

No. 118.

AN ACT

To incorporate the Farmers' mutual fire insurance company of Northampton county.

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 Michael Myers, Joseph Santee, Joseph Burk, Paul Siegfried, David Odenwelder, John Brown, John Kostenbader, David Kahler, George Henry Beck, John Dech, Frederick Frankenfield, Thomas Herman and George Johnson, and such other persons as are or may be associated with them, under the authority of this act, being citizens of Northampton and Lehigh counties, their successors or assigns, are hereby made a corporation by the name of the Farmers' mutual fire insurance company, of Northampton county, and they and their successors, are hereby made a body politic and corporate in law, with all the legal incidents of a corporation aggregate: *Provided*, That they shall not have power to hold a greater amount of real estate than is necessary for the use of the corporation in the transaction of the business thereof, or such as shall be taken in security for, or in payment of debts; nor shall the yearly income thereof exceed one thousand dollars; nor shall any by-laws be repugnant to this instrument, the constitution of the United States or this commonwealth. Corporators. Proviso.

SECTION 2. The power of this association shall be vested in thirteen Managers. managers, to be chosen by ballot annually, on the second Saturday of August, at an annual meeting of the company to be held, and each member being entitled to one vote.

SECTION 3. Each insurer in or with said company, shall be a member thereof, during the term of his or her policy, and no longer. Members.

SECTION 4. That general meetings of this company shall be held annually, on the second Saturday of August, at some convenient place in said county, and also whenever called by the board of managers, or whenever requested by twenty members; and the members shall at such general meeting, pass all by-laws, rules, and regulations necessary for the well government of the affairs of the corporation, or vest the power so to do in the board of managers. And all elections shall be by ballot, each member shall be entitled to one vote at said election, to be conducted by three judges, chosen by the members present for that purpose, who shall certify under their hands the result of said election, and the same to be filed with the papers of the corporation. The managers for the time being, shall choose from among their own members, one president, one secretary, and one treasurer, and such other agents and officers as may be necessary; and fix their respective fees and salaries, and require such bonds for the faithful discharge of the duties assigned, as may be deemed necessary, or the interest of the company may require; and shall have full power to suspend, remove, or displace any such officer or agent of the company, and supply any such vacancy which may happen by death, removal, or resignation of, among their own members, until the next election; and they shall at the annual meeting of the members, present to the company a general statement of its affairs. Annual meeting. Elections.

Insurance.

SECTION 5. The president and managers shall have full power on behalf of said corporation, to make insurance against losses by fire on any house, tenement, manufactory, mill, barn, or other buildings, and goods, wares, merchandize and effects, and household furniture therein; and on hay, grain, and other agricultural products in barns, stacks, or otherwise; and generally on all kinds of goods, wares, and merchandize and effects, (except books of accounts, bills, bonds, ready money, jewels, plates, paintings, engravings, and large manufactories and distilling houses;) to make, execute, and perfect such and so many contracts, bargains, agreements, policies and other instruments, as shall or may be necessary, and as the nature of the case shall or may require; and every such contract, agreement and policy, to be made by the said corporation, signed by the president, and attested and signed by the secretary, and also shall be signed by the party insured; and the president and managers are hereby empowered to have made, and procure a seal, with such device as they may deem proper, to be used by them as the common official seal of the company.

Investment of moneys.

SECTION 6. It shall be lawful for said company to employ and invest all moneys received by them, and the profits thereof, in the purchase of any ground rents or mortgages, or in any loans on good and sufficient security; and no money shall be drawn from the funds of said company for the purpose of making dividends, or dividing profits, nor for other purposes than, first, to defray the current or incidental charges of the corporation, and then for the purpose of such damages as any member of said company or insurer may be justly entitled to; and when the just demand of any insurer in said company, or member thereof, shall exceed the amount of its available funds on hands, such sums as shall be necessary to pay the same, shall, without necessary delay, be assessed by any three members of the board of managers, appointed by the president, on the insurances, each member to pay in proportion to the amount he has insured, and publish the same; and every of the members of the said company shall pay into the hands of the treasurer his, her or their proportionable part of such rates, within forty days after such publication as aforesaid; and in default of such payment, he, she or they, and every of them, making such default therein, shall forfeit and pay double the said rates; and neglecting to pay the said forfeiture for fifty days more, may, by the managers for the time being, be excluded and debarred from any benefit or advantage from his, her or their insurances respectively, and all right to the stock of this company; and shall, notwithstanding, be liable to said rates, pursuant to his, her or their covenants and agreements.

Notice of loss.

SECTION 7. All and every of the members of this company who shall sustain any loss by fire, shall give immediate notice to the president of the company, who shall appoint a committee of three of the board of managers, that shall examine and inquire into the same; and the said managers, with all convenient expedition, shall inquire into the same, and after ascertaining the sum which said parties shall be lawfully entitled to, make provision and payment as herein specified.

Rates of insurance.

SECTION 8. The members shall, at their general meetings, fix such rates of insurance and incidental charges, and fees, as may be deemed equitable and proper, or vest the power so to do in the board of managers; and any person who shall become a member of this corporation by effecting insurance therein, shall, the first time he effects insurance, and before he or she receives his or her policy, pay the rates that shall be fixed and determined upon; and no premium so paid shall ever be withdrawn from said company during the continuance of its charter.

SECTION 9. That in case any assured, named in any policy or contract of insurance made by the said corporation, shall sell, convey or assign the subject insured, it shall be lawful for such assured to assign and deliver to the purchaser such policy or contract of assurance; and such assignee shall have all the benefit of such policy or contract of insurance, and may bring and maintain a suit in his or her own name: *Provided*, That before any loss happens, he or she shall obtain the consent of the president or secretary to such assignment, and have the same endorsed on or annexed to such policy or contract of insurance, to be according to the aforesaid directions, for that purpose, and not otherwise. Assignment of policy.

SECTION 10. That the net profits arising from interest, or otherwise, shall be ascertained yearly, to every member, in proportion to his, her or their deposit, for which each member shall have a credit in the company's books; nothing in this charter to be construed as to allow any of the funds of the association to be used for banking or manufacturing purposes. Profits.

SECTION 11. If at any time it shall appear that the chartered privileges hereby granted are injurious to the public welfare, the power thereof to repeal shall not effect any engagement to which the said company may have become a party previously thereto, and that the said company shall have a reasonable time to bring their accounts to final settlement. Repeal.

SECTION 12. The first thirteen persons named in this bill to constitute the first board of managers, with power to organize the corporation and appoint a president, and other officers and agents, agreeable to the spirit of this act, and to hold their power and authority until the next election, as is herein provided, with all the powers contemplated to be vested in the board of managers elected by the company under the authority of this act. Organization.

SECTION 13. No policy shall be issued by the said corporation, until application be made for insurance to the amount of two hundred and fifty thousand dollars. Policy.

SECTION 14. Suits at law may be prosecuted and maintained by any member against said corporation, for losses or damages sustained, insured against by them, if payment is withheld more than sixty days after the company was duly notified of such losses; and no member of the said corporation, not being in his own individual capacity a party to such suit, shall be incompetent as a witness: *Provided*, The managers do agree to rebuild or replace the property lost or damaged, in which case a reasonable time shall be allowed them so to do. Suits at law.

SECTION 15. Any amendment or alteration may be made to the by-laws, at any general meeting, by a majority of the whole association: *Provided*, The same is not repugnant to the constitution and laws of this commonwealth or of the United States. By-laws.

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.