

instead of taking a premium note secured by judgment, as heretofore, it shall be lawful for said company to ascertain and determine the full mutual premium upon which such insurance shall be granted and the policy issued, to be computed according to the hazard of the risk as set out in the company's table of rates, in the same manner the amount of the premium notes has been heretofore computed, and upon which amount of full mutual premiums, so ascertained, the insured shall annually pay to said company the cash cost for maintaining such insurance, and which shall be a certain percentage of the full mutual premium to be determined each year by the board of directors, and shall be the same for all policies then in force; and the said company may by its by-laws fix the contingent mutual liability of its members for losses and expenses in excess of its cash and available funds.

CHAP. 486

Authority to determine the full premium.

SEC. 3. *And be it enacted,* That all applications for insurance in said company shall be made in writing and signed by the party applying for the same, and when such application has been made, the amount of full mutual premium fixed and stated therein, and the annual cash cost and other charges thereon paid, the insured shall be deemed to be a duly constituted member of said company, and as such entitled to all the privileges of a member, and bound by all the rules and regulations thereof as contained in its charter and by-laws.

Applications to be made in writing.

SEC. 4. *And be it enacted,* That every policy issued by said company shall state plainly and legibly the full mutual premium upon which it is issued, and a provision, as a condition precedent upon which such policy is issued, that by the acceptance of such policy the insured covenants and agrees with said company to pay to the said company such sum of money as the board of directors may require, in such proportions and at such times as the company, agreeably to its acts of incorporations and amendments thereto, may require to pay losses and expenses extraordinary.

Every policy must state plainly the full mutual premium.

SEC. 5. *And be it enacted,* That any member of the company shall have full power to withdraw therefrom at any time by surrendering his policy to the company and paying such fees as may be reasonably demanded, and by arrearages of the annual cash cost and assessments, and the policy's proportion of the losses incurred but not paid; upon such

May withdraw his security by surrendering his property.