

AN ACT TO AMEND SECTION SEVENTY-TWO OF THE INSURANCE ACT, (ACT NO. 2427) AS AMENDED (RE-PAYMENT OF PREMIUM ON INSURANCE POLICIES).

REPUBLIC ACT NO. 3540, June 20, 1963

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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section Seventy-two of the Insurance Act, (Act No. 2427) as amended, is hereby amended to read as follows:

"SEC. 72. An insurer is entitled to payment of the premium as soon as the thing insured is exposed to the peril insured against, unless there is clear agreement to grant the insured credit extension of the premium due. No policy issued by an insurance company is valid and binding unless and until the premium thereof has been paid.

SEC. 2. This Act shall take effect upon its approval.

Approved, June 20, 1963.

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