

MAINE STATE LEGISLATURE

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THE
REVISED STATUTES

OF THE

STATE OF MAINE,

PASSED APRIL 17, 1857;

TO WHICH ARE PREFIXED

THE CONSTITUTIONS

OF THE

UNITED STATES AND OF THE STATE OF MAINE:

WITH AN

APPENDIX.

PUBLISHED BY AUTHORITY OF THE LEGISLATURE.

BANGOR:
WHEELER & LYNDE.

1857.

one-half to the town where the offence is committed, and the other to the use of the person employed, to be recovered by complaint in any court having jurisdiction.

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more than ten
hours of a day.
Penalty.
1841, c. 83, § 2.

CHAPTER 49.

INSURANCE AND INSURANCE COMPANIES.

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29. Lien on real estate insured.
30. Remedy if assessment be not paid.
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STOCK COMPANIES.

How far subject to the provisions of this chapter.

R. S., c. 79, § 1.

President and directors.

R. S., c. 79, § 2.

Choice of directors. Manner of voting.

R. S., c. 79, § 3.

Vacancies, how filled.

R. S., c. 79, § 4.

Who shall be eligible.

Quorum.

R. S., c. 79, § 5.

Secretary and other officers.

R. S., c. 79, § 6.

Manner of calling meetings.

R. S., c. 79, § 7.

Capital to be at least \$100,000.

R. S., c. 79, § 8.

Liability of stockholders in certain cases.

R. S., c. 76, § 9.

SEC. 1. All incorporated insurance companies may exercise the powers, and shall be subject to the duties and liabilities contained herein and in chapter forty-six, as far as consistent with the provisions of their charters.

SEC. 2. The business of every such company shall be managed by seven directors, who shall choose one of their number president, hold their offices one year and until others are chosen and qualified in their stead, and be stockholders in said company, and citizens of this state.

SEC. 3. The directors shall be chosen by the stockholders, by a majority of ballots, at such time and place and in such manner, as the by-laws of the company prescribe; one vote in this and any other business of the company being allowed to each share, but no one stockholder to be allowed more than ten votes.

SEC. 4. Vacancies in the board of directors may be filled at any meeting specially called for the purpose.

SEC. 5. No person is eligible as a director, who at the time is a director of any other insurance company. Four directors constitute a quorum for doing business.

SEC. 6. Every such company or the directors thereof, as often as once a year, shall, by ballot, elect a secretary, who shall be the clerk of the company and sworn to the faithful discharge of his duty; besides other duties required by the by-laws of the company, he shall keep a true record of all the votes of the stockholders and of the directors, and a true list of the stockholders, and of the number of shares held by each, and record every transfer of shares in a book kept for the purpose. The directors may appoint such other officers as they think necessary.

SEC. 7. The secretary shall call special meetings of such company, besides any meeting for which the by-laws provide, to be held at the time and place, and for the purposes required in writing by the proprietors of one-fifth of the capital stock; if the by-laws of such company prescribe no mode of calling such meeting, it may be notified in the manner prescribed in the act of incorporation for calling the first meeting.

SEC. 8. No insurance company shall be incorporated in this state with a capital of less than one hundred thousand dollars, to be paid