

but not paid; upon such payment, the company shall cancel such insurance as may be covered thereby, and such cancellation shall release said member and the real and personal estate that he may have insured under the surrendered policy from all liability for or on account of any and all obligations, claims, or demands due or owing to said company on account thereof, and shall debar said member from any claim on the company for any loss or damage by fire subsequent to the time of such withdrawal and cancellation; and the company may at any time cancel any policy issued by it upon the return of the unearned portion of the annual cash cost.

Cancelling a policy.

5. Mortgagees and other owners of limited interests in real and personal property shall have the right to insure their interests; guardians and trustees shall have the right to insure the real and personal property of their wards *cestuis que trustent* in the company; and the lien provided by this Act shall take effect as though said wards or *cestuis que trustent* were of full age and *sui juris*; and life tenants of real or personal property may in like manner insure the same.

Mortgagees' rights.

6. Every application made to and every policy issued by this company shall state plainly and legibly the full mutual premium upon which it is made or issued, said premium to be computed according to the hazard of the risk as set out in the company's table of rates, and the annual cash cost of the policy shall be a certain percentage of the full mutual premium, to be determined each year by the board of directors and be the same for all policies then in force; and the company may by its by-laws fix the contingent mutual liability of its members for losses and expenses in excess of its cash funds; provided, that said contingent liability shall not in any year exceed twice the annual cash cost of the member's policy.

Mutual premium.

7. No annual policy shall remain in force longer than eight years, and policies may be issued for terms not exceeding eight years.

Life of annual policies.

8. Whenever the company shall issue a policy upon any dwelling, store, mill, barn, outbuilding or other building whatsoever, the building so insured goes together with the land beneath the same and so much surrounding it as may be necessary for the ordinary and useful enjoyment of it shall be held by the company as security for the payment of the annual cash cost of the policy, and such assessments as may be duly laid together with all costs of collecting the same and the policy shall of itself, from the time it issues, create a lien upon

Held as security for payment of annual cash cost of policy.