

first day of March anno domini one thousand seven hundred and ninety-two.

SIMON SNYDER, *Speaker*

of the House of Representatives.

ROBERT WHITEHILL, *Speaker*

of the Senate.

APPROVED—March the twelfth, in the year of our Lord one thousand eight hundred and four.

THOMAS M'KEAN, *Governor*

of the Commonwealth of Pennsylvania.

CHAPTER LIX.

An ACT to incorporate the Delaware insurance company of Philadelphia.

WHEREAS it appears to the legislature, that the security and independence of commerce will be promoted, and the losses and misfortunes of navigation alleviated, by the incorporation of companies with competent capitals, and under proper regulations, for the purpose of making insurance on maritime and other risques: And whereas the interest of the state, both in its commerce and agriculture, will be the better assisted by making insurances at home than abroad; and it having been represented to the legislature, that an association of citizens hath heretofore been formed in the city of Philadelphia, for the purposes aforesaid, under the title of "The Delaware insurance company

company of Philadelphia," who by their petition have prayed to be incorporated: Therefore to facilitate the transactions of the said association by the aid of an act of incorporation,

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 ^{Incorporation of the company.} all and every the persons, who shall at the time of the passing of this act be members of the said association, called "The Delaware insurance company of Philadelphia, and proprietors of the capital stock thereof," shall be, and they are hereby created and declared to be one body politic and corporate, by the name, ^{Style of the corporation;} title and title of "The Delaware insurance company of Philadelphia;" and by the same name shall have perpetual succession, and shall be able to ^{its privileges and powers.} sue, and be sued, implead, 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 and hereditaments, goods and chattels, of what nature, kind or quality soever, real, personal or mixed, or choses in action, and the same from time to time to sell, grant, demise, alien or dispose of: *Provided,* That the clear yearly income of the said real estate, to be held by the said corporation, shall not at any time exceed ten thousand dollars; and also to make and have a common seal, and the same to break, alter and renew at pleasure, and also to ordain, establish and put in execution, such bye-laws, ordinances and regulations as shall appear necessary and convenient for the government of the said corporation, not being contrary to the constitution, or to the laws of the United States, or to the constitution or laws

laws of this commonwealth, and generally to do all and singular the matters and things which to them it shall lawfully appertain to do, for the well-being of the said corporation, and the due management and ordering of the affairs thereof.

Sec. 2. *And be it further enacted by the authority aforesaid,* That all the joint stock, and all other the estate, real, personal and mixed, and all the securities, debts, dues, claims and demands, and all the records, deeds, books, papers, policies of insurance, bonds, bills of exchange, vouchers and other documents whatsoever, in any wise belonging to, or held and claimed by the said association of citizens, at the time of the passing of this act, shall be transferred to and vested in the said corporation of "The Delaware insurance company of Philadelphia," hereby created as absolutely and completely, to all intents and purposes as the same respectively now belong to or are held and claimed by the said association of citizens, or by their officers and agents, for their use; and all the policies, contracts and other engagements, debts, obligations and assumptions whatsoever, of the said association of citizens entered into, made subsisting, due and payable, or to grow due and payable at the time of the passing of this act, shall thenceforth become and be as obligatory and binding upon the said corporation of "The Delaware insurance company of Philadelphia," hereby created to all intents and purposes as if the same respectively had been entered into, made and contracted by the said company, subsequent to the incorporation thereof; and all policies of insurance, contracts, grants and obligations whatever, wherein or whereby any person or persons

The stock of
the association
vested in the
corporation.

Contracts, &c.
of the associa-
tion made
binding on the
corporation.

sons now are held or bound, to the payment of any monies, or the performance of any act, matter or thing whatever, to the said association of citizens, shall be and are hereby declared to be due and payable to and vested in the said corporation; and it shall be lawful for the said corporation, and for the parties who have as aforesaid contracted with the said association of citizens, respectively, to maintain actions and otherwise enforce the due performance of all such contracts, as fully as if the same had been originally made with the said corporation: *Provided always, nevertheless,* That nothing herein contained shall in any wise be construed to impair or affect the obligation of any contract at any time entered into; by or with the said association of citizens.

