[No. 44.]

AN ACT

To incorporate the Washington 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 there shall be established in the city of Philadelphia, an insurance company, for marine, inland navigation and transportation, and fire risks, to be called "The Washington Mutual Insurance company," and by that name shall be capable by law to take, hold and dispose of the estates and securities mentioned in this act, and to sue and be sued, implead and be impleaded, and to receive and make all deeds, transfers, contracts, covenants and conveyances whatsoever, and to make, have and use a common seal, and the same to alter and renew at pleasure, and generally to do every other act or thing necessary to carry into effect the provisions of this act, and to promote the objects and designs of the said corporation.

Name

Powers &c

Seal

SECTION 2. The corporation hereby created shall have power by instruments, under seal or otherwise, to make insurance upon vessels, freights, goods, wares and merchandize, and other property; specie, bullion, commission profits, bank notes and bills of exchange, and other evidence of debt; bottomry and respondentia interests; and to make all and every insurance appertaining to or connected with marine or inland transportation risks; to make insurance on dwelling houses, stores and other buildings, household furniture, merchandize and other property, against loss or damage by fire.

Power to insure vessels &c

SECTION 3. They may cause themselves to be reinsured against any risk upon which they have made or shall make insurance.

Reinsurance

SECTION 4. All the corporate powers of said company shall be exercised by a board of trustees, and such officers and agents as they may appoint. The board of trustees shall consist of twenty-four persons, all of whom must be citizens of this state. They shall elect a president, annually, who shall, on his election, be ex-officio a member of said board of trustees, and shall hold his office until another shall be elected in his stead. Said board of trustees shall have power to declare, by a by-law, what number of trustees, less than a majority of the whole, shall be a quorum for the transaction of business.

Trustees officers &c

SECTION 5. John Mason, John C. Da Costa, Joseph Cabot, Charles Rugan, Isaac Lloyd, jun., S. M. Waln, William S. Neilson, Leonard Kimball, John Dallett and Charles S. Richey, of the city of Philadelphia, merchants, are hereby appointed commissioners, whose duty it shall be, within two years from the passage of this act, to open books to receive applications for insurance, to be effected by said company; and as soon as applications amounting to one hundred thousand dollars shall be received, said commissioners shall give notice to those persons who have made such applications, of a meeting for the election of twenty-four trustees and three inspectors for the next election; and every person having so made application for insurance, shall be entitled to vote at said election, and the persons chosen at said election shall be trustees of said company for the ensuing year. Comms. Books insurance &c

SECTION 6. Every person having taken a policy during the preceding year, directly in his own name, or in the name of his firm, and every person holding in his own name, or in the name of his firm, a certificate of the company not discharged by payment of losses, shall be deemed a member of said company, and entitled to vote in person at all elections. Every person who shall become a member of this corporation, effecting insurance therein, shall, the first time he effects insurance, and before he receives his policy, pay the rates that shall be fixed upon and determined by the trustees; and no premium so paid shall ever be withdrawn from said company, but shall be liable to all the losses and expenses incurred by this company during the continuance of its charter. Policies &c Rates

SECTION 7. It shall be lawful for said company to invest said premiums in bonds and mortgages on unincumbered real estate, within the state of Pennsylvania, worth fifty per cent. more than the sum charged thereon, and also in all stocks created by or under the laws of the United States, or of this state, or of any individual state, and to loan the same upon the security of such stocks, and to sell, transfer and change the same and re-invest the funds of said corporation, when the trustees shall deem expedient. Premiums invested

SECTION 8. After the first election, annual elections shall be held for the election of trustees, and for three inspectors, to hold the next election; notice of the time and place of holding every election shall be given in two public newspapers printed in the city of Philadelphia, for one week preceding such election; notice of the first election shall be given by the commissioners, and of subsequent elections by the trustees. Annual election

SECTION 9. The officers of said company shall, within one month after the expiration of one year from the day on which they shall have issued their first policy, and within the

Estimate of profits &c

first month of every subsequent year, cause an estimate to be made, as near as may be, of the profits of said company during the preceding year, in which estimate the losses and expenses of the company for the year shall be deducted from the earnings of said company during the same year, arising as well from premiums as from the income derived from the investments of said preminms, and the balance, if any, shall be deemed the amount of the nett profits for such preceding year, which estimate shall be binding upon all persons entitled to receive certificates, as hereinafter mentioned. And the said officers shall thereupon credit on the books of said company, each person or firm who shall have paid any premiums to said company during the preceding year, with such a portion of the said nett balance, exclusive of fractional parts of ten dollars, as hereinafter mentioned, as the amount of earned premiums paid by such person or firm during such year, and not returned, shall be of the whole amount of earned premiums received by said company during said year, less returned premiums, and shall issue to such person or firm a certificate, declaring him or them, and his or their executors, administrators or assigns, to be entitled to a portion of the vested funds of the said company, equal to the amount so credited to him or them; and also to the receipt annually out of the interest or income derived by said company, from the investments of said profits, of an interest not exceeding six per centum per annum, which certificate shall contain a proviso that the amount named therein is liable for any future loss by said company. No person or firm shall be credited with or receive a certificate for a share of profits less than ten dollars, and if such shall exceed ten dollars, so much shall be deducted therefrom as will make it equal to the largest multiple of ten dollars contained therein; and all shares less than ten dollars, and the excess of other shares over multiples of ten dollars, shall be passed to the contingent fund of the company, and applied to the expenses and other charges to which they appertain.

Certificate of profits

Annual statement of affairs

SECTION 10. On some day in the first month after the expiration of the first year from the time when the said company shall issue their first policy, and within the first month of every subsequent year, the officers of the said company shall cause to be made and printed a general balance statement of the affairs of said company, which shall contain:

Premiums

First. The amount of premiums received during the previous year, specifying what amount was received on marine risks, what on fire risks, and what on inland transportation and navigation risks.

Expenses

Second. The amount of the expenses of the said company during the year.

Third. The amount of losses incurred during the year, specifying what amount of losses have been incurred by marine risks, what on fire risks, and what on inland transportation and navigation risks. Losses

Fourth. The balance remaining with said company. Balance

Fifth. The nature of the security on which the same was invested, specifying what amount is invested on real security in the city of Philadelphia, what on real security out of the city of Philadelphia, what in stocks, and what amount of cash is on hand. A printed copy of this statement shall be delivered to each member, on request; and the said statement shall be printed daily, for one week, after the first month of each year, as aforesaid, in two daily papers in the city of Philadelphia. Security &c

SECTION 11. Whenever the accumulation of nett profits shall exceed one hundred and twenty thousand dollars, the excess may be applied from year to year thereafter, towards the resumption of each year's certificates, successively, in whole or in part; but the certificates of a subsequent year shall not be redeemed until all those of preceding years are provided for. Redemption of certificates

SECTION 12. Suits at law or in equity may be prosecuted and maintained by any member against said corporation, and no member of the corporation, not being in his individual capacity a party to such suit, shall be incompetent as a witness. Suits &c

SECTION 13. The operations of and business of the corporation shall be carried on at such place in the city of Philadelphia as the trustees shall direct, and not elsewhere. Operations

SECTION 14. The legislature may at any time alter or repeal this act. Repeal

SECTION 15. This act shall take effect immediately, and continue in force until repealed by the legislature. Duration

HENDRICK B. WRIGHT,
Speaker of the House of Representatives.

B. CRISPIN,
Speaker of the Senate.

APPROVED—The sixteenth day of March, one thousand eight hundred and forty-three.

DAVID R. PORTER.