

VIII. And be it enacted, That the said directors shall, from time to time, apply all sums received by them for premiums to the payment of their losses in the first instance, and to make up the amount of their original capital, where it shall sustain any diminution by such losses, and after replacing their original capital as aforesaid, shall make such dividend of the residue among the said stockholders as they, in their discretion, shall think expedient.

C H A P.
LIX.
And apply all
sums, &c.

IX. And be it enacted, That the following provisions, limitations and restrictions, shall be deemed fundamental articles of the constitution of the said company, to wit: First. Every proprietor of shares not exceeding two, shall be entitled to one vote for each share not exceeding two, and every proprietor of any number of shares exceeding two, shall be entitled to one vote for every two shares exceeding two; no stockholder shall be admitted to vote by proxy, but shall deliver in his vote in writing, under seal, for the first election to the committee appointed to receive subscriptions, and for every succeeding election to the president for the time being, who shall deliver the same to the secretary unopened; but no transfer of any share shall authorize or entitle the assignee to vote until the expiration of six months from the time of the transfer thereof; and all transfers shall be registered in the books of the company. Second. No director shall be entitled to any compensation for his services, but the stockholders may, when met together, make to the president such compensation as they may think adequate to his services; no director shall be entitled to any advantage which is not common to the stockholders. Third. The directors shall divide themselves into committees, formed of three directors, and the committees shall attend in a weekly rotation at the office of the company; three directors, together with the president, shall be fully authorized to make insurances in ships or vessels and cargoes, or either of them, not exceeding twenty thousand dollars on any one vessel and cargo. Fourth. Three members of the direction appointed at any general election shall not be eligible at the next general election, which three members shall be determined by lot among themselves, at least two months before each election, and a list of their names, and the time of election, shall be published by the secretary of the company, but no director shall be eligible for more than three years successively; and if it shall happen that any director hath continued in office three years successively, he shall not be eligible at the first general election which shall happen after the said three years. Fifth. Half yearly dividends shall be made by the directors of the whole or such proportion of the clear profits of the company as to them shall appear adviseable. Sixth. The directors shall keep full, fair and correct entries of their proceedings, which shall at all times be open to the stockholders; and the books of accounts of the company shall be open to the stockholders ten days previous to each general election. Seventh. No person holding shares in any other insurance office in Baltimore county shall be eligible to be chosen president or director in this company; no person or company shall be entitled to hold more than ten shares. Eighth. Nine directors, with the president, shall form a board, a majority of whom shall be empowered to make such by-laws for the directions of the concerns of the company as may be necessary, not being inconsistent with this act.

Fundamental
articles.

X. And be it enacted, That the president, together with the majority of the directors, shall have power to purchase, to the amount of two hundred and eighty thousand dollars, in bank stock of the bank of the United States, or of banks within this state, or in the public debt of the United States.

President, &c.
may purchase,
&c.

XI. This act to commence on the first Monday of January next, and to continue and be in force for the term of nine years thence next ensuing, and until the end of the next session of assembly thereafter.

Commence-
ment, &c.

C H A P. LX.

An ACT to incorporate the Maryland insurance company.

Passed De-
cember 24.
Preamble.

WHEREAS sundry persons within this state have formed themselves into a society for the insurance of ships and merchandise at sea, and lending money on bottomry and *respondentia*, and have prayed to be incorporated by law; therefore,

Supplement

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II. Be 1799 ch 22