Sec. 3. *And be it further enacted by the authority aforesaid,* That the capital stock of "The Delaware insurance company of Philadelphia," shall amount to five hundred thousand dollars, that the same shall be divided into five thousand shares of one hundred dollars each, a fifth part whereof shall consist of shares in the capital stock of any bank in the city of Philadelphia, and the other four-fifths in specie; and that the capital stock of the company by this act incorporated, shall be held by the proprietors thereof at the passing of this act, and be transferrable by them and their assigns, respectively, on the terms and in the manner hereinafter specified; and the stockholders having already paid two dollars in specie, and twenty dollars in bank stock, on each share by them respectively subscribed, according to the terms of the articles of their association, shall pay the balance for the share or shares by them respectively subscribed in the company by this

The capital stock to be divided into shares of 100 dollars each,

which shall be transferrable.

VOL. VI. 2 N act

How payments
for shares shall
be made.

act incorporated, in the following proportions,
to wit: Eighteen dollars on each share on the
tenth day of June next; twenty dollars more
on each share on the tenth day of September
next, and the residue due and payable on each
share at such time and times, and in such pro-
portion and proportions as the president and
directors of the company shall declare and re-
quire, giving at least thirty days notice previ-
ous thereto, in two public newspapers printed
in the city of Philadelphia; and the stockhold-
ers who shall neglect or refuse to pay all or
any part of the said instalments, at the time
and times prescribed as aforesaid, shall forfeit
for the use of the company hereby incorpo-
rated, as well all the money previously paid,
as the bank stock transferred in payment of
shares subscribed as aforesaid, together with
all right, title, interest, emolument, profit,
claim and demand whatsoever, of, in, to and
out of the capital stock and funds of the com-
pany by this act incorporated, and the profits
arising, and to arise therefrom, by reason or
on account of the share and shares so forfeited,
and so much of the capital stock and funds of
the company, as it may not be necessary to
reserve, for the purpose of paying demands
against the company, shall be vested by the
president and directors in the public debt of
the United States, or in the stock of any bank
or banks established in Philadelphia, or in the
stock of any other monied institution establish-
ed and acting in Pennsylvania, or in bills of
exchange, or bonds secured by a mortgage on
sufficient real estate in the city or county of
Philadelphia; but a part of such capital stock,
not exceeding fifty thousand dollars, may, with
the approbation of a majority of the stock-
holders convened for that purpose, be loaned

Penalty in case
of neglect in
paying instal-
ments.

In what the
stock and funds
of the corpo-
ration shall be
vested.

to the state of Pennsylvania; and the stock of the company shall be assignable and transferable, according to such rules as the president and directors shall make and establish; and no stockholder indebted to the company shall be permitted to make a transfer, or receive a dividend, until such debt be paid or secured to be paid, to the satisfaction of the president and directors.

Sec. 4. *And be it further enacted by the authority aforesaid,* That the public securities, and all other evidences of debt or duty, owing and belonging to the said company, shall be taken in the name of "The Delaware insurance company of Philadelphia," and all deposits for the safe-keeping of the monies and securities of the said company, shall be made in such manner that the same shall always appear to be the property of the company, and be subject only to the drafts or orders of their proper officer or officers as such.

Transactions of the corporation to be done only under its name.

Sec. 5. *And be it further enacted by the authority aforesaid,* That the president and directors of the company, for the time being, shall have full power and authority, and they are hereby expressly empowered and authorized, from time to time, to sell, dispose of and transfer, and to cause to be sold, disposed of and transferred, all or any of the public or other securities, stock or evidences of debt or duty in which the capital stock and funds of the company shall be invested as aforesaid; and the proceeds of any such sale, disposition and transfer, to re-invest in the same, or in any other of the aforesaid securities and stocks, according to the provisions and regulations aforesaid.

