No. 112.

A SUPPLEMENT

To an act, entitled "An Act to incorporate the Southwark fire insurance company of the county 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 from and after the passage of this act, and the acceptance thereof by the stockholders of the said Southwark fire insurance company of the county of Philadelphia, as provided by the said act, it shall and may be lawful for any and every person or persons to insure marine, fire, and inland transportation risks with the said company, and to be entitled to a share in the profits which may be made by such insurances, to be declared and divided as hereinafter directed by the provisions of this act. Insurance.

SECTION 2. The directors shall, on the first Monday in July in each and every year, cause a balance to be struck of the affairs of the company, and if there shall be a surplus after paying losses and expenses of the company, and reserving a reasonable amount for contingencies, for the year preceding the same, they shall first set aside a sum not exceeding six per cent. on the actual value of the capital stock of said company out of the said surplus, which valuation shall be estimated by said directors for that purpose, and the balance shall be divided, one-half to the insured persons and one-half to the stockholders; each insured person shall receive such a proportion of said surplus as the premiums paid by him on risks determined, without loss, may bear to the entire collective amount of premiums earned, and each stockholder shall receive such a proportion of the same as the stock so valued held by him may bear to the entire collective amount of said stock, which shall be added to the stock held by him, until each share shall amount to fifty dollars. Affairs.

SECTION 3. Within thirty days after the yearly balance of the affairs of the said company shall be struck, the directors shall cause to be paid to the stockholders in cash not exceeding six per cent. on the valuation of their stock from the interest and profits on investments, and for the balance of the surplus profits they shall issue the company's certificate to such insured person and stockholder, agreeable to the provisions of the last and succeeding sections stating the amount of such surplus, which shall be ascertained to be due him on striking said balance; such certificate shall be entitled to an interest or dividend not exceeding six per cent., to be paid from interest and profits on investments. Balance. Certificates.

SECTION 4. The profits of said company shall in no case be withdrawn, except as herein provided, but shall remain equally with the capital stock, liable to all losses and expenses thereof, such liability to be expressed on the face of said certificates; and no dividend shall be declared or certificate issued, nor interest paid, either to stockholders or certificate holders, when the capital stock shall be reduced by losses or expenses, nor shall any interest be paid on certificates of surplus profits until the interest on the stock of said company shall first be provided for. Profits. Dividend.

SECTION 5. No certificates shall issue for any sum less than ten dollars, nor for any fractional part of ten dollars, but amounts not less than Certificates.

one dollar shall be credited on the books of the company, and if they amount to ten dollars at any time within five years, a certificate may issue therefor, otherwise they shall be carried to the credit of the company; the said certificates shall not be transferable except on the books of the company, and a transfer book shall be kept for that purpose; no certificate shall issue to any person who is in debt to said company, and no transfer shall be permitted so long as the holder is indebted to said company; certificates shall be subject to and bound by any judgment the company may obtain against the holder thereof, and the interest of said holder may be sold under an execution issued on said judgment, as any other species of personal chattel; no certificate shall issue unless claimed within five years after the declaration of the dividend whereof it is evidence, but the amount thereof shall, at the expiration of that time, be carried to the credit of the company: *Provided*, That the said company shall not exercise any banking privileges, or issue any certificate or other paper, to be used or circulated as bank paper.

Transfer.

Issue of certificates limited.

Debts, losses, &c.

SECTION 6. The capital stock, the certificates issued as aforesaid, the premiums paid and agreed to be paid, the property, effects, rights and credits of the said company, shall alone be liable for the losses, debts, contracts and engagements of said company, made in pursuance of this act, or the act or acts to which this is a supplement.

Perpetual insurance.

SECTION 7. Perpetual or permanent insurances may be taken, and five per cent. on deposites for said insurances may be computed as an annual premium, and like dividends made thereon.

When act to take effect.

SECTION 8. This act shall have full force and effect as soon as stockholders holding upwards of one-half of the capital stock of the said company shall have signified their assent thereto in writing, by themselves or their attorney duly constituted, which said assent shall be recorded in the office for recording deeds in and for the city and county of Philadelphia, a certified copy whereof, under seal of said office, shall be evidence of the acceptance by the stockholders of this act, in all courts of record in this commonwealth or elsewhere, and also of the right to exercise all the corporate privileges and immunities granted to said company by this act.

Insurance.

Name.

Powers, &c.

Proviso.

SECTION 9. That as soon as this act shall be accepted and recorded, the said corporation shall assume the title of and make insurances as directed by the provisions of this act, as the City and County mutual insurance company; and the stockholders of the Southwark fire insurance company of the county of Philadelphia, shall thereafter cease to be liable for the payment of any further instalments on stock; and the said association, under the title of the City and County mutual insurance company shall have, take, possess and enjoy all the necessary powers for the purpose of carrying into effect the provisions of this act, and all the estates, rights and effects, real and personal whatsoever, of the said Southwark fire insurance company of the county of Philadelphia, together with all the corporate rights and privileges granted to said Southwark fire insurance company of the county of Philadelphia, and subject to all the conditions and restrictions thereof: *Provided*, That nothing contained in this act shall impair or alter any legal existing right or privilege consequent upon any agreement, insurance or contract made by or with said company prior to the acceptance of this act: *And provided also*, That no member of this corporation, not being in his individual capacity a party to any suit by or against said corporation, shall be incompetent as a witness.

Excess.

SECTION 10. When the net profits or surplus remaining in the possession of the company, shall exceed the sum of two hundred thousand dollars, the excess may be applied to the redemption of the certificates issued by the company, in such manner and at such times as the directors thereof may deem proper and expedient, and all claim or right to any interest or dividend on said certificates shall cease, after two weeks notice, published in two of the daily papers of the city of Philadelphia, that the company will redeem the same; and if the holders of said certificates shall not, within five years thereafter, present the same for payment, the said certificates shall be cancelled on the books of the company.

Section 11. Within thirty days after the yearly statement made in July in each year, the officers of the company shall cause to be made a general balance sheet of the affairs of said company, which shall contain: Balance sheets.

I. The amount of premiums received during the previous year, specifying what amount was received for fire risks, and what amount on marine and inland risks. Premiums.

II. Amount of expenses of the company during the year. Expenses.

III. Amount of losses incurred during the year, specifying what amount on fire and what amount on marine and inland risks. Losses.

IV. The balance remaining with the company. Balance.

V. The nature of the security on which the same is invested, specifying what amount is invested on real security, what in stocks, what amount in state or national loans, what amount in other securities, and what amount in cash on hand. Security.

Section 12. That it shall be lawful for said corporation, in addition to the other modes of investment already authorized, at their discretion, to invest any of their funds in the purchase of ground rents, and are hereby authorized to take and hold and dispose of such ground rents. Ground rents.

Section 13. The votes of the stockholders for directors shall be by ballot, and each stockholder shall have one vote for every share he may own; but no vote shall be received on any share or shares unless the same shall have been held on the books of the company by the stockholder claiming to vote, for at least three months previous to such election, nor shall any vote by proxy be received, unless the power of attorney or proxy shall have been executed within ninety days of such election. Votes.

Section 14. So much of the act to which this is a supplement, and the several acts amendatory thereof, as are hereby altered or amended, or are inconsistent herewith, shall be and the same are hereby repealed. Repeal.

FINDLEY PATTERSON,
Speaker of the House of Representatives.
WILLIAM P. WILCOX,
Speaker of the Senate.

Approved—The seventeenth day of March, one thousand eight hundred and forty-five.

FRS. R. SHUNK.