No. 47.

A FURTHER SUPPLEMENT

To "An Act to incorporate the Delaware insurance company of Philadelphia," passed and approved March twelfth, one thousand eight hundred and four.

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 Delaware insurance company of Philadelphia, shall be and hereby is authorized and empowered, immediately upon and after the acceptance of this act in writing by a majority in value of the present stockholders, to set aside one hundred thousand dollars of the capital of the said company, to be divided among and held by the stockholders of the said Delaware insurance company of Philadelphia, in proportion to the number of shares to which they may be respectively entitled on the day of the acceptance of this act, as aforesaid, which said sum of one hundred thousand dollars shall then and thenceforth constitute the capital of the said company, which shall be reduced in the aggregate to four thousand shares of twenty-five dollars each. Capital stock.

SECTION 2. That for the respective shares and proportions of the said sum of one hundred thousand dollars, to which the said stockholders shall be entitled, the directors of the said company shall issue new certificates of stock of the value of twenty-five dollars each, and shall cause a memorandum thereof to be endorsed upon the old certificates of stock then held by the said several stockholders; and from and after the said acceptance of this act, the holders of the new certificates of stock shall be considered members of this company, and shall have the right to vote at the future meetings of the said company, and all right to vote upon the old certificates of stock shall then and thenceforth cease and determine: *Provided,* That the scale of voting shall be in the same rate as designated by the act of incorporation of twelfth March, one thousand eight hundred and four. New certificates.

SECTION 3. That from and immediately after the acceptance of this act, as aforesaid, the name of the said company shall be altered and changed, without, however, in any way affecting or altering the corporate existence of said company, or the rights or authorities hereby or heretofore given; and from thenceforth the style and title of the said company shall be and continue to be "The Philadelphia Mutual Insurance Company," under which name, style and title, the said company shall continue to take, enjoy, and possess all the estates, real and personal, wherever situate, and all the rights, powers, authorities, and immunities of the Delaware insurance company of Philadelphia, and be subject to, and responsible for, all debts, insurances, liabilities, and engagements contracted or entered into or imposed upon the Delaware insurance company of Philadelphia, as if no alteration of the name, style and title of the said company had been made. Name. Powers, &c.

SECTION 4. The present officers and directors of the Delaware insurance company of Philadelphia, shall continue to have and enjoy all the powers and authorities, and to perform all the duties heretofore and hereby given to or imposed upon the said corporation, until the second Officers.

Monday of January ensuing the passage of this act, and thereafter, until others are elected in their place and stead.

Settlement of affairs.

SECTION 5. That the company shall, immediately after the acceptance of this act by the stockholders, as aforesaid, proceed to settle the affairs of the company up to the date of said acceptance; and shall, as soon as conveniently may be, divide among and pay over to the stockholders holding stock at the time of said acceptance, all the remainder of their capital beyond the sum of one hundred thousand dollars, retained as the future capital of said company under the provisions of this act: *Provided*, That before any such dividend or payment of the remainder of said capital stock to or among the stockholders, as aforesaid, a fund fully sufficient shall be retained to meet all disputed claims and all outstanding risks insured by said company prior to the date of said acceptance, which fund, when added to the one hundred thousand dollars of retained capital, shall be equal to the aggregate amount of such claims and risks; and any director consenting to any dividend or payment of said capital stock which shall reduce the reserved fund below this amount, shall be personally liable to any party that may sustain injury thereby, and the amount of such injury may be recovered by action of debt as in other cases.

Proviso.

Reserved fund.

Members.

SECTION 6. That each and every person holding a certificate or certificates for premiums earned on risks marked off and determined, amounting to fifty dollars, shall be and become a member of said company, and shall be entitled to vote in all meetings of the company, and for each sum of fifty dollars so held by him or them, shall be entitled to the privileges of a holder of one share of the capital stock of said company, under and subject to all the restrictions and provisions of the several acts of assembly relating to the said company; and any person holding an amount of said certificates not less than the par value of twenty shares of stock, shall be equally eligible for a director as the holder of ten shares of stock.

Vote.

Shares.

Elections, meetings, &c.

SECTION 7. That all future elections of the directors, and annual meetings of the stockholders and other members of the company, shall be on the second Monday of January in each and every year.

Estimate of profits, &c.

