

RULES.

RISKS THAT MAY BE TAKEN FOR 3 YEARS.

SECTION 1.—No member of this Board shall take any risk for a longer term than one year, except such as are specifically mentioned in the Tariff of Rates. It shall, however, be competent for Companies to issue three years' term Policies for two years' premiums on Buildings and Contents, excepting upon Mercantile, Manufacturing and Hazardous Risks, (Banks, and Buildings occupied as offices solely are not Mercantile Risks), and certain property owned by the Government and the Municipality of Toronto may be insured by the issue of Policies thereon for three years at two annual premiums. Should any three-year Risk be changed by the introduction therein, in whole or in part, of a Mercantile or Hazardous occupation, the long term Policy must be cancelled, and thereafter the proper annual rate for the new occupation must be charged on the building and all the occupancies therein.

CANCELLATION OF POLICIES.

SECTION 2.—In cancelling a Policy at the request of the insured, a Company shall charge the short term premium up to the date of such cancellation; this, however, does not refer to cancellations where the risk is not terminated, but carried on under another policy for the mutual convenience of the Company and insured.

SHORT TERM RATES—WHEN TO BE CHARGED.

SECTION 3.—All insurance for a term less than one year shall be charged short period rates, as in the table attached to the Tariff. This section does not refer to re-insurance between two Companies.

WRITING RISKS UNDER TARIFF—DIVIDING COMMISSION.

SECTION 4.—No member of this Board shall underwrite a risk at a lower rate of premium than that provided for by the Tariff authorized by the Board, or pay to, or divide commissions with others than agents authorized to receive such commissions, and whose names shall have been registered with the Secretary of the Board, or return to the insured, directly or indirectly, any portion of the stated premium. Commission, however, is allowed to be paid on re-insurance by one Company to another. *(See Amendment Page 23)*

LOAN COMPANIES OR BANKS.

SECTION 5.—Commission may be paid to Loan Companies or Banks and Life Insurance Companies only on the insurance of property on which the loss, if any, is payable to such Companies or Banks.