

tion, excepting such cash as may be required in the transaction of its business, and such as it may invest in real estate as hereinafter authorized. The capital of every such company shall be invested as follows:

* * *

¹ (n) In bonds, notes and obligations issued, assumed or guaranteed by the Asian Development Bank.

Section 4. This act shall take effect immediately.

APPROVED—The 31st day of July, A. D. 1968.

RAYMOND P. SHAFER.

No. 309

AN ACT

HB 2187

Amending the act of May 17, 1921 (P. L. 682), 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," permitting life insurance companies to purchase, hold, sell and transfer shares of their own stock.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Subsection (d) of section 406.1, act of May 17, 1921 (P. L. 682), known as "The Insurance Company Law of 1921," added May 9, 1947 (P. L. 201) and amended August 27, 1963 (P. L. 1390), is amended to read:

Section 406.1. General Investment Provisions and Restrictions.—Investment under authority of section four hundred four, or four hundred five and holding of real estate under authority of section four hundred six by any life insurance company, organized under the laws of this Commonwealth, shall be subject to the following provisions:

* * *

(d) No investment shall be made [in the stock or shares of such company or] in any loan upon the stock, shares or obligation of such

¹ "(m)" in original.

company or any other insurance company transacting like classes of business but any stock life insurance company may, with the approval of its board of directors, acquire, retain, cancel or dispose of shares of its own capital stock: Provided, That (i) no such company shall acquire such stock without the prior approval of the Insurance Commissioner, which shall be granted in accordance with regulations previously promulgated by him, (ii) no such company shall effect a reduction in its capital stock without complying with the applicable provisions of the law, and (iii) no such company shall directly or indirectly vote shares of its own stock held by it.

* * *

Section 2. This act shall take effect immediately.

APPROVED—The 31st day of July, A. D. 1968.

RAYMOND P. SHAFER.

No. 310

AN ACT

HB 1929

Amending the act of May 17, 1921 (P. L. 789), entitled, as amended, "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 insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and certain societies and orders, the examination and regulation of fire insurance rating bureaus, and the licensing and regulation of insurance agents and brokers; the service of legal process upon foreign insurance companies, associations, or exchanges; providing penalties; and repealing existing laws," providing exemption from examination of certain applicants for license as life insurance agent and extending reciprocal nonresident life insurance agent license privilege to residents of other states and the Province of Canada.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 603, act of May 17, 1921 (P. L. 789), known as "The Insurance Department Act of one thousand nine hundred and twenty-one," is amended by adding at the end thereof, a new subsection to read:

Section 603. Agent's Licenses.—* * *

(c) The examination provided for in subsection (a) shall not be