vantage and benefit of the said Mary Swaine, and of those entitled to the said house and lot in remainder, and approving the same.

J. S. M'CALMONT,
Speaker of the House of Representatives.
V. BEST,
Speaker of the Senate.

APPROVED—The twenty-fifth day of February, eighteen hundred and fifty.

WM. F. JOHNSTON.

No. 161.

AN ACT

To incorporate the Keystone mutual life and health insurance company of Harrisburg.

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 Luther Riley, Augustus O. Heister, John H. Berryhill, Thomas H. Wilson, Stephen Miller, John P. Rutherford, John W. Wilson and Daniel W. Gross, and all other persons who may hereafter be associated with them in the manner hereinafter provided, 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 Keystone mutual life and health insurance company of Harrisburg, 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 chattles of whatsoever kind, and choses in action, and the same 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.

Corporators.

Style.

Privileges.

Proviso.

SECTION 2. There shall be an original guaranty capital stock, not to exceed one hundred nor less than fifty thousand dollars, to be divided into shares of fifty dollars each; and there shall be paid into the treasury of said corporation by each subscriber to the said guaranty capital, at the time of subscribing, an installment of five dollars on each share of stock by him or them so subscribed, and the remaining sum due on each share shall be paid in such installments, and at such times as the financial condition of the company shall require, to enable it to liquidate all claims or demands upon the treasury for losses or expenses; such installments to be equally assessed on all stock so subscribed for; all installments to be paid within thirty days after notice of the same by the directors; the directors shall have power to require security on all stock subscribed for, if they deem it expedient for the safety of the company, and generally to adopt that course they think best calculated to advance the interest of the institution. Capital stock.

SECTION 3. The corporation hereby created shall have the power to insure the lives or 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 life or health risks of whatsoever kind or nature, and to receive and execute trusts, to make endowments and to grant and purchase annuities; and 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 or health 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 net amount of the insurance becoming due and payable, shall be payable to her, to and for her own use, free from the claims of the representatives of her husband or any of his creditors; and in case of the death of the wife, before the death of her husband, her amount of insurance may be made payable after her death, to her children, for their use, or to their guardian, if under age. Insure lives, &c.

SECTION 4. All the corporate powers of said corporation shall be exercised by a board of directors, and such officers and agents as they may appoint; the board of directors shall consist of at least eight persons, to be elected from among the stockholders; they shall annually elect from among the members of the corporation, a president and vice president, who shall continue in office for one year, or until others are elected in their place; and the directors shall have power to declare by by-laws, what number of directors less than the whole, shall form a quorum for the transaction of business. Board of directors.

SECTION 5. All persons who shall hereafter insure with said company, shall become members during the period they shall remain insured by said company, and no longer, and shall be entitled to one vote at all elections for officers of said corporation. Vote.

SECTION 6. Every person who shall become a member of this corporation by effecting insurance therein, shall pay such rates of premiums as shall be fixed upon and determined by the directors, before he receives his policy; no member so insured shall be liable for any losses or expenses of said company, beyond the amount of his or her premiums so paid to said corporation. Rates of premiums.

SECTION 7. The directors may determine the rates of premiums and terms of insurance, and the sum to be insured from time to time as they may deem expedient. Directors to determine.

SECTION 8. It shall be lawful for said corporation to invest its capital, premiums or profits, in bonds and mortgages, ground rents, stocks and loans of the United States, and state of Pennsylvania, and to sell, transfer, May invest capital, premiums, &c., in.

and change the same, and re-invest the funds of said corporation when the directors shall deem it expedient.

Statement of affairs of company.

SECTION 9. The directors shall, on or before the first Monday in January of each 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 subscribers to the guaranty capital, a sum not exceeding six per cent. per annum on the stock held by them:

Proviso.

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 aforesaid dividends of six per cent. to the stockholders in any one year, the same may be made good and payable at a subsequent period, when the net resources of the company shall be sufficient for that purpose.

