

No. 120.

## AN ACT

To incorporate the Delaware County Mutual Protection 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 James M. Wilcox, William Trimble, William Mendenhall, Richard S. Smith, Joseph Wilson, Eli D. Pierce, John Kerlin, Henry Myers and William Beatty, and all other persons being citizens of the United States, who may hereafter associate with them in the manner herein prescribed, shall be a corporation by the name of the Delaware County Mutual Insurance company, for the purpose of insuring their respective dwelling houses, stores, shops, and other buildings, household furniture, merchandise, 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, hereinafter provided, shall thereby become members thereof, during the period they shall remain insured by said company, and no longer. Insured to be members

SECTION 3. The affairs of said company shall be managed by a board of directors, consisting of nine members, chosen or appointed as hereinafter provided; all vacancies happening in said board to 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 first nine 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 county of Delaware, 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 county of Delaware aforesaid, as the corporation in their by-laws shall appoint, of which election public notice shall be given in at least two of the public newspaper printed in said county, at least thirty days immediately preceding such election. Such election shall be holden under the inspection Directors.  
Election of

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 one hundred dollars insured for him with said corporation.

**Rates of insurance** SECTION 4. 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.

**Deposit notes** SECTION 5. Every person who shall become a member of said corporation by effecting insurance therein, shall, before he receives his policy, deposit his promissory note for such a sum of money as shall be determined by the directors, a part, not exceeding ten per centum 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 losses 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, or mortgage on real estate of double the value of the sum loaned; above all incumbrances, for a term of time not exceeding one year, the interest to be paid half yearly, and in default of such payment, the principal as well as the interest, to become immediately due and collected.

**Payment of losses** SECTION 6. 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 deposit note, or so much thereof as may be unpaid, which shall continue till the amount of such note, with interest and costs of 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

**Loans** the name of the individual insured, a description of the property, the amount of the 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 judgment 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 exe-

**Liens of deposit notes**

**Proviso**

**Memorandum of lien to be filed in the Prothonotary's office**

cution 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 the memorandum in the office of the prothonotary.

SECTION 7. When property insured by this corporation shall be alienated by sale or otherwise, the policy shall there-  
 fore be void and be surrendered to the directors of said com-  
 pany 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 mana-  
 gers, directing the prothonotary in whose office a memoran-  
 dum 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 sur-  
 render, 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 alienations, on giving security to the satisfaction of said  
 directors, for such portion of the deposite on premium note  
 as shall remain unpaid, and by such ratification and confirma-  
 tion, 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.

Alienation of insured property, policy to be cancelled  
 Proviso  
 Grantee may reserve assignment of policy

SECTION 8. 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 absolutely necessary for the transaction of their cor-  
 porate 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 six years next suc-  
 ceeding such purchase.

May hold certain property

SECTION 9. In case of any loss or damage by fire hap-  
 pening to any member, upon property insured in and with  
 said company, the said member shall give notice thereof in  
 writing to the directors, or some one of them, or to the  
 secretary of said company, within thirty days from the time  
 such loss or damage may have happened, and the directors  
 upon view of the same, or in such other way as they may

Losses how paid: &c.

deem proper, shall ascertain and determine the amount of said loss or damage, and if the party suffering is not satisfied with the determination of the directors, the question may be submitted to referees, or said party may bring an action against the company for said loss or damage at the first court in said county of Delaware aforesaid, and if upon trial of said action a greater sum shall be recovered than the amount determined upon by the directors, the party suffering shall have judgment therefor against said company, with interest thereon from the time said loss and damage happened, and costs of suit, but if no more shall be recovered than the amount aforesaid, the said company shall recover their costs. *Provided however*, That execution shall not issue on any judgment against said company until after the expiration of three months from the rendition thereof.

May be referred

Proviso

Apportionment of losses

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 judgment, 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 deposite 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 deposite 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 funds are insufficient

SECTION 11. If the available funds on hand and the amount of deposite 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 deposite, 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 deposite 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 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 two hundred thousand dollars, at least. Policies

SECTION 13. No insurance shall be made by said company for a longer period than seven years. 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. Continue 20 years

WM. HOPKINS,

*Speaker of the House of Representatives.*

CHARLES B. PENROSE,

*Speaker of the Senate.*

APPROVED—This twelfth day of June, Anno Domini eighteen hundred and thirty-nine.

DAVID R. PORTER.

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No. 121.

## AN ACT

To incorporate the Towanda Rail Road and Coal 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 Bartholomew Wistar, William L. Newbold, Daniel Trotter, Charles Barrington, Robert Bell, Charles Holmes, Thomas Hayes, David Cash, John N. Weston, David M. Bull, Henry Drinker, James C. Biddle, Thomas Elliott, Nathaniel Clapp, James P. Bull, Gordon F. Mason, and their associates, successors and assigns, be and they are hereby constituted a body politic and corporate, by the name, style and title, of the Towanda Rail Road and Coal Corporators