No. 70.

AN ACT

To incorporate the Health insurance company of Philadelphia.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania in General Assembly met, and it is hereby enacted by the authority of the same,* That Samuel D. Orrick, Calvin Blythe, Rodney Fisher, Charles B. Hall, William F. Boone, Jacob Snider, junior, John Thomason, Daniel C. Lockwood, James P. Bruner, Edward Duff, William J. Crans and Charles P. Hayes, and all other persons who may hereafter be associated with them in the manner hereinafter provived, and their successors, shall be and they are hereby constituted and declared to be a body politic and corporate, by the name, style and title of the Health insurance company of Philadelphia, and by the same name shall have perpetual succession, and shall be able to sue and be sued, plead and be impleaded in all courts of record or elsewhere; and to purchase, receive, have, hold and enjoy, to them and their successors, lands, tenements, rents, annuities, franchises and hereditaments, goods and chattels of whatsoever kind, and choses in action, and the same may sell and dispose of, from time to time; and also to make and have a common seal, and the same to alter and renew at pleasure; and also to make, ordain, establish, and put in execution such by-laws, ordinances, and regulations as shall appear necessary and convenient for the government of the corporation, and for the management of its property, and the regulation of its affairs, not being contrary to this charter and the laws of this commonwealth, or of the United States, and generally to do and transact all such matters and things as shall, to them, lawfully appertain to do and transact for the well being of said corporation: *Provided,* That the clear yearly value of the lands and tenements of said corporation, including those held for its own use and accommodation, shall not exceed two thousand dollars: *And provided,* That nothing in this act shall be construed, to allow said corporation to exercise banking privileges.

Incorporators. Style. Privileges. Proviso. Proviso.

SECTION 2. The capital stock of said corporation shall not exceed one hundred thousand dollars, and shall be divided into shares of twenty-five dollars each, and there shall be paid into the treasury of said corporation, by each subscriber to the capital stock at the time of subscription, an instalment of at least five dollars on each share of the stock by him or them so subscribed; and as to the remaining sum due on each share, the directors of said company shall have the power to declare how, and in what manner, and at what times the same is to be paid, and to direct, if they think proper, that the party shall give his note, either with or without security, and generally to adopt that course which they think is best calculated to advance the interest of the institution.

Capital stock. Instalments.

SECTION 3. The corporation hereby created, shall have the power to insure the health of the stockholders of said company, as well as all other persons who shall make application for that purpose, and to make all and every insurance appertaining to, or connected with health risks of whatsoever kind or nature: *Provided,* That said corporation shall have power to insure the health of such persons only, as are or may

Power of corporation. Proviso.

become subscribers to the capital stock of said corporation, until two hundred shares have been subscribed for, and the instalment, as aforesaid, paid in; and after the two hundred shares of said stock are subscribed for, and the instalments paid into the treasury, the said corporation shall have the power to insure the health of any one, without his becoming a stockholder, and generally to exercise all the powers and privileges of this act.

Board of directors. Organization.

SECTION 4. The affairs of said company shall be managed and conducted by a board of directors, consisting of twelve members, to be constituted as hereinafter provided, in whom shall be vested all the corporate power and authority of this act; the said directors shall elect, from their own number, a president and vice president; and they shall also elect or appoint one person as secretary or actuary of said board, and one person as treasurer, of whom they shall require such security as may be provided in their by-laws; and they may appoint such other officers, clerks, agents, physicians and attorneys, as may be found necessary for the transaction of the business of the company, and allow them such reasonable compensation as they may think proper; five of said board of directors shall constitute a quorum for the transaction of business.

First board of directors.

SECTION 5. The twelve persons named in the first section of this act shall constitute the first board of directors.

Directors to divide themselves into classes. Continuance.

SECTION 6. The directors shall at their first meeting, or within one month after their organization, divide themselves, by lot, into two classes, and if all the directors should not attend upon this occasion, those present shall act for the absent directors. The first class shall consist of six members, and the second class of six members. The term of the first class shall expire on the first Monday in January, one thousand eight hundred and forty-nine, and the term of the second class shall expire on the first Monday in January, one thousand eight hundred and fifty. The seats of the classes vacated shall be supplied by the stockholders, as hereinafter provided, but a director going out of office shall be eligible to a re-election.

Vacancies, how filled.

The board of directors may fill vacancies in their body, occasioned by death, resignation, removal out of the city and county of Philadelphia, or refusal to act; the said appointment to continue until the next annual election of directors.

