

said creek, to remove all the natural obstructions in the said creek: Provided, that any person or persons, owning or possessing land on said creek, shall have liberty to erect any dam, or dams, across the same, agreeably, and subject to all the restrictions, and provisions of an act of the general assembly of this commonwealth, passed the twenty-third day of March, one thousand eight hundred and three,<sup>(1)</sup> entitled "An act, to authorize any person or persons, owning lands adjoining navigable streams of water, declared public highways, to erect dams upon such streams for mills and other water works."

Approved January 30, 1804. Recorded in L. B. No. 9, p. 292.  
 Note (1). Chapter 2353; Supra this volume, p. 297.

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## CHAPTER MMCDXIX.

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### AN ACT TO INCORPORATE "THE UNION INSURANCE COMPANY OF PHILADELPHIA."

Whereas, an association of citizens hath heretofore been formed in the city of Philadelphia, under the title of "The Union Insurance Company of Philadelphia," for the purpose of making insurances upon maritime and other risks, and the object and operation of the said association meriting legislative encouragement and aid, inasmuch as they are calculated to promote the security and independence, as well as to alleviate the misfortunes and losses of commerce and navigation: Therefore to facilitate the transactions of the said association by the aid of an act of incorporation,

Section I. (Section I, P. L.) 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 all and every the persons who shall, at the time of the passing of this act, be members of the said association, called "The Union 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 and title of "The

Union Insurance Company of Philadelphia," and by the same name shall have perpetual succession, and shall be able to 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 shall not, at any time, exceed the sum of 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 by-laws, ordinances and regulations, as shall appear necessary and convenient for the government of the said corporation, not being contrary to the constitution thereof, or to the laws of the United States or 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.

Section II. (Section II, P. L.) 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, dues, claims and demands, and all the records, books, papers, vouchers and other documents whatsoever, in anywise 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 Union Insurance Company of Philadelphia," hereby created, as absolutely and completely, to all intents and purposes, as the same respectively shall then belong to or be held and claimed by the said association of citizens, or by their officers and agents, for their use; and also 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 incorporation of "The Union Insurance Company of Philadelphia," hereby granted, 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: Provided always nevertheless, that nothing herein contained shall in anywise be construed to impair the obligation of any contract at any time entered into by the said association of citizens.

Section III. (Section III, P. L.) And be it further enacted by the authority aforesaid, That from and after the passing of this act, the following constitution shall be deemed the constitution of the corporation of "The Union Insurance Company of Philadelphia," hereby created; that is to say:

#### ARTICLE I.

##### OF THE CAPITAL STOCK AND FUNDS OF THE COMPANY.

1st. The capital stock of the Union Insurance Company of Philadelphia shall amount to five hundred thousand dollars; it shall be divided into five thousand shares of one hundred dollars each; to be held by the proprietors thereof at the passing of this act, and to be transferable by them and their assigns respectively, on the terms and in the manner hereinafter specified.

2d. The stockholders shall pay the balance payable for their respective shares at the periods and in proportions following, to wit: Twenty dollars on each share on or before the tenth day of July one thousand eight hundred and four; and the remainder due on each share shall be paid at such time and times, and in such proportion and proportions as the president and directors of the company shall declare and require, giving at least thirty days previous public notice.

3d. Any stockholder or stockholders, his, her or their executors, administrators or assigns, neglecting or refusing to pay all, or any part, of the sum or sums of money payable for his, her or their shares, in the proportions, and at the time and times prescribed as aforesaid, for the payment thereof, shall forfeit to the use of the company, all the money by him, her, or them previously paid, on account of the share or shares

in payment whereof such default shall be made 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 company, and the profits arising and to arise therefrom, by reason or on account of the share or shares so forfeited.

4th. The shares in the capital stock of the company shall be assignable and transferable, according to such rules as the directors shall make and establish.

