

Right to sue  
for amount  
of assess-  
ment.

**14.** If any member or other person who has given a premium note or undertaking shall, for thirty days after the due date mentioned in the notice of assessment, neglect or refuse to pay said assessment the Company may sue for and recover the same with costs of suit and such proceeding shall not be a waiver of any forfeiture incurred by such non-payment. 5

Power of  
Company to  
deduct from  
payment due  
under a loss.

**15.** If there be any loss on property insured by the Company, the board of directors may deduct the amount of the premium note, less any paid assessments thereon, from the payment due under the loss and retain the amount so deducted until the time has expired for which insurance has been made, and at the expiration of the said time the insured shall have the right to demand and receive such part of the retained sum as shall not have been assessed against. 10 15

Insurance  
on cash plan.

**16.** No insurance on the cash plan shall make the insured a member of the Company or liable to contribute or pay any sum to the Company or to its funds or to any other member thereof beyond the cash premium agreed upon or give him any right to participate in the profits or surplus funds of the Company. 20

Distribution  
to policy-  
holders.

**17.** The directors may from time to time out of the earnings of the Company distribute equitably to the holders of policies issued by the Company on the mutual system such sums as in the judgment of the directors are proper and justifiable. 25

Power to  
acquire  
rights, etc.,  
of a certain  
Ontario  
insurance  
company.

**18.** (1) The Company may acquire by agreement to insure or otherwise the whole or any part of the rights and property and may assume the obligations and liabilities of The Waterloo Mutual Fire Insurance Company, incorporated in the year 1863 under and pursuant to the provisions of chapter 52 of the Consolidated Statutes for Upper Canada, 1859, being an Act entitled "*An Act respecting Mutual Insurance Companies*", in this Act called "the provincial Company"; and in the event of such acquisition and assumption the Company shall perform and discharge all such obligations and liabilities of the provincial Company with respect to the rights and property acquired as are not performed and discharged by the provincial Company. 03 35 40

Duties in  
such event.

(2) No agreement between the Company and the provincial Company providing for such acquisition and assumption shall become effective until it has been submitted to and approved by the Treasury Board of Canada.

Approval of  
Treasury  
Board.