

or any instalment or assessment on his premium note and who has paid in cash all liabilities incurred by him to the Company shall be eligible to be elected as a director, but he shall cease to be such director if the amount of his insurance as aforesaid becomes reduced below the sum of 5 one thousand dollars.

Voting at meetings.

8. At all meetings of the Company each policyholder on the mutual system who is not in default in respect of his premium note or any instalment or assessment on his premium note shall be entitled to the number of votes in 10 proportion to the amount of insurance held by him on the mutual system according to the following scale: Under fifteen hundred dollars, one vote; fifteen hundred dollars to three thousand dollars, two votes and three thousand 15 dollars or over, three votes. Such policyholder may not vote by proxy unless the proxy himself is a policyholder on the mutual system and entitled to vote.

Proxies.

Notice of meetings.

9. (1) Notice of every annual or special general meeting of the Company shall be sent by post to every policyholder on the mutual system and shall be published in a newspaper 20 published at or near the place where the head office is located at least seven days previous to the day of the meeting.

Annual statement.

(2) The directors shall at least seven days prior to the date of the annual meeting send to every policyholder on 25 the mutual system by post the annual statement for the year ending on the last previous thirty-first day of December, which statement shall be certified by the auditors of the Company.

Liability of assets for losses on policies.

10. All the assets of the Company, including the premium 30 notes given by policyholders, shall be liable for losses occurring on all the policies of the Company. A policyholder of the Company on the mutual system shall be liable in respect of any loss or other claim or demand 35 against the Company to the extent of the amount unpaid upon his premium note and no more.

Provision for meeting deficiency of assets if Company is wound up.

11. In the event of the winding up of the Company if the assets on hand at the date of winding up, exclusive of the unearned portion of the premium notes of the policyholders on the mutual system, are insufficient to pay all the 40 liabilities of the Company in full an assessment shall be made on the said policyholders in respect of their premium notes to an amount not exceeding the unpaid balance of such notes.

Assessment of premium notes and undertakings.

12. All premium notes and undertakings belonging to 45 the Company shall be assessed under the direction of the board of directors at such intervals from their respective