

SECTION 2. Said dam may be erected to such height as may be necessary for the purposes aforesaid, and in case the said dam shall cause the aforesaid river to overflow any lands not now flowed, and not owned by the owner of said dam, the said George H. Brickner, his heirs, associates or assigns, shall pay in full for all damages accruing at any time on account of said dam, said damages to be determined as provided by law. Owners of dam responsible for damages.

SECTION 3. The said George H. Brickner, his heirs, assigns and associates, shall have full control of said dam, and any person or persons who shall willfully break or destroy said dam, or shall open the same, shall be liable to the proprietors thereof, in an action of trespass, to the amount of damages done, in addition to the penalties already provided by law, to be recovered before any court of competent jurisdiction. Penalty for injuring dam.

SECTION 4. This act shall take effect and be in force from and after its passage.

Approved March 8, 1876.

CHAPTER 196.

[Published April 8, 1876.]

AN ACT authorizing the formation of insurance companies against loss or damage by hail to all kinds of grain, fruits, hops and legumens.

The people of the State of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. Any number of persons, not less than five, residing in the State of Wisconsin, may associate and form themselves into a company, for mutual insurance against loss or damage by hail, of and to all kinds of grain, fruits, hops and legumens, which company shall possess the usual powers and be subject to the usual duties of corporations, and may have a common seal, and alter and renew the same at pleasure, and may adopt a corporate name; *provided*, such corporate name be approved by the secretary of state. General powers of corporation.

SECTION 2. Every company formed under the provisions of this act, shall have power and authority to make contracts of insurance with any person or persons against losses and damage by hail of and to all May insure crops against damage by hail

kinds of grain, fruits, hops and legumen, at such time or times in the year, for such amounts, for such premium or consideration, and under such regulations or restrictions as the said company in its by-laws may provide or establish, the rates of premium shall not be less than one-half of one per cent. for grain and legumen, and not less than one per cent. for all fruits and hops. All policies shall expire with the harvesting of the crops or the gathering of the fruits so insured.

Rate of premium.

Persons insured to be members of company.

SECTION 3. All persons who shall at any time hereafter become insured in any company formed under the provisions of this act, and also their heirs, executors, administrators or assigns, continuing to be insured therein as hereinafter mentioned, shall be deemed and taken to be members thereof for and during the current year in which they have insured, and until and including the second Monday in March thereafter, and they shall at all times be concluded by the provisions of this act, and by the by-laws and rules and regulations of the said company.

Board of directors.

SECTION 4. Every company formed under the provisions of this act, shall choose of their number five directors to manage the affairs of such company, who shall hold their office until the first annual meeting of such company, and until others are elected; and such directors shall choose one of their number president, who shall also act as treasurer, and one as secretary.

Declaration to be filed in office of secretary of state.

SECTION 5. Such persons associating and forming themselves into a company for the object and purpose set forth in section one of this act shall file in the office of the secretary of state a declaration, signed by them, expressing their intention to form a company for the purpose of transacting the business of insurance against loss or damage by hail of and to all kinds of grain, fruits, hops and legumen; such declaration shall set forth the name of the company, the place where the principal office for the transaction of its business shall be located. And the secretary of state shall have the right to reject any name or title of any company applied for when he shall deem the same similar to one already appropriated, or likely to mislead the public in any respect.

Secretary of state may reject name.

President and secretary to file bonds for faithful discharge of duties.

SECTION 6. The president and secretary of every company so formed under this act, before entering upon the duties of their respective offices, shall execute and file in the principal office for the transaction of its business, a bond in such sum as shall be deter-

mined upon by the board of directors, with good and sufficient sureties, to be approved by the board of directors, conditioned for the faithful discharge of the duties of their respective offices, and that they will faithfully and truly account for and pay over all moneys coming into their hands belonging to said company.

SECTION 7. It shall also be lawful for every company so formed under this act to fix the compensation of its officers, and their duties and obligations, to require bonds for the faithful performance of their duties, to designate the number necessary for a quorum, and to exercise such other rights and privileges as are usually possessed by a corporation, and as shall be necessary to carry out the object of the formation of such company.

General powers of company.

SECTION 8. Every company formed under this act shall have further power and authority, to purchase, receive, hold, possess and convey all such real estate and personal property as shall be necessary for its accommodation, and the convenient transaction of its business.

Company may hold and convey property.

SECTION 9. If the amount of premiums received for insurance by any company formed under this act, in any one year shall be insufficient to pay the losses, it shall be lawful for such company to levy an assessment upon each member thereof in proportion to the amount insured, to cover such deficiency.

Assessment may be levied to cover deficiency.

SECTION 10. The net profits of every company formed under this act shall constitute a reserve fund of which not more than one-half shall ever be withdrawn for the purpose of paying for any losses. If such reserve fund shall at any time exceed five per cent. of the aggregate amount of insurance, such excess shall be divided between the members of such company in proportion to the amounts of their respective insurance; *provided, however*, that such dividend to any member shall not exceed one-half of the amount of the premium of his insurance.

Reserve fund.

SECTION 11. It shall further be lawful for every company formed under the provisions of this act to invest such portion of its reserve fund as shall not be used for the payment of losses or dividends as aforesaid, in notes or bonds secured by mortgage on unincumbered real estate within this state, or in public stocks of the United States, and the interest received from such investment shall also be placed to the credit of the reserve fund.

