

urer; said officers to hold their offices respectively, until their successors are chosen, which shall be at the next annual meeting.

Sec. 4. Seven members of the society shall, at any meeting, constitute a quorum, to transact any business.

Sec. 5. The legislature may at any time alter, modify or amend this act.

Sec. 6. This act shall take effect from and after its passage.

Approved Feb. 26, 1853.

Quorum.

Legislature may amend or modify.

Act to take effect, when.

CHAPTER 62.

An Act to incorporate the St. Paul Fire and Marine Insurance Company.

March 5, 1853.

SECTION.

1. Corporators names; created a body corporate, name of.
2. Powers of corporation.
3. Corporate powers, in whom vested; officers of company, etc.
4. Vacancies, how filled; election how conducted; notice of, how given.
5. Members, how constituted; every member entitled to vote.
6. First board; books to be opened, etc.
7. Premiums, how paid.
8. Premium notes, company authorized to receive, etc.

SECTION.

9. Stock policies may be issued by company and to whom.
10. Company may invest funds in bonds and mortgages, how.
11. Fiscal statement to be made annually; certificates to bear interest, etc.
12. Annual statement to be published in one or more newspapers.
13. Suits at law may be prosecuted against corporation, how.
14. Office of company to be located in the city of St. Paul.

Be it enacted by the Legislative Assembly of the Territory of Minnesota, That from the time this act shall take effect, William G. Le Duc, John Farrington, Alexander Wilkin, John R. Irvine, Charles W. Borup, W. L. Ames, A. L. Larpenteur, Levi Sloan, H. M. Rice, W. P. Murray, C. D. Fillmore, and all other persons who may hereafter associate with them in the manner herein prescribed, shall be a body politic and corporate, by the name of the "St. Paul Mutual Insurance Company," and may sue and be sued, plead and be impleaded, defend and be defended, in any court of record, or other place whatever.

Corporators.

Name.

Powers.

Sec. 2. The corporation hereby created may become a party to suits at law, may make by-laws not inconsistent with any existing law, for the regulation of its affairs, have, and use, a common seal, and alter the same at pleasure, and in addition to these general powers, shall have authority by instrument under seal or otherwise:

1st. To make insurance on all descriptions of property against loss or damage by fire:

2nd. To make insurance on all descriptions of boats and vessels, the cargoes and freights thereof, and on bottomry and respondentia interests, against the perils of marine and inland navigation,

and to cause all policies to be paid for at the time of delivery, either by note or in cash.

Powers, in whom vested.

SEC. 3. All the corporate powers of the said company shall be exercised by a board of directors, consisting of ten persons, (all of whom shall be citizens of this Territory,) and such officers, clerks, and agents as the said board may appoint. The directors shall hold their office for two years, and until others are elected. They shall elect from their own body a president and vice-president, who shall each respectively hold office during the aforesaid term of two years, and until others are elected; but nothing herein shall be so construed as to prevent a director or other officer whose term has expired, or is about to expire, from being again eligible. Seven members of the board shall constitute a quorum for the transaction of business. The persons named in the first section of this act, shall constitute the first board of directors.

Vacancies.

SEC. 4. The board of directors shall have power to fill all vacancies that may occur in their own body, a plurality of votes constituting a choice. They shall also choose in the same manner, previous to the biennial election of directors, three inspectors of such election, whose duty it shall be to canvass the votes cast thereat, and declare the result; the said inspectors shall also be judges of the qualification of voters. Notice of such election shall be given by publication in one or more of the newspapers printed in St. Paul, at least two weeks previous thereto, over the signature of an officer of the said company.

Notice of election.

Members.

SEC. 5. Every person or firm taking a policy of insurance from the said company, shall thereupon become a member thereof, and shall at all elections of directors thereafter, be entitled to vote upon his or their dividend certificates issued as hereinafter provided, in the ratio of one vote for each twenty-five dollars of such certificates: *Provided*, That if any such election is held in accordance with the provisions of this act, previous to the first dividend of profits, each member of said company shall be entitled to vote thereat in the ratio of one vote to every fifty dollars of premium previously paid to the company: *And provided*, That in no case, shall any person or firm be entitled to more than fifty votes, except as provided in section eight of this act.

Elections.

First board.

SEC. 6. It shall be the duty of the incorporators named in the first section of this act, or any number of them not less than five, within one year after this act takes effect, to open books, to receive application for insurance to be effected by said company, and after the receipt of said applications to the amount of one hundred thousand dollars, the books may be closed and the said company organized.

Premiums.

SEC. 7. All premiums upon policies issued by said company shall be paid in cash, when the insurance is effected, (except as provided in section eight of this act,) and no premiums so paid shall be thereafter withdrawn, but shall remain liable for all losses and expenses incurred by the said company.

Premium notes.

SEC. 8. For the better security of policy holders, the said company may receive notes for premiums in advance, approved by the board of directors, from persons intending to receive its policies, and on such portion of said notes as shall exceed the amount of premiums that may have accrued on policies held by the signers thereof, at the successive periods when the company shall make up its annual statement as hereinafter provided, a compensation

may be allowed the signers thereof, in consideration of such guaranty, at a rate to be determined by the board of directors, but not to exceed twelve per cent. per annum; such note shall be entitled to representation at the election of directors in the same ratio as dividend certificates, and shall be liable for losses, whenever the cash premiums theretofore received are insufficient to pay the same; *Provided*, That assessments so made on such notes shall be reimbursed from the funds of the company before any dividend of the profits shall be made.

Sec. 9. It shall be lawful for the said company to issue stock policies (so called) to persons not desirous of participating in the profits or losses of the said company, and all gains or losses on such policies shall be passed to the account of profit and loss on the books of the company.

Sec. 10. It shall be lawful for the said company to invest their funds in bonds and mortgages on unincumbered real estate, worth fifty per cent. more than the sum loaned thereon, and in any stock created by or under the laws of this Territory or the United States, and on *bottomry and respondentia*, or otherwise, at the discretion of the board of directors, and to change and re-invest the same.

Sec. 11. By the first day of January, 1854, and annually thereafter, the officers of the company shall cause a true statement of its affairs to be made. They shall estimate the profits (if any) that have accrued on policies issued during the current year ending on the 31st day of December last preceding, and issue certificates thereof to the holders of such policies, in proportion to the amount of premium paid by each; such certificates shall bear an annual interest of seven per cent., and shall be redeemable whenever the accumulated profits exceed one hundred thousand dollars, so far and as fast as the same can be redeemed by such excess; certificates for the first year's profits taking priority, and so on thereafter in regular succession. Nevertheless each of such certificates shall contain a proviso that the sum therein named is liable for future losses at any time previous to its redemption, as provided in the seventh section of this act.

Sec. 12. The annual statement as aforesaid, shall be full and complete, and shall be published in one or more of the newspapers of St. Paul, for two weeks immediately after the same shall have been made out, for the benefit of the public generally.

Sec. 13. Suits at law may be prosecuted and maintained by any member against the said corporation, for losses and damages insured against by them, if payment is withheld by them for a longer period than sixty days after the same shall have been duly proven up, and any member of the company, not being in his individual capacity a party therein, shall be deemed a competent witness in any suit against the said company. All process against the said company may be served on the president or secretary.

Sec. 14. The office of the said company shall be located and kept in the city of St. Paul.

Approved March 5, 1853.

Stock policies.

Funds, how invested.

Fiscal statement.

Certificates.

Publication.

Penalty if payment is withheld.

Office.