SECTION 8. That the directors of said company shall, on the first Monday of January in each and every year, cause an estimate to be made as accurately as may be of the profits of said company during the preceding year, in which estimates the losses and expenses of the company for the year shall be deducted from the receipts and earnings of said company during the same year, arising as well from premiums paid as from the investment of said premiums, and of the capital stock, and the balance, if any, shall be deemed the amount of the net profits for such preceding year, which estimate shall be binding upon all persons entitled to receive certificates as hereinafter mentioned; and the said directors shall, thereupon, if the said net receipts are sufficient, in the first place pay to the stockholders six per cent. on the par value of their respective shares of stock, and after payment of the said interest to the stockholders, then, in the second place, pay to the holders of certificates for premiums earned on risks marked off and terminated, six per cent. on the amount therein mentioned; and the said directors shall, moreover, credit upon the books of the said company each stockholder, and also each person or firm who shall have paid any premiums to the said company on risks marked off and terminated during the preceding year, with a proportion of the remainder of the said balance, (exclusive of fractional parts of ten dollars as hereinafter mentioned;) such proportion to be ascertained by dividing the remainder of said net balance, after payment of interest as aforesaid, among the stockholders in proportion to the par value of their shares of stock, and among the persons and firms by whom premiums were paid in proportion to the sums received from them respectively for risks marked off and terminated during that year, first deducting, however, all return premiums; and the said directors shall thereupon issue to each stockholder, and to each person or firm having paid premiums as aforesaid, a certificate declaring him or them, and his or their executors, administrators, and assigns, to be entitled to a portion of the funds of the said company equal to the amount so credited to him or them, and also to receive from the said company annually out of the receipts, profits, and income as aforesaid, interest upon the amount of such certificate not exceeding six per cent. per annum, which certificate shall contain a proviso that the amount named therein is liable to a pro rata deduction for any future losses by said company; but no person or firm shall be credited with or receive a certificate for a share of profits less than ten dollars, nor for any fractional sums between the several multiples of ten dollars, but all such fractional parts of ten dollars shall be passed to the contingent fund of the company; *Provided always*, That no interest shall be paid upon the said certificates of stock or for premiums earned, except from the net interest and profits received and made by the said company upon their investments, and the net earnings of the company for and during the current year in which the said interest shall have accrued, after payment of all losses, charges and expenses during the said current year; and if the said receipts shall not be sufficient to pay and discharge the same in full, then the whole shall be applied, first, to the payment of interest on the stock in full or pro rata, as the case may be, and the balance, if any, shall be divided pro rata among the holders of certificates for premiums earned as aforesaid: *And provided also*, That if the said capital stock, or the amount received for premiums earned on risks marked off and terminated, shall be impaired or diminished by losses, expenses, or by or from any other cause whatever, then there shall be made a deduction equal in amount to said losses or expenses, or other diminution, which shall be assessed pro rata upon all the said certificates of stock, and upon all certificates issued on account of premiums paid for risks, marked off and terminated; and immediately upon such assessment being made by the board of directors, the said certificates issued as aforesaid, shall be binding and obligatory on the said company only for the balance due upon them after such deduction made and assessed as aforesaid; and the said assessment and deduction, when made by the board of directors as aforesaid, shall be binding and conclusive upon the holders of all said certificates of stock and for premiums earned for risks marked off and terminated, either with or without notice.

Proviso.

Interest.

Diminution of stock.

SECTION 9. That on some day in the month of January, in every year, the directors of the said company shall cause to be made, and printed, a general balance statement of the affairs of said company, which shall contain:

Statement.

I. The amount of premiums received during the previous twelve months, specifying what amount was received on marine risks, what on fire risks, and what on inland transportation and navigation risks. Premiums.

II. The amount of expenses of the said company during the year. Expenses.

III. The amount of losses incurred during the year, specifying what amount of losses has been incurred by marine risks, what on fire risks, and what on inland transportation and navigation risks. Losses.

IV. The balance remaining with the said company. Balance.

V. The amount of interest payable on certificates of stocks, and on those issued for premiums earned during the preceding year. Interest.

Securities.

VI. The nature of the securities on which the property of the company has been invested, stating separately the amount invested in real securities and in stocks, public loans or other personal securities, and the balance of cash on hand.

Each member of the company shall be entitled to a copy of this statement, which shall be published daily for one week in two daily newspapers of the city of Philadelphia, in the months of January or February, in each and every year.

Excess.

SECTION 10. That whenever the accumulation of profits invested shall, independent of the capital stock, exceed one hundred thousand dollars, the excess may be applied, first, to the redemption of the certificates of stock issued under the provisions of this act, and, second, after the redemption of said stock, or after the full provision shall have been made therefor, then any further excess may be applied to the redemption of the certificates issued for premiums earned; but the certificates for premiums earned of a subsequent year, shall not, in any case, be redeemed until all those of the preceding year have been paid off and taken up, or provided for; notice of such redemption shall be given in two public papers of the city of Philadelphia, daily for two successive weeks, in the months of January and February.

Debts.

SECTION 11. That in case any person holding, or entitled to a certificate for stock, or for premiums earned, or to receive any payment for interest on account thereof, shall be indebted to the said company, they shall and may withhold the said certificate and the payment of the said interest until such debt or debts shall be thereby paid.

Transfers.

SECTION 12. That the certificates for stock or for premiums earned shall be transferred only upon the books of the company in person, or by an attorney duly constituted, under such rules and regulations as now are or hereafter may be prescribed by the by-laws of the company.

Re-insured.

SECTION 13. That the directors of said company may cause themselves to be re-insured, when deemed expedient, against any risk or risks upon which they have made or may make insurance.

Repeal.

SECTION 14. That this act, the act to which this is a supplement, and the several other supplements thereto, so far as they are not repealed hereby, shall be and continue in force until the same shall be altered or repealed by the legislature of this commonwealth.

Repeal.

SECTION 15. That the fourteenth section of the act to incorporate the Delaware insurance company of Philadelphia, passed the twelfth day of March, one thousand eight hundred and four, and so much of the said act, and of the several acts supplementary thereto, as are supplied by or inconsistent with the provisions of this act, shall be and are hereby repealed.

FINDLEY PATTERSON,
Speaker of the House of Representatives.

WILLIAM P. WILCOX,
Speaker of the Senate.

APPROVED—The twenty-fourth day of February, one thousand eight hundred and forty-five.

FRS. R. SHUNK.