How reserve fund to be invested.

When property insured is sold or mortgaged.

SECTION 12. In case any person or persons shall sell, convey, assign or mortgage the property insured by any company formed under the provisions of this act, it shall be lawful for such assured to assign and deliver his said policy to such assignee or mortgagee; *provided*, that before any loss occurs, consent must be given by such company and the same be indorsed by such company, or its legal agents; and that the said assignee shall have complied with the requirements in the by-laws of such company.

Where company may do business.

SECTION 13. Every company formed under the provisions of this act is authorized and empowered to carry on the business of insurance on property as heretofore mentioned as against loss or damage by hail anywhere in the State of Wisconsin or elsewhere.

Annual meetings and election of officers.

SECTION 14. Every company formed under the provisions of this act, shall hold an annual meeting thereof, which shall be held on the last Monday of March in each year, at the principal office for the transaction of its business. At the first annual meeting thereof, five directors of such company shall be chosen by ballot, and the directors so chosen at such first annual meeting, shall divide themselves by lot into five classes, whose term shall expire respectively at the end of one, two, three, four and five years, and at every annual meeting of such company thereafter one director shall be elected from the members of such company for five years. No director shall be elected by such company who shall not be a member thereof, and any member elected to the office of director who shall cease to be insured, or cease to be a member of such company, shall thereby forfeit his seat in the board of directors, and in such case, and also in the case of the death, resignation or other inability to serve as a member of such board, such board of directors shall fill such vacancy by appointment from the members of such company. The said directors chosen at the first annual meeting of such company, shall also at said first annual meeting prepare proper by-laws and regulations for the government of such company, for the proper and orderly conducting of its affairs and the management of its property, which by-laws and regulations shall not be inconsistent with the laws of this state and with this act, and shall submit such by-laws and regulations for the approval of such company at said first annual meeting. The meeting of the board of directors shall take place in the principal office of said coun-

pany. Every person having property insured shall be allowed one vote at all elections held for officers of such company.

SECTION 15. The directors of every company formed under the provisions of this act, shall choose one of their number president, who shall also act as treasurer, and one as secretary, may call special meetings, decide upon all claims for damage, and shall have power to appoint such agents or other persons as they may deem necessary, and whose election and appointment is not otherwise provided, and perform all such other duties as said board shall be vested with by the by-laws of such company. Three members of the board of directors shall constitute a quorum for the transaction of business.

Board of directors shall choose a president and treasurer.

SECTION 16. The president of every company formed under the provisions of this act, shall at each annual meeting thereof, show what moneys have been received, and what paid out, and vouchers for the same, attested by the secretary of such company, and so entered by said secretary on a book to be kept for that purpose.

Duties of president.

SECTION 17. It shall be the duty of the secretary of every company formed under the provisions of this act, to prepare a statement showing the condition of such company on the day preceding their annual meeting, which statement shall contain the amount insured, the number of policies issued and to whom, the amount insured by each policy, and all other matters pertaining to the interests of such company, and which statement shall also be read to the members of said company at their annual meeting, after which it shall be filed in the office of the secretary, as a part of the records of the company.

Duties of secretary.

SECTION 18. The members of any company formed under the provisions of this act, shall meet annually on the last Monday of March in each year, at the place where the principal office for the transaction of its business shall be located, the first annual meeting to be held at the hour of one in the afternoon, and thereafter each annual meeting shall fix the place and hour for holding the next succeeding annual meeting. At such annual meeting the reports of the officers shall be received, officers elected, the salaries or compensations of the officers fixed, and such other business transacted as shall be properly brought before the meeting. After the first annual meeting, notice shall be given by the board of directors of each an-

When meetings of companies to be held, and what business to be transacted.

nual meeting, and the place and hour for holding the same, at least two weeks prior, in two newspapers that are most taken in the districts where members of such company reside, that is to say, such newspapers that will give a general notice, to be selected by such board at their discretion. There shall also be a meeting called on the first secular day of December in each year after the first annual meeting for the purpose of reviewing the affairs of the company, financially and otherwise, and special meetings may be called if deemed necessary by the board of directors and president, upon due notice being given to all the directors.

Admission of members and making of rules and regulations

SECTION 19. Every company formed under the provisions of this act shall have power and authority to provide the manner and form for the admission of members, and the withdrawal of the same; to make all necessary rules and regulations concerning insurance on property and the appraisalment and payment of losses not inconsistent with this act, and may alter and amend the same at pleasure and as may become necessary.

Dissolution of company.

SECTION 20. No resolution for the dissolution of any company formed under the provisions of this act shall be declared passed or of effect, unless three-fourths of the members present shall vote for its passage.

Disposition of property.

SECTION 21. In case of the dissolution of any company formed under the provisions of this act, such company shall have power and authority to provide for the disposition of its property.

Status of companies formed under this act.

SECTION 22. Every company formed under the provisions of this act, shall be considered the same as other mutual insurance companies doing a general insurance business under the laws of the State of Wisconsin, to make its annual reports to the secretary of state, (commissioner *ex-officio*).

SECTION 23. This act shall take effect and be in force from and after its passage and publication.

Approved March 8, 1876.