one time, more than one per cent. on the amount by them insured in said company, in addition to the amount of his deposite note, nor more than that amount for any such loss which may accrue after his note shall have been paid in and expended, but any member upon the payment of the whole of his deposite note and surrender of his policy, before any subsequent loss or expense has accrued, may be discharged from said company.

SECTION 10. The hereinbefore named persons, or any eleven of them, shall constitute the board of directors of said institution, until the fourth Monday in January, in the year of our Lord, one thousand eight hundred and forty-five. First directors.

JAMES ROSS SNOWDEN,
Speaker of the House of Representatives.
WILLIAM BIGLER,
Speaker of the Senate.

APPROVED—The twenty-third day of April, one thousand eight hundred and forty-four.

DAVID R. PORTER.

No. 239.

AN ACT

To incorporate the Mutual life 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 John C. Da Costa, Joseph Cabot, F. W. Hubbell, Charles S. Riche, B. M. Hinchman, John Swift, Charles W. Churchman, E. S. Coxe, Charles Rugan, J. M'Lanahan, John Dallett, S. M. Waln, John Mason, William S. Neilson, E. W. Robison, T. O. Rockhill, Henry Bohlen, Samuel Grant, John L. Hodge, Robert Soutter, Jr., Thomas B. Wattson, Richard D. Wood, C. P. Relf, George A. Wood, H. Pratt M'Kean, J. P. Pleasants, Joseph Swift, Charles Newbold, H. W. Andrews, L. Kimball, Stephen Baldwin, Isaac Lloyd, Junior, T. Deland, Charles Gibbons, Nalbro Frazier, Richard S. Smith, and all other persons who may hereafter associate with them in the manner hereinafter prescribed, shall be a body politic and corporate, by the name of the Mutual life insurance company of Philadelphia, and by that name shall have perpetual succession, and may sue and be sued, and hold, purchase, receive and convey real and personal estate, (with the limitations hereinafter specified,) and may make and use a common seal, and alter or change the same at pleasure; and make by-laws, not inconsistent with any existing law, for the management of its property and the regulation of its affairs; but nothing herein contained shall be construed to give unto the same corporation any banking powers or privileges. Corporators. Name. Seal. By-laws. Banking.

Insure lives.

SECTION 2. In addition to the general powers and privileges of a corporation, as the same are declared by the foregoing section, the corporation hereby created shall have the power to insure the respective lives of its members, and others, and to make all and every insurance appertaining to, or connected with, life risks of whatsoever kind or nature, and to grant and purchase annuities. The real estate which it shall be lawful for the said corporation to purchase, receive, hold and convey, shall be—

Real estate.

I. Such as shall be requisite for its immediate accommodation in the convenient transaction of its business; or

Moneys due.

II. Such as shall have been mortgaged to it in good faith, by way of security for loans previously contracted, or for moneys due; or

Debts.

III. Such as shall have been conveyed to it in satisfaction of debts previously contracted in the course of its dealings; or

Judgments, &c.

IV. Such as shall have been purchased at sales upon judgments, decrees or mortgages obtained or made for such debts.

Prohibition.

The said corporation shall not purchase, receive, hold or convey real estate in any other case or for any other purpose.

Members.

SECTION 3. All persons who shall hereafter insure with the said corporation, and also their heirs, executors, administrators and assigns, continuing to be insured in said corporation as hereinafter provided, shall thereby become members during the period they shall remain insured by such corporation, and no longer.

Board of trustees.

Quorum.

SECTION 4. All the corporate powers of the said company shall be exercised by a board of trustees, and such officers and agents as they may appoint; the board of trustees shall consist of thirty-six persons, all of whom must be citizens of the state; they shall elect a president, annually, who shall be a member of this corporation; and they shall have power to declare by by-laws, what number of trustees less than a majority of the whole, but no less than nine, shall be a quorum for the transaction of business.

First trustees.

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

Classification of trustees.

Vacancies.

Annual election.

Inspectors.

SECTION 6. The trustees shall, at their first meeting, divide themselves, by lot, into four classes of nine each; the term of the first class shall expire at the end of one year; the term of the second class shall expire at the end of two years; the term of the third class shall expire at the end of three years; the term of the fourth class shall expire at the end of four years, and so on successively each and every year; the seats of these classes shall be supplied by the members of this corporation, a plurality of votes constituting a choice; but an insurance of at least one thousand dollars in amount, shall be necessary to entitle any member to a vote; this section shall not be construed to prevent a trustee going out, from being eligible to a re-election; the board of trustees may fill any vacancies in their number occasioned by death, resignation or removal from the state; the election of trustees shall be held on the first Monday of June in each year, in such place in the city of Philadelphia as the board of trustees shall designate, of which they shall give at least fourteen days previous notice, in two of the public newspapers printed in the said city; and the board of trustees shall at the same time appoint three of the members of the said corporation inspectors, to preside at such election; and if any of the said inspectors decline or fail to attend, the trustees may appoint others to fill such vacancies.

