

No. 84.

## AN ACT

To incorporate the Erie county Mutual Insurance Company..

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 John A. Tracy, William Kelly, Peter Pierce, Julius W. Hitchcock, James Williams, Smith Jackson, Samuel Low, Conrad Brown, Jr. B. B. Vincent, Bester Town, Jabez Wight, David G. Webber and Stephen Skinner and all other persons who may hereafter associate with them, in the manner herein prescribed shall be a corporation, by the name of the Erie county Mutual Insurance company, for the purpose of insuring their respective dwelling-houses, stores, shops and other buildings, household furniture, merchandize and other property against loss or damage by fire.

Corporators

SECTION 2. All persons who shall hereafter insure with the said corporation, and also their heirs and executors, administrators and assigns, continuing to be insured with said corporation, as hereinafter provided, shall thereby become members thereof, during the period they shall remain insured by said company and no longer.

Persons insured to be members

SECTION 3. The affairs of said company shall be managed by a board of directors, consisting of thirteen members chosen or appointed as hereinafter provided; all vacancies happening in said board shall be filled by the remaining directors, for the remainder of the year for which they were elected, or until a new election, and a majority of the whole shall constitute a quorum for the transaction of business. The persons named in the first section of this act shall be the first directors, and the business of said corporation shall be done and transacted at such place in the borough of Erie, in the county of Erie, as shall be designated by a majority of the directors present at any regular meeting of the board, and said board shall continue in office for one year after the passage of this act, and until others are chosen in their place, which board of directors shall thereafter be elected yearly at such time and place in the borough of Erie aforesaid as the corporation in their by-laws shall appoint, of which election, public notice shall be given in at least one of the public newspapers printed in said county at least thirty days immediately preceding such election.

Directors

Vacancies

Located in Erie

Annual election

- Such election shall be holden, under the inspection of three members not being directors, to be appointed by the directors previous to every election, and such election shall be made by ballot and by a plurality of the members or their proxies then present, allowing to each member one vote for every hundred dollars insured for him with said corporation, to the amount of one thousand dollars.
- SECTION 4.** The said directors have power to elect or appoint a president, secretary and treasurer, who shall severally give bonds with surety to the satisfaction of said board of directors, or a majority of them, conditioned for the faithful discharge of their trusts and duties. And the said board shall procure a book or books, wherein shall be fairly and legibly entered, all the transactions and doings of the said board of directors, and a copy or copies thereof attested by the president and countersigned by the secretary for the time being, shall be deemed and taken as legal evidence against the said corporation of the transactions of said board of directors.
- SECTION 5.** The directors shall determine as nearly as practicable by their by-laws, the rates of insurance on the different classes of property and the sum to be deposited for any insurance, they shall also fix the sum to be insured.
- SECTION 6.** Every person who shall become a member of said corporation by effecting insurance therein, shall before he receives his policy deposit his promissory judgement note for such a sum of money, as shall be determined by the directors, a part not exceeding ten per cent, of said note shall be immediately paid, and the remainder of said deposit note, shall be payable in part or the whole at any time when the directors shall deem the same requisite for the payment of loss by fire, and such incidental expenses as shall be necessary for transacting the business of said corporation, and at the expiration of the time of insurance, the said note or such part of the same as shall remain unpaid, after deducting all losses and expenses during said term, shall be relinquished and given up to the maker thereof, and it shall be lawful for said company to loan such portion of their money on hand, as shall not be wanted immediately for the purposes of said corporation, to be secured by bond and mortgage on real estate of double the value of the sum loaned, above all incumbrances for a term of time not exceeding two years, the interest to be paid half yearly, and in default of such payment the principle as well as interest to become immediately due and collectable.
- SECTION 7.** And said company shall have a lien, in the nature of a judgment, waiving the right of inquisition upon all the said property of the insured, to the amount of his deposite note, or so much thereof as may be unpaid, which shall continue till the amount of such note with interest and cost of
- Notice
- How held
- Ratio of votes
- Officers bonds
- Board to procure books &c
- Rates of insurance
- Promissory note how paid
- Loss by fire how paid
- Deposits how returned
- Loans of deposits
- Liens on insured property

execution, if any shall have been paid or satisfied according to the provisions of this act: *Provided*, said company shall file in the office of the prothonotary of the county, wherein such real estate shall lie, a memorandum of the name of the individual insured, a description of the property, the amount of deposit note unpaid, and the term for which the insurance shall continue, and the prothonotary with whom the same shall be filed, is hereby required forthwith to enter the same without tax or fee at large upon his judgement docket, and the same when so entered shall be deemed and taken to be in all respects as a judgment, entered upon confession by virtue of a warrant of attorney, and execution may at any time be had thereof, for so much as by virtue of the provisions of this act, may be due and demandable, but the lien thereof shall commence with the filing of such memorandum in the office of the prothonotary: *Provided further*, That such a lien shall not be construed to take from such person insured as aforesaid the privileges of a freeholder.

