incorporated by this State, or incorporated by the laws of any other State or nation, and doing business in this State, whether life, fire, marine or inland insurance, shall be less than one hundred thousand dollars: and every insurance company authorized to do business in this State must have, and continually keep an amount equal to its entire re-insurance reserve, and all other debts and claims against it, exclusive of capital stock invested in the bonds, coin or treasury notes of the United States, or bonds or stocks of this or any other State of the United States, or of any county, incorporated city or other corporation of this or any other State having legal authority to issue the same, not only bearing but paying interest, or it may be invested in real estate for their office or business purpose only; *provided, however*, that they shall have the right to purchase and hold real estate under a foreclosure of their own mortgages for a period of not more than five years, and for five years longer if in the judgment of the insurance commissioner, it is advisable so to do, or it may be invested in ground rents, or loaned upon mortgages of unencumbered real estate in this or any other State of the United States, worth at least double the amount loaned thereon exclusive of buildings, except where such buildings are insured against fire, and the policies duly assigned as additional security, when the value of the buildings so insured—to an extent not exceeding the amount for which they are insured—shall be taken into account as a part of the security for such loan, in determining whether the security is worth double the amount loaned thereon; or it may be loaned on pledges of any security named in this section, or on the policies of the company in force; *provided*, that each loan is less than the net reserve of the policy on which the loan is made, according to the standard of valuation prescribed in this act; *and provided*, that the current market value of such pledged securities, other than the bonds and stocks of this State, or of the United States, shall be at all times during the continuance of such loans, at least ten per cent. more than the sum loaned on them, and all such loans shall be subject to the power of the company to terminate the same in case of the depreciation of the securities below that limit; *and provided*, that in all investments made upon mortgage securities, the evidence of the debt shall accompany the mortgage or deed of trust; and the insurance commissioner shall have the authority, when any of the securities mentioned in this section and held by any insurance company reporting to him, are of doubtful market value, or without any ascertainable value in the exchanges, to cause the same to be appraised by two disinterested and competent persons, whose estimate of the value of such securities shall be taken to be the value thereof, unless the company, by placing some of them upon the market and obtaining a *bona fide* offer therefor, shall so establish for them a different value.

35. Whenever the attorney general of the State, or the States Attorney for the City of Baltimore, or for any county of this State, shall be required by the insurance commissioner to institute proceedings against any insurance company incorporated under the laws of this State, to ascertain whether such corporation has been guilty of such misuse, abuse or non-user of its corporate powers and franchises, as by law would authorize and make proper the forfeiture of its charter, corporate powers and franchises, the said attorney general, or State's Attorney, as the case may be, so required, shall file with the Superior Court of Baltimore city, or the Circuit Court of the county, as the case may be, a petition in the name of the State, setting forth fully in detail the alleged abuse, misuse or non-user, by reason whereof the forfeiture is sought; and upon the filing of such petition, the Court in which it is filed, or any judge thereof shall lay a rule requiring the said company or corporation to show cause within such time as the said judge may deem proper, why a decree of forfeiture should not be passed as prayed in said petition, a copy of which rule, and the petition shall be served on the president, manager, secretary or some other officer of the said company or corporation, by a day to be therein limited, not exceeding twenty days, as other processes against such companies or corporations are directed to be served; and further proceedings shall be had in said cause in conformity with the act passed at January session, eighteen hundred and sixty-eight, chapter four hundred and seventy-one.

36. Any person or persons, or any company or association violating any of the provisions of this act, shall be subject to a fine of not less than one hundred dollars nor more than one thousand dollars, which fines shall be sued for in the name of the State of Maryland, and collected as all other fines, as are imposed by the laws of this State are now collectable; and any act or part of an act inconsistent with the provisions of this act be, and the same are hereby repealed; provided, that no right of action accrued, or penalty incurred under any existing law repealed by this act, shall be thereby waved or annulled in any way, but the same may be enforced under said acts in the same way, as if the repealing clause had not been passed; and *provided further*, that when by the laws of any other State, any deposit of money or securities are required, or taxes, fines or penalties, or other obligations or prohibitions, are imposed upon insurance companies incorporated or organized under the laws of this State, and transacting business in such other State, or upon the agents of such insurance companies, greater than those required or imposed by the laws of this State, so long as such laws continue in force, the same taxes, fines, penalties and deposits, obligations and prohibitions, shall be imposed upon all agents or insurance companies of such State doing business in this State, instead of those prescribed by the laws of this State; any deposit of money or securities required by this section, shall be made with the Treasurer of this State; and it shall be the duty of the treasurer to assign and change, or surrender, any such securities so held by him, upon the joint application of the insurance commissioner and the company to which they belong, and the treasurer shall make no transfer of such securities, except upon such joint application of the insurance commissioner, and the company by whom they have been deposited, and all such transfers must be countersigned by the insurance commissioner.