Power of the corporation to dispose of the public stock, debts, &c. in which the capital stock shall be invested.

How the affairs of the corporation shall be managed.

Sec. 6. *And be it further enacted by the authority aforesaid,* That the affairs of the company shall be managed and superintended by fifteen directors, who at their first meeting after their election, shall choose one of their number to be president; and in case of the death, resignation or inability of the president or any director, the vacancy shall be supplied by the board of directors for the remainder of the period only, during which such president or director was elected to serve; the director shall be chosen by ballot on the second Monday in December in each and every year hereafter, by a plurality of the votes of the stockholders present, in person or represented by proxy, derived directly from such stockholder, and shall serve for one year next ensuing their election, and no longer: *Provided always,* That Thomas Fitzsimons, John Craig, Griffith Evans, Tournier Rostain, Jacob Shoemaker, Richard Gernon, James Lattimer, Joseph D. Drinker, Augustine Boufquet, Samuel Meeker, Bohh Bohlen, William Buckley, Jacob Sperry, William McFaden, John Welsh, George Cureven, and Stephen Dutilh, shall be the present directors, and shall continue in office until the second Monday in December next, and until others shall be chosen: *And provided also,* That no stockholder shall vote at any election for directors unless the stock shall have stood in his or her own name, at least three months immediately preceding such election; and none but citizens of Pennsylvania, resident within the state, shall be entitled to vote as proxies. The stockholders in all questions coming before them, and at every election for directors, shall be entitled to one vote for every three shares by them respectively held; but no stockholder shall be entitled to more than fifteen votes,

Names of the present directors.

Of the votes for directors.

votes, in his own right. *And provided also,* That in case it shall at any time happen, that an election of directors shall not be made upon any day, when pursuant to this act it ought to have been made, the said corporation shall not for that cause be deemed to be dissolved; but it shall be lawful on any other day, within thirty days thereafter, to hold and make an election of directors, in such manner as shall have been regulated by the bye-laws and ordinances of the said corporation.

Omission to choose directors on the usual day, not to work a dissolution of the corporation.

Sec. 7. *And be it further enacted by the authority aforesaid,* That there shall be a general meeting of the stockholders holden at the office of the company, on the first Monday in December in every year; and a number of stockholders, who together shall be proprietors of at least one thousand shares, may at any other time call a general meeting of the stockholders upon business interesting to the company, giving at least three weeks previous public notice in two newspapers printed in the city of Philadelphia. The stockholders present or by proxy, shall decide upon all questions coming before any general meeting, by a plurality of votes, subject always to the regulations herein-before specified in the case of the election of directors, as to votes given by proxies, and as to the ratio of voting, according to the number of shares; the stockholders at their general meetings may make and ordain all necessary and lawful rules and regulations for governing and well-ordering the affairs of the company; they shall fix the compensation to be allowed to the president, or to any of the directors, and they may require from the directors, or any other officers of the company, any information that they shall deem useful and proper.

Of general meetings of the stockholders;

their powers.

proper, together with the inspection of any books, papers and documents belonging to the company, with which requisition the directors and officers shall promptly comply.

Qualifications of directors. Sec. 8. *And be it further enacted by the authority aforesaid,* That the directors at the time of their election shall be citizens of the state of Pennsylvania, resident therein; and each director, at the time of his election, and during his continuance as such, shall be the holder of at least ten shares in his own right.

Of the appointment of officers, clerks and servants. Sec. 9. *And be it further enacted by the authority aforesaid,* That the directors, for the time being (besides the other powers herein given) shall and may appoint such officers, clerks and servants as they may deem necessary and proper, for transacting the business of the company, allowing a reasonable compensation for the services of such officers, clerks, and servants, respectively; they shall and may also exercise all such powers, and perform all such duties, for the well-governing and ordering of the affairs of the said company, as the stockholders at any general meeting shall declare and prescribe; and the directors shall prepare and lay before the stockholders, at each and every general meeting, a full and true statement of the affairs of the company.