Dividends.

SECTION 10. After providing for all risks, losses, incidental expenses and dividends, as specified in the preceding sections, then a 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 paying off the capital stock which shall have been subscribed, before striking off the balance of the affairs of corporation as aforesaid, and the other moiety or half part of said remaining profits and surplus, may be divided among the persons insured, according to their respective interests; but no dividend whatever shall be made whereby the capital stock of said corporation shall be reduced or impaired, only as provided for above.

Forfeiture of policies.

SECTION 11. In case of the death of any stockholder, or person insured, the amount standing to his or her credit, if any, shall be paid over to his or her legal representatives, within sixty days after proof of the same; the profits and dividends of such stockholders and persons insured, as have ceased to comply with the rules and regulations of the company by non-payment of premiums, or a renewal of the policy of insurance, shall be forfeited to the use of the company.

Annual statement.

SECTION 12. Within thirty days after the first Monday in January, one thousand eight hundred and fifty one, 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—

Exhibit.

I. The amount of premiums received during the previous year, and the amount of interest received from investments and loans.

II. The amount of expenses for the same period.

III. The amounts of losses incurred within the same terms.

IV. The balance remaining with the said company.

V. The nature of the securities in which the said balance is invested, and the amount of cash on hand, also, a full account of existing policies; and the directors shall cause the said statement to be published at least in one newspaper published in Harrisburg, for two weeks.

Business, where to be carried on.

SECTION 13. The business of the said corporation shall be carried on at such place in the borough of Harrisburg, as the directors shall direct, and at such agencies out of Harrisburg, as they may establish; and the first meeting of this corporation shall be held as soon as practicable after the passage of this act, at which time eight directors shall be elected by ballot; also, a president and vice president to serve until the end of the financial year, or until others are elected in their place; 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; also, to appoint such officers, agents and clerks, and fix the salaries of the same, as they shall deem necessary and expedient for the transaction of the business and the good of the corporation.

Punishment for embezzlement.

SECTION 14. 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 it 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 and undergo an imprisonment in the penitentiary or county prison, for any term not exceeding two years, at the discretion of the court: *Provided*, That this conviction shall not prevent any person aggrieved from pursuing his or her civil remedy against such person or persons.

Liability of subscribers.

SECTION 15. Every person who shall subscribe to the capital stock of this company, shall be liable for the amount of his, her or their stock so subscribed, and the amount of premiums paid by them for insurance and no farther.

Vacancies in board of directors, how supplied.

SECTION 16. The board of directors may fill vacancies in their body, occasioned by death, resignation, removal or refusal to act, the said appointments to continue until the next annual election of directors; the election for directors shall be held on the first Monday of January in each year, at such place in the borough of Harrisburg, and at such an hour in the day as the directors shall designate, of which time and place the secretary shall give notice at least two weeks' previous, in one or more newspapers published in Harrisburg, and the directors shall appoint three persons from among the stockholders to conduct said election; such election shall be by ballot, and a plurality of votes given shall elect; each shareholder shall be entitled to vote as follows: for one share one vote, for three shares two votes, for six shares three votes, for ten shares four votes, for sixteen shares five votes, for twenty-five shares six votes, for thirty five shares seven votes, for fifty shares eight votes, for seventy-five shares nine votes, for one hundred shares and upwards ten votes; absent stockholders may be represented by proxy.

Offices, persons not eligible to.

SECTION 17. No person shall be eligible to the office of director, secretary, treasurer or actuary, who does not hold at least five shares of the guaranty capital stock; all officers, agents, clerks and physicians of the company must effect insurance on their life, or on the life of some other person in this company, for such amount and for such length of time as the by-laws may require.

J. S. M'CALMONT,
Speaker of the House of Representatives.

V. BEST,
Speaker of the Senate.

APPROVED—The fourth day of March, one thousand eight hundred and fifty.

WM. F. JOHNSTON.