

SEC. 8. *And be it enacted,* That after applying CHAP. 319.
 from these profits sufficient to cover the payment Profits—how
 of six per cent. per annum, upon the stock, semi-applied.
 annual payments, to the stockholders, as hereinbefore provided, ten per cent. of the residue of the profits of each year shall be reserved by the company as a surplus or reserved fund, and shall be credited on the books of the company, to an account to be called the reserved fund, said reserved fund shall be liable for any excess of losses or expenses of the company above the earned premiums of any year and the whole of it shall be liable to be used before the capital stock shall be encroached upon, whenever such surplus or reserved fund shall exceed the amount of two hundred and fifty thousand dollars, such excess and the portion of the profits hereby appropriated to it, shall be paid to the stockholders as an extra dividend on their stock; one-half of the remainder of the profits, that is to say: for ty-five per cent. of the whole profits less the interest on the cash capital, shall be paid to the stockholders in cash, as a dividend on their stock, and the other half of the remainder of the profits, that is to say: forty-five per cent. of the whole profits less the interest on the cash capital shall be paid in cash to the persons or firms, who shall have paid premiums to the company as a dividend pro rata, on all premiums on risks which have terminated without loss to the company or any claim thereon which shall have been earned during the year, but no person or firm shall receive a dividend on earned premiums, unless such dividends shall amount to ten dollars or more, and all such dividends less than ten dollars shall be credited of the reserved fund, hereinbefore mentioned.

SEC. 9. *And be it enacted,* That should the Assessment
 losses and expenses of the company in any one on shares au-
 year exceed the earned premiums of that year, and thorised to
 the whole amount of the reserved fund before accu- meet deficien-
 mulated, the capital stock shall be deemed to be cies.
 deficient to the amount of such excess; in case of such deficiency the directors shall have power to levy an assessment on the shares to make up the deficiency, and after public notice is given in two daily papers in the city of Baltimore for at least thirty days of such assessment, and requiring its payment, the directors may sell at auction the stock of any shareholder, who shall neglect or refuse to pay such as-