

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

OF THE

STATE OF MAINE

ENACTED BY THE

Seventy-Seventh Legislature

1915

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PUBLIC LAWS
OF THE
STATE OF MAINE

As Passed by the Seventy-Seventh Legislature

1915

[supplied from page 1 of volume]

Chapter 102.

CHAP. 102

An Act Prohibiting the Rebating of Premiums on Fire or Liability Insurance.

Be it enacted by the People of the State of Maine, as follows:

Section 1. No insurance company transacting fire or liability insurance in this State, and no agent or broker transacting fire or liability insurance, either personally or by any other party, shall offer, promise, allow, give, set-off or pay, directly or indirectly, as an inducement to fire or liability insurance on any risk in this State, now or hereafter to be written, any rebate of or part of the premium payable on any policy or of the agent's commission thereon; nor shall any such company, agent or broker, personally or otherwise, offer, promise, allow, give, set-off or pay, directly or indirectly, as an inducement to such fire or liability insurance any earning, profit, dividends or other benefit, founded, arising, accruing or to accrue on such insurance, or therefrom, or other valuable consideration, or any special favor which is not specified, promised or provided for in the policy of insurance; nor shall any such company, agent or broker, personally or otherwise, offer, promise, give or sell as an inducement to such insurance any stocks, bonds, securities or property, or any dividends or profits accruing or to accrue thereon, nor, except as specified in the policy, offer, promise or give any other thing of value whatsoever, or purchase any stocks, bonds, securities or other property, for which shall be paid or agreed to be paid more than the fair and reasonable value thereof.

Giving of rebates on premiums, as inducement, is unlawful.

No special favor, not provided for in policy, allowed.

—shall not pay unreasonable value.

—exception.

Section 2. This act shall not prevent any insurance company from paying to another insurance company, or to any duly authorized agent or broker of this or any other State who holds himself out and carries on an insurance business in good faith as such, or to prevent an insurance company, agent or broker from receiving a commission on any policy under which it, itself, or he, himself, is insured, or any mutual company from paying dividends duly earned to policy holders.

Transactions between companies or agents shall be lawful.

—dividends to policy holders.

Section 3. Any insurance company, agent or broker violating any provision of this act shall be guilty of a misdemeanor and upon conviction thereof, shall be punished by a fine of not more than one hundred dollars for each and every violation, or in the discretion of the court, by imprisonment not exceeding six months. The Insurance Commissioner may revoke the license of any company, agent or broker violating this act.

—penalty for violation.