Annual election.

The election for directors shall be held on the first Monday in January, in each year, between the hours of ten and twelve o'clock, at such place in the city of Philadelphia as the board of directors shall designate, of which time and place the secretary shall give at least one week's previous notice, in two of the daily newspapers printed in the city of Philadelphia, and the directors shall appoint three persons from among the stockholders to conduct the said election; and in case the persons appointed do not attend or act, others shall be selected in their stead. Such election shall be by ballot, and a plurality of votes given shall elect; each shareholder shall be entitled to one vote, but no stockholder shall be allowed more than ten votes; absent stockholders may be represented by proxy.

Investments.

SECTION 7. It shall be lawful for said corporation to invest its premiums, profits and capital, in bonds and mortgages, judgments, ground rents, United States loan and Pennsylvania loan, and to sell, transfer and change the same and re-invest the funds of said corporation whenever the directors shall deem it expedient. This act shall go into operation immediately after its passage.

Annual statement.

SECTION 8. The directors shall, on or before the first Monday in January of every year, cause a statement of the affairs of the company to be made, and a balance to be struck of the profit and loss account, and if there shall be any ascertained profits or surplus, after paying all losses and expenses of the company for the preceding year, and providing for outstanding risks, the directors shall first set apart said profits and divide therefrom among the stockholders a sum not exceeding an interest of six per cent. per annum, on the amount of capital stock actually paid in on the stock held by them: *Provided*, So much of said profits remain, after paying said losses and expenses, and providing for said risks; and in case there is not sufficient remaining as aforesaid, to pay the said dividend of six per cent. to the stockholders, in any one year, the same may be made good and paid at a subsequent period, when the net resources of the company shall be sufficient for that purpose. Proviso.

SECTION 9. After providing for all risks, losses, incidental expenses and dividends, as specified in the preceding section, then one moiety or half part of the remaining profits and surplus, if any there be, shall be reserved by the directors, and applied by them towards the payment of the capital stock, which shall have been subscribed before the striking of the balance of the affairs of the corporation, as aforesaid, and the other moiety or half part of the said remaining profits and surplus, may be divided among the stockholders and the persons insured, according to their respective interests; one-half thereof among the stockholders, and the other half among the insured; but no dividends whatever shall be made whereby the capital stock of said corporation, subscribed for and paid in, shall be reduced or impaired. Profits.

SECTION 10. The directors shall have the power to require every person subscribing to the stock of said company, to effect insurance therein, either upon his own health, or upon the health of some other person, for such length of time as they may prescribe; but every person effecting insurance in said company, shall have the privilege of subscribing for at least one share of said stock, paying at the same time the required instalment, until the whole number of shares authorized by this act shall be taken up; and any person subscribing for the stock of said company, and paying the instalment at the time of subscribing, as aforesaid, may be allowed by the directors, and with their permission, obtain in addition to the stock so subscribed by him, a policy of insurance upon his health, or upon the health of some other person, being in all other respects qualified according to the terms of the by-laws of said company; and such person so subscribing may receive a credit for the amount of the premium of such insurance, out of the said instalment, paid on one share of stock, until two hundred shares of the capital stock are subscribed for, but not after. Insurance.

SECTION 11. Every person who shall subscribe to the stock of this company, or effect insurance therein, shall pay the rates that shall be agreed upon and determined by the directors; no stockholder or person insured shall be liable for any losses or expenses beyond the amount of stock which he may have subscribed for, or the amount of his premiums paid in. Payment of rates.

SECTION 12. Suits at law may be maintained by said corporation against any stockholder, or person insured, for any cause relating to the business of the corporation; also, suits at law or equity may be prosecuted and maintained by any stockholder or person insured, for losses or damages insured against by them in this institution, if payment shall be withheld for more than thirty days after the same shall be due and payable, by the terms of the policy of insurance, and after the said corporation shall have been duly notified of such loss or damage; and no stockholder or person insured, not being in his individual capacity a party to such suit, shall be incompetent as a witness. Suits may be maintained.

When insurance to be paid.

SECTION 13. In case of the death of any stockholder or person insured, the amount standing to his credit, if any, at the time of his death, shall be paid over to his legal representatives within sixty days; the profits and dividend of such stockholder, or persons insured, as have ceased to comply with the rules and regulations of the company, by non-payment of the premiums, or a renewal of the policy of insurance, shall be forfeited to the use of the company.

General balance to be made annually.