5th. The capital stock and funds of the company shall, from time to time, be invested in the public securities of the United States, or of some one of them; or in the stock of any incorporated bank, or banks, established at Philadelphia; or in the stock of any other incorporated monied institution established and acting in Pennsylvania; or may be loaned to the state of Pennsylvania, in any sum, or sums, not exceeding fifty thousand dollars, with the approbation of a majority of the stockholders convened for that purpose; or may be loaned on the security of real estate within the city and county of Philadelphia.

6th. The public securities aforesaid, and all other evidences of debt or duty, owing and belonging to the said company, shall be transferred to, and taken in the name of "The Union Insurance Company of Philadelphia."

7th. The 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, stocks, 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 reinvest in the same, or in any other of the aforesaid securities and stocks, according to the provisions and regulations aforesaid.

#### ARTICLE II.

##### OF THE ORGANIZATION OF THE COMPANY.

1st. The affairs of the company shall be managed and superintended by thirteen directors, to be chosen on the second

Monday in February, in each and every year; but the directors heretofore chosen by the association aforesaid, shall be the directors under this act until the second Monday in February, one thousand eight hundred and five; the directors shall be chosen by a plurality of the votes of the stockholders present in person or by proxy; but, in the former case, no stockholder shall vote unless the stock shall have stood in his or her name at least three months preceding the election; and, in the latter case, the proxy shall be derived directly from the stockholders owning the share or shares in their own right, for the term aforesaid for which it is given; and none but citizens of Pennsylvania, resident within the state, shall be entitled to vote as proxies; the votes of the stockholders for directors shall be given by ballot; no stockholder shall have more than twenty votes, and the votes shall be given, received and counted, according to the following ratio, to wit: A stockholder having four shares, or less, shall have one vote; having five shares, and not more than nine, shall have two votes; having ten shares, and not more than fourteen, shall have four votes; having fifteen shares, and not more than nineteen, shall have six votes; having twenty shares, and not more than twenty-four, shall have eight votes; having twenty-five shares, and not more than twenty-nine, shall have ten votes; having thirty shares, and not more than thirty-four, shall have twelve votes; having thirty-five shares, and not more than thirty-nine, shall have fourteen votes; having forty shares, and not more than forty-four, shall have sixteen votes; having forty-five shares, and not more than forty-nine, shall have eighteen votes; and having fifty shares and upwards, shall have twenty votes.

2d. There shall be a general meeting of the stockholders holden, at the office of the company, on the second Monday in February 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 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 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, together with the inspection of any books, papers and documents belonging to the company, with which requisition the directors and officers shall promptly comply.

3d. The directors, at the time of their election, shall be citizens of Pennsylvania, resident therein, and they shall serve for one year next ensuing their election, and until other directors shall be chosen, and no longer; 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; at the first meeting after their election, the directors shall choose one of their number as 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 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 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 they shall prepare and lay before the stockholders, at each and every general meeting, a full and true statement of the affairs of the company.

## ARTICLE III.

OF THE OBJECTS AND CONTRACTS TO WHICH THE CAPITAL OF THE COMPANY SHALL BE APPLIED.

1st. 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 merchandise, all kinds of insurance against fire in town or country in this state, or in any other of the United States, and insurances upon a life or lives; 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.

## ARTICLE IV.

OF THE PERMANENT RULES FOR TRANSACTING THE BUSINESS OF THE COMPANY.

1st. The directors shall meet as a board, and shall also divide themselves into committees; each committee consisting of at least two directors; the committee 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 these articles, to the rules and regulations made and established by the stockholders, and to the orders and instructions of the Board of Directors.

2d. 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 a majority of the whole number of 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 considered by a smaller number of directors than was present when the vote was originally taken.

3d. The directors shall on the first Monday in February, and on the first Monday in August, 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 risks, which shall be undetermined at the time of declaring the dividends respectively, shall not be computed as part of the profits of the company.

4th. 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 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, for their use, the amount of the dividend declared and paid in violation of the prohibition aforesaid.

Section IV. (Section IV, P. L.) 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, 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.