How filed

To be as judgements

2nd Proviso

SECTION 8. When property insured by this corporation shall be alienated by sale or otherwise, the policy shall therefore be void and be surrendered to the directors of said company, to be cancelled, and upon such surrender, the assured shall be entitled to receive his deposit notes with an order signed by the president and secretary of the board of managers, directing the prothonotary in whose office a memorandum of said notes, may have been entered as hereinbefore provided to enter satisfaction thereon: *Provided*, That the assured shall first pay his proportion of the balance of losses and expenses, if any, which have accrued prior to such surrender, but the grantee or alienee having the policy assigned to him, may have the same ratified and confirmed to him for his own proper use and benefit, upon application to the directors, and with their consent, within thirty days next, after such alienation, and giving proper security to the satisfaction of said directors, for such portion of the deposit or premium note as shall remain unpaid, and by such ratification and confirmation the party causing such security to be given, shall be entitled to all the rights and privileges, and be subject to all the liabilities, to which the original party was liable and subjected to under this act.

Of sale of insurance property

Policy to be surrendered

Proviso

Insured to pay proportion of losses

SECTION 9. Suits at law may be maintained by said corporation against any of its members, for the collection of said deposit notes, or for any cause relating to the business of said corporation, or against any person for moneys due said corporation, or for injury done to their corporate property, books or papers, or for causing the destruction by fire, of any property by them insured, and for no other cause, but said corporation shall not hold any property except what may be absolute-

Suits may be maintained by corporation

What property may be held by corporation

ly necessary, for the transaction of their corporate business, and all real estate purchased by said company, for the purpose of collecting or securing debts shall escheat to this commonwealth, unless the same shall have been sold, and disposed of, and passed bona fide from the possession and ownership of said corporation within five years next succeeding such purchase; also, suits at law may be maintained against said corporation by any member thereof, for losses or damage by fire, if payment is withheld more than three months after the company are duly notified of such loss; and no member, not being in his individual capacity interested, shall be incompetent as a witness in any such cause as the aforesaid, on account of his being a member of said corporation; and service of writs, upon any one of the said directors shall in law be deemed a sufficient service.

Suits against corporation

Who may be witnesses

How losses to be paid

Liability of members of corporation

SECTION 10. The directors shall after receiving notice of any loss or damage by fire, sustained on property insured by said corporation, and ascertaining the same, or after the rendition of any judgement as aforesaid, against said company, for loss or damage, settle and determine the sums to be paid by the several members thereof as their respective proportions of such loss and publish the same as they may see fit or in such manner as their by-laws shall have prescribed, and the sum to be paid by each member shall always be in proportion to the original amount of his deposit note or notes, and shall be paid to the treasurer within thirty days next after the publication of said notice; and if any member shall for the space of thirty days after the publication of said notice, neglect or refuse to pay the sum assessed on him, as his proportion of the loss aforesaid, in such case the directors may sue for and recover the whole amount of his deposit note or notes with costs of suit, or may have execution for the whole amount, as provided for in the sixth section of this act, and the amount thus collected, shall remain in the treasury of said corporation, subject to the payment of such delinquent's proportion of prior or future losses and expenses, and the balance, if any remain, shall be returned to the party from whom it was collected on demand, after thirty days from the expiration of the term for which insurance was made.

When available funds are insufficient

SECTION 11. If the available funds on hand and the amount of deposit notes should be insufficient to pay the loss occasioned by any fire or fires, in such case, the sufferers insured by said company shall receive, towards making good their respective losses, a proportionate dividend of the whole amount of said deposit, according to the sums to them respectively insured, and in addition thereto a sum to be assessed on all the members of said company, on the same principles as regulated the amounts of their respective deposit notes, but not

exceeding one dollar on every hundred dollars to them respectively insured, and no member shall be required to pay for any loss occasioned by fire at any one time, more than one dollar on every hundred dollars insured in said company in addition to his deposit note, nor more than that amount for any such loss after his said note shall have been paid in and expended, but any member upon payment of the whole of his deposit note and surrendering his policy before any subsequent expense or loss has occurred, may be discharged from said company.

SECTION 12. No policy shall be issued by said company till application be made for insurance, for twenty-five thousand dollars at least. Policy how issued

SECTION 13. No insurance shall be made by said company for a longer period than ten years. Limit of insurance

SECTION 14. This act shall take effect immediately after its passage and shall continue in force twenty years, but the legislature of this commonwealth may at any time alter, modify or annul its provisions. Legislature may annul

WM. HOPKINS,

*Speaker of the House of Representatives.*

CHARLES B. PENROSE,

*Speaker of the Senate.*

APPROVED—This twenty-sixth day of March, Anno Domini eighteen hundred and thirty-nine.

DAVID R. PORTER.

No. 85.

## AN ACT

Repealing the seventy-seventh, seventy-eighth, seventy-ninth, eightieth, eighty first and eighty-second sections of an act entitled "An act authorizing the Governor to incorporate the Franklin and Emlenton Turnpike Road company, and for other purposes," passed the thirtieth day of March, one thousand eight hundred and thirty-eight, and for other purposes.

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 seventy-seventh, seventy-eighth, seventy-ninth, eightieth, eighty-first and eighty-second sections of the act of the thirtieth day of March, one thousand eight hundred and thirty-eight, entitled "An act author-

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