105. The insurance commissioner shall annually at the time of issuing a license to each insurance company doing business in this State, publish an abstract of the annual statement required by this act, of each insurance company doing business in this State, once a week for three successive weeks, in a daily newspaper published in the city of Baltimore, except that in case of insurance companies of this State, having their principal office in one of the counties of this State, the newspaper selected for such publication, must be published in the county where such company is located. The companies shall in addition, publish in another paper, said abstract, once a week for three successive weeks, and the insurance commissioner and the company shall cause the first appearance of the publication, hereby provided for, to be made within thirty days after the annual statement of the company has been received by him, and the actual net cost of said publication by him, he is hereby authorized to collect from each company whose statement is so published by him.

Sec. 2. And be it enacted, That this act shall take effect from the date of its passage.

FETTER S. HOBLITZELL,
Speaker of the House of Delegates.

EDWARD LLOYD,
President of the Senate.

Approved this 20th day of March, 1878.

JOHN LEE CARROLL,
Governor of Maryland.

We hereby certify that the aforegoing is a correct copy of an Act passed the General Assembly of Maryland, at the January Session, 1878.

AUGUSTUS GASSAWAY,
Secretary of the Senate.

MILTON Y. KIDD,
Chief Clerk House of Delegates.

[CHAPTER 264.]

*CRIMES AND PUNISHMEMTS.*

AN ACT

To add an additional section to Article thirty, of the Code of Public General Laws, entitled "Crimes and Punishments," sub-title "Embezzling Property and Writings," to provide for the punishment of embezzling property and writings.

Section 1. Be it enacted by the General Assembly of Maryland, That the following section be added to article thirty, of the Code of Public General Laws, entitled "Crimes and Punishments," sub-title "Embezzling Property and Writings," to be read as a part of the sections of said sub-title, next after section forty-nine, of said article, and to be called sub-section A.

Sub-section A. If any person or persons employed in the management or navigation of any vessel, on any river, canal, bay or other waters within this State exclusively, in any capacity whatever shall fraudulently sell, give away, pledge, or in any manner dispose of the cargo thereof, or any article or commodity thereon, without the consent of the owner or owners thereof, or, if having sold the same, or any part thereof, with such consent, shall fraudulently neglect or refuse to pay over to such owner or owners thereof, the consideration received therefor, shall be deemed guilty of a misdemeanor, and on conviction thereof, in any court of this state having criminal jurisdiction, shall be punished by a fine of not less than one thousand, nor more than three thousand dollars, or by imprisonment in the county jail of the county in which such conviction is had, or the State Penitentiary, for a term of not more than five years, or by both fine and imprisonment, at the discretion of the court.

Sec. 2. And be it enacted, That this act shall take effect from the date of its passage.

FETTER S. HOBLITZELL,
Speaker of the House of Delegates.

EDWARD LLOYD,
President of the Senate,

Approved April 5th, 1878.

JOHN LEE CARROLL,
Governor of Maryland.

We hereby certify that the aforegoing is a correct copy of an act passed at January session, eighteen hundred and seventy-eight.

AUGUSTUS GASSAWAY,
Secretary of the Senate.

MILTON Y. KIDD,
Chief Clerk House of Delegates.

[CHAPTER 316.]