SECTION 7. Every person who shall become a member of this corporation, by effecting insurance therein, shall, the first time he effects insurance, and before he receives his policy, pay the rates that shall be fixed upon and determined by the trustees; and no premium so paid shall ever be withdrawn from said company, except as hereinafter provided, but shall be liable to all losses and expenses incurred by the company during the continuance of its charter. Liability.

SECTION 8. The trustees may determine the rates of insurance, and the sum to be insured. Rates.

SECTION 9. It shall be lawful for the said corporation to invest the said premiums in the securities designated in the two following sections, and to sell, transfer and change the same, and re-invest the funds of the said corporation, when the trustees shall deem it expedient. Securities.

SECTION 10. The whole of the premiums received for insurance by said corporation, except as provided for in the following sections, shall be invested in bonds and mortgages on unincumbered real estate within the state of Pennsylvania; the real property to secure such investments of capital, shall in every case be worth twice the amount loaned thereon. Investments.

SECTION 11. The trustees shall have power to invest a certain portion of the premiums received, not to exceed one-half thereof, in public stocks of the United States or of this state, or of any incorporated city, district or borough in this state. Stocks.

SECTION 12. Suits at law may be maintained by said corporation against any of its members, for any cause relating to the business of said corporation; also, suits at law may be prosecuted and maintained, by any member, against said corporation. for losses by death, if payment is withheld more than three months after the company is duly notified of such losses; and no member of the corporation shall be debarred his testimony as witness in any such case, on account of his being a member of said company; and no member of the corporation, not being in his individual capacity a party to such suit, shall be incompetent as a witness in any such suit on account of his being a member of said company. Suits. Witnesses.

SECTION 13. The officers of said company at the expiration of five years from the time that the first policy shall have been issued and bear date, and within thirty days thereafter, and during the first thirty days of every subsequent period of five years, shall cause a balance to be struck of the affairs of the company, in which they shall charge each member with a proportionate share of the losses and expenses of the said company, according to the original amount of premium paid by him, but in no case to exceed the amount of premium, nor create any individual responsibility; each member shall be credited with the amount of said premium. and also with an equal share of the profits of the said company, derived from investments and earnings in proportion to said amount; and in case of death of any member of the said company, the amount standing to his credit at the last preceding striking of balance as aforesaid, together with the proportion which shall be found to belong to him at the next subsequent striking of said balance, shall be paid over to his legal representative or assigns, within three months after the last mentioned balance shall be struck; any member of the company who would be entitled to share in the profits, who shall have omitted to pay any premium or any periodical payment due from him to the company, may be prohibited by the trustees from sharing in the profits of the company, and all such previous payments made by him, shall go to the benefit of the company. Losses, how assessed and paid. Profits.

Statement of affairs.

SECTION 14. On some day in the first thirty days after the expiration of the first five years, from the time when the said company shall issue their first policy, and within the first thirty days of every subsequent five years, the officers of the said company shall cause to be made a general balance statement of the affairs of the said company, which shall be entered in a book prepared for that purpose, which shall be subject to the examination of any member of the said company, during the usual hours of business, for the term of thirty days thereafter; such statement shall contain—

Receipts.

I. The amount of premiums received and the amount derived from interest on loans or investments during the same period.

Expenses.

II. The amount of expenses of the said company during the said period.

Losses.

III. The amount of losses incurred during the said period.

Balance.

IV. The balance remaining with the said company.

Security.

V. The nature of the security on which the same is invested or loaned, and the amount of cash on hand; the books of the said company shall be open to the examination of any member thereof, during the usual hours of business.

Operations.

SECTION 15. The operations and business of the corporation shall be carried on at such place in the city of Philadelphia, as the trustees shall direct.

Policies.

SECTION 16. No policy shall be issued by said company until application shall be made for insurance of sums on lives amounting in the aggregate to one hundred thousand dollars, at least, and the trustees shall have the right to purchase, for the benefit of the company, all policies of insurance or other obligations issued by the company.

Wives' insurance of husbands' lives

SECTION 17. It shall 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, the life of her husband, for any definite period, or for the term of his natural life; and in case of her surviving her husband, the sum or nett 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 the representative of her husband, or of any of his creditors; but such exemption shall not apply where the amount of premium annually paid, shall exceed three hundred dollars.

Death.

SECTION 18. In case of the death of the wife before the decease of her husband, the amount of the insurance may be made payable after death, to her children, for their use, and to their guardian, if under age.

Repeal.

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

JAMES ROSS SNOWDEN,
Speaker of the House of Representatives.

WILLIAM BIGLER,
Speaker of the Senate.

APPROVED—The twenty-third day of April, one thousand eight hundred and forty-four.

DAVID R. PORTER.