The objects of insurance. Sec. 10. *And be it further enacted by the authority aforesaid,* That the president and directors shall have full power and authority, in the name and on behalf of the company, to make all kinds of marine insurance, all kinds of insurance upon the inland transportation of goods, wares and merchandizes, all kinds of insurance against fire in town or country, in this state, or in any

any other of the United States, and insurances upon a life or lives, by way of tontine or otherwise, and they may also lend money upon bottomry and respondentia, and generally do transact and perform all matters and things relating to the said objects, subject always to the regulations and restrictions herein contained, and to such regulations and restrictions as the stockholders shall from time to time devise and prescribe.

Sec. 11. *And be it further enacted by the authority aforesaid,* That all policies of insurance and other contracts and engagements, may be made and entered into, on behalf of the company, in pursuance and by virtue of this act, as well with the members of the company, individually, as with other persons, and shall be subscribed by the president, as president of "The Delaware insurance company of Philadelphia;" all losses arising on any policy so subscribed, shall be adjusted and paid by the president and directors, agreeably to the terms of the policy, out of the funds of the company.

Policies of insurance, &c. to be subscribed by the president.

Sec. 12. *And be it further enacted by the authority aforesaid,* That the directors shall meet as a board, and shall also divide themselves into committees, each committee consisting of at least two directors. The committees shall attend in weekly rotation, at the office of the company, and together with the president shall have full power and authority to transact the current business of the company, subject always to the provisions contained in this act, to the rules and regulations made and established by the stockholders, and to the orders and instructions of the board of directors.

The manner of transacting current business.

Sec. 13,

The board of directors to hold stated and occasional meetings.

Sec. 13. *And be it further enacted by the authority aforesaid,* That the board of directors shall hold stated meetings, at least once in every fortnight, and occasional meetings whenever summoned by the president; the president shall preside at all meetings of the board, and in case of his sickness or necessary absence, his place may be supplied by any other director, who shall be appointed by the board of directors; a quorum of the board shall consist of five directors, the president being one; but in his absence the quorum shall consist of at least eight directors; all questions before the board shall be decided *viva voce*, by a plurality of votes of the directors present, and no vote shall be re-considered by a smaller number of directors than was present when the vote was originally taken.

Terms for declaring dividends.

Sec. 14. *And be it further enacted by the authority aforesaid,* That the directors shall on the first Monday in June, and on the first Monday in December in each and every year, declare a dividend of so much of the profits of the company, as to them shall appear advisable, and such dividend shall be paid to the respective stockholders, or to their respective agents duly empowered, in ten days after declaring the same; but the monies received as premiums on risques, which shall be undetermined at the time of declaring the dividends respectively, shall not be computed as part of the profits of the company.

No dividend to be made if the capital stock should suffer diminution.

Sec. 15. *And be it further enacted by the authority aforesaid,* That in case any loss shall at any time happen, by which the capital stock of the company shall be diminished, no dividend shall be made until the amount of such diminution

diminution shall be replaced and added to the capital; and any president, and every director, consenting to declare, make and pay any dividend, until the diminution is so replaced, shall be accountable for and pay to the company the amount of the dividend declared and paid in violation of the prohibition aforesaid.

Sec. 16. *And be it further enacted by the authority aforesaid,* That this act shall be and continue in force until the first day of January, which will be in the year of our Lord one thousand eight hundred and fifteen: *Provided always,* That for the liquidation and settlement of all the past transactions and accounts of the said company, the corporate powers thereof shall be and continue effectual to all intents and purposes.

How long this act shall continue in force.

SIMON SNYDER, *Speaker*

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