

(f) burglary insurance;	
(g) credit insurance;	
(h) earthquake insurance;	
(i) explosion insurance;	
(j) falling aircraft insurance;	5
(k) guarantee insurance;	
(l) hail insurance;	
(m) inland transportation insurance;	
(n) personal property insurance;	
(o) plate glass insurance;	10
(p) sickness insurance;	
(q) sprinkler leakage insurance;	
(r) steam boiler insurance;	
(s) tornado insurance;	
(t) weather insurance.	15

Commencement of business.

5. (1) The Company may transact the business of fire insurance when *bona fide* applications have been received for insurance on the mutual system to an amount of at least five million dollars.

Other classes of insurance.

(2) Except as otherwise provided by *The Canadian and British Insurance Companies Act, 1932*, the Company shall not transact the business of the other classes of insurance mentioned in the next preceding section, or any of them, until its surplus amounts to at least five hundred thousand dollars.

"Surplus" defined.

(3) In this section the word "surplus" means the excess of assets over liabilities, including the reserve of unearned premiums calculated *pro rata* for the unexpired term of all policies of the Company.

Election of directors.

6. (1) There shall be elected at the first annual meeting and at each subsequent annual meeting of the Company a board of not less than nine nor more than twenty-one directors, who shall hold office as hereinafter provided.

Term of office.

(2) The Company shall, by by-law passed not less than three months prior to the holding of its first annual meeting after the passing of this Act, determine the number of directors to be elected at the said annual meeting by the policyholders on the mutual system. The Company may by the said by-law provide that the directors shall be elected for one, two or three years. If the by-law provides for two years' or three years' term of office it may also provide either (a) that the term of office shall be continuous for all directors or (b) that a certain proportion, not less than one-third, shall retire annually. All retiring directors shall be eligible for re-election.

Qualifications of directors.

7. Any policyholder on the mutual system who holds a policy or policies to the amount of at least one thousand dollars and who is not in default in respect of his premium note