*DISTRIBUTION.*

AN ACT

To repeal Section one hundred and thirty-seven, of Article ninety-three, of the Code of Public General Laws, title Testamentary Law, subtitle Distribution, and to re-enact the same so as to read as follows:

Section 1. Be it enacted by the General Assembly of Maryland, That section one hundred and thirty-seven, of article ninety-three, of the Code of Public General Laws, title Testamentary Law, sub-title Distribution, be repealed, and is hereby re-enacted so as to read as follows:

Section 137. If any legal representative shall appear, after payment has been made, under the preceding section, the Board of County School Commissioners receiving such payment, shall pay the same to such representative, but no collateral more remote than brothers' and sisters' children, shall claim under this section.

Section 2. And be it enacted, That this act shall take effect from the date of its passage.

FETTER S. HOBLITZELL,
Speaker of the House of Delegates.

EDWARD LLOYD,
President of the Senate.

Approved April 5, 1878.

JOHN LEE CARROLL,
Governor.

We hereby certify, that the aforegoing is a correct copy of an act passed the General Assembly of Maryland, at the January Session, 1878.

MILTON Y. KIDD,
Chief Clerk House of Delegates.

AUGUSTUS GASSAWAY,
Secretary of the Senate.

[CHAPTER 273.]

*FEES OF OFFICERS.*

AN ACT

To repeal section twenty-one, of Article thirty-eight, of the Code of Public General Laws, title "Fees of Officers," sub-title "Notaries Public," and to re-enact the same with amendments.

Sec. 1. Be it enacted by the General Assembly of Maryland, That section twenty-one, of article thirty-eight, of the Code of Public General Laws, title "Fees of Officers," sub-title "Notaries Public," be, and the same is hereby repealed and re-enacted so as to read as follows:

Sec. 21. Notaries Public shall be entitled to demand and receive the following fees, to wit: For protesting any note, draft, bill of exchange or check, for non-acceptance or non-payment, two dollars; for drawing all proceedings, not exceeding two sides, fifty cents; for drawing all proceedings, exceeding two sides, per side, twenty-five cents; for registering or copying proceedings, for every side, ten cents; for presenting a bill of exchange for acceptance, if accepted and afterwards protested for non-payment, one dollar; for noting a bill for non-acceptance, if not protested for non-acceptance or non-payment, one dollar; for noting a marine protest, one dollar; for affixing Notaries' seal, fifty cents; for every search when no copy is made, twenty-five cents; for administering an oath, or taking an acknowledgement, twelve and a half cents; for all other acts and service, in proportion to the aforesaid fees, to be paid at the time of doing the same; for going any distance more than three miles from his residence, per mile, twenty cents; for every notice of protest, mailed or delivered, five cents; for presentation and demand, for a payment of a promissory note, for a bill of exchange, if payment of same be made to the Notary, one dollar.

Sec. 2. And be it enacted, That this act shall take effect from the date of its passage.

FETTER S. HOBLITZELL,
Speaker of the House of Delegates.

EDWARD LLOYD,
President of the Senate,

Approved April 5th, 1878.

JOHN LEE CARROLL,
Governor of Maryland.

We hereby certify that the aforegoing is a correct copy of an act passed at January session, eighteen hundred and seventy-eight.

AUGUSTUS GASSAWAY,
Secretary of the Senate.

MILTON Y. KIDD,
Chief Clerk House of Delegates.

[CHAPTER 401.]

*WESTERN HAY SCALES.*

AN ACT

To authorize the Board of Public Works to purchase, or in their discretion, to procure by exchange a certain lot of ground adjoining the Western Hay Scales.

Section 1. Be it enacted by the General Assembly of Maryland, That the Board of Public Works be, and are hereby authorized to purchase for the use and the convenience of the Western Hay Scales, in the city of Baltimore, a certain lot of ground adjoining thereto, or in their discretion, to procure the same by an exchange of a similar lot near to the said Hay Scales, belonging to the State; provided, however, that if purchased the cost thereof shall not exceed the sum of one thousand dollars.

Section 2. And be it enacted, That this act shall take effect from the date of its passage.

FETTER S. HOBLITZELL,
Speaker of the House of Delegates.

EDWARD LLOYD,
President of the Senate.

Approved April 5, 1878.

JOHN LEE CARROLL,
Governor of Maryland.

We hereby certify, that the aforegoing is a correct copy of an act passed the General Assembly of Maryland, at the January Session, 1878.

MILTON Y. KI