SECTION 14. Within thirty days after the first Monday in January, in the year eighteen hundred and forty-nine, and annually thereafter, the directors of said company shall cause to be made a general balance statement of the affairs of said company, which shall be entered in a book prepared for that purpose; such statement shall contain: First—The amount of premiums received during the previous year, and the amount of interest received from investments and loans: Second—The amount of expenses of said company during the same period: Third—The amount of losses incurred within the same term: Fourth—The balance remaining with the said company: Fifth—The nature of the securities in which the said balance is invested, and the amount of cash on hand; also, some account of existing policies; and the directors shall cause the said statement to be published in at least one daily newspaper printed in the city of Philadelphia.

Business to be carried on in Philadelphia, and agencies out of the city.

SECTION 15. The business of the corporation shall be carried on at such place in the city of Philadelphia as the directors shall direct, and at such agencies out of the city as they may establish; and the first meeting of the directors shall be held as soon as practicable after the passage of this act; the said directors shall pass all by-laws, rules and regulations necessary for the good government of the affairs of the company; they shall determine the rates of insurance, and the amount of each risk; they shall have the power of calling meetings, and fixing stated periods for the same, whenever, in the opinion of said directors, the meetings are required; the seat of any director who shall have neglected to attend three successive stated meetings of the board, may be vacated by the directors, and his place supplied as is provided for in case of the death or resignation of a director.

Married women may insure.

SECTION 16. It shall and may be lawful for any married woman, by herself, and in her name, or in the name of any third person, with his assent as her trustee, to cause to be insured for her sole use and benefit, the health of herself, her husband, or any other person, for such period as she may think proper; and the amount of the insurance becoming due and payable by the terms of the insurance, shall be payable to her, to and for her own use, free from the claims of her said husband, or any of his creditors.

Embezzlement punished.

SECTION 17. If any director, officer, or other person connected with this institution, shall fraudulently embezzle or appropriate to his own use, or to the use of any other person, any money or other property belonging to said institution, or left with the same as a special deposit, or otherwise, he or they, upon conviction thereof in the court of quarter sessions, shall be fined in a sum not less than five hundred dollars, and be sentenced to undergo an imprisonment in the penitentiary or county prison, for any term not exceeding two years, at the discretion of the court:

Proviso.

Provided, That this conviction shall not prevent any person or persons aggrieved, from pursuing his, her, or their civil remedy against such person or persons.

Restriction.

SECTION 18. Nothing in this act shall be construed so as to authorize said company to engage in life insurance, or anything else, save insurance upon health.

SECTION 19. The legislature may, at any time, alter or repeal this act; in such manner, however, as shall do no injustice to the stockholders or persons insured, or injuriously affect any contract or engagement made by or with said company. Reservation.

WILLIAM F. PACKER,
Speaker of the House of Representatives.
WM. WILLIAMSON,
Speaker of the Senate.

APPROVED—The second day of March, one thousand eight hundred and forty-eight.

FRS. R. SHUNK.

No. 71.

A SUPPLEMENT

To an act to authorize the governor to incorporate a company to erect a bridge over the Conemaugh, at or near Centerville, in the county of Indiana, and for other purposes, passed the twenty-seventh day of February, one thousand eight hundred and thirty-eight.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania in General Assembly met, and it is hereby enacted by the authority of the same,* That the time for opening the books for subscriptions to said company, shall be changed from the first January, one thousand eight hundred and thirty-nine, to the first of January, one thousand eight hundred and forty-nine; and the said company shall have three years from date to complete the said work. Time for opening books changed.

SECTION 2. That so much of the first section of the act to which this is a supplement, as names the commissioners, is hereby repealed; and the commissioners shall be E. W. M'Kelvey, Hugh M. Graham, Aaron Norris, George Mabon, George Steel, William Carnahan, James Elliott Samuel Meanor and William Liggard, of Indiana county; R. H. M'Coy, William Mathews, C. B. Calahan, John Hill, William Graham, William M'Pherson and William Brown, of Westmoreland county, who shall do and perform all duties prescribed to be done by original commissioners. Commissioners appointed.

SECTION 3. That the capital stock of said company shall be reduced to six thousand dollars. Capital stock reduced.

WILLIAM F. PACKER,
Speaker of the House of Representatives.
WM. WILLIAMSON,
Speaker of the Senate.

APPROVED—The second day of March, one thousand eight hundred and forty-eight.

FRS. R. SHUNK.