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or in part, as may be demanded by the president and directors of the company, the president and directors of the company may proceed to collect the same by due process of law.

Duty of board
of directors.

Section 9. At the end of each calendar year, or earlier, at the option of the board of directors, it shall be the duty of the said board of directors to ascertain whether or not the income of the company has been sufficient to pay the losses and expenses of the company; and in the event that the losses and expenses of the company have exceeded the income and surplus fund of said company, and one per cent. of the premium notes held by the company, then the directors shall assess upon all property-holders whose policies are more than one year old, not having sufficient to the credit of their policies to meet their proportionate part of such deficiency, their proportionate part of such losses and expenses, and shall give notice of the same to such policy-holders, and upon their failure to pay the same sixty days from the time of such notice being issued, said directors shall proceed to collect the same by due process of law; but the directors shall not allow at any time the losses and expenses of the company to exceed its income and surplus fund to an amount exceeding one per cent. of its premium notes without making an assessment upon its premium notes as heretofore provided for.

Time allowed
to pay as-
sessment.

Sections 13 and 14. *And be it enacted*, That in all cases where property may be insured under this Act, where an assessment upon any policy of the company has been made, after due notice has been given, the party insured shall have sixty days to pay such assessment, and after the expiration of the said sixty days, in case the said assessment has not been paid, the said policy-holder or policy-holders shall forfeit all benefit under his or her policy, and the company shall not be liable for any loss that may occur under any of his or her policies until such assessment or assessments have been fully paid, but such payment after default shall reinstate the policy or policies only from the time of such payment, and the company shall not be liable for any losses that may occur during the time of such default under any of the policies of the said policy-holder or holders.

Approved February 27, 1906.