by the State Board of Education provides that teachers of vocational agriculture shall be employed during all twelve months of the calendar year, and have so provided since the date these laws became effective.

Chapter 315, Acts of 1935, both by the title of the Act and by the language used in the various sections thereof, appears to have been intended to apply to all teachers in the common or public schools of this State.

Section 2 of said Act provides a schedule of minimum salaries “per month for a minimum term of eight months,” and also provides for certain additions to the minimum monthly scale on the basis of teaching experience and additional professional training. My interpretation of Section 2 is that it was intended to provide a salary scale to apply to every month of service required of the teacher, whether the number of months of service be eight or more; except that in no case should a teacher be paid for less than eight months.

In conclusion, it is my opinion that a teacher of vocational agriculture, under the existing plan providing for employment for a full twelve-months period, is entitled to the minimum salary provided in Section 2 of Chapter 315, supra, for the full twelve-month period of the 1936-1937 school year. However, it is my interpretation of Chapter 315, supra, that for the purposes of said Act the school year during which this salary schedule becomes operative begins on August 1, instead of July 1, and ends on July 31, instead of June 30, as suggested in your letter.

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INSURANCE DIVISION: Rebate, insurance—Whether taking of bona fide obligation with interest in payment of insurance premium constitutes rebating.

July 6, 1936.

Hon. Harry E. McClain,
Insurance Commissioner,
Indianapolis, Indiana.

Dear Sir:

I have before me your letter to which is attached a form of agreement between a life insurance agent and the insured in which the agent agrees to aid the insured in financing the
premiums of the policy for its first three years. The first year's premium is paid to the agent by the delivery to the agent of the insured's promissory note for the amount of the premium on the policy. The second year's premium is to be financed by the payment in cash to the agent of one-half of said premium, the other half to be represented by a certificate of indebtedness on the form of the Penn Mutual Life Insurance Company and a promissory note maturing two years after date. The third year's premium is to be financed in a similar manner, except that the promissory note matures in one year after date instead of in two years as is provided in the case of the second annual premium. All certificates of indebtedness and notes are to bear interest at the rate of six per cent. An assignment of the policy is made to the agent to secure him for the advances made. I do not find anything in the agreement expressly stating the maturity of the note given for the first premium except the language "on .........., 1938." I assume that when the form is filled in there will be contained an exact maturity date so that there is an absolute agreement to pay it.

You inquire whether this agreement is a violation of the Indiana Insurance Law of 1935 and especially Section 273 thereof in that it constitutes inducement not stated in the policy. Section 273 has provided against the giving or accepting of rebates or the giving or accepting of inducements that are not stated in the policy. It also expressly provides that the Section shall not be construed "to prevent the taking of a bona fide obligation, with legal interest, in payment of any premium." In view of the above provision of the Section I do not think the contract is in violation of that Section.

FINANCIAL INSTITUTIONS, DEPARTMENT OF: Small loans—Amount of loan authorized.

July 8, 1936.

Honorable Homer O. Stone,
Supervisor, Division of Small Loans,
Department of Financial Institutions,
Indianapolis, Indiana.

Dear Sir:

I have before me your letter of June 23, 1936, requesting that an unofficial opinion written on April 18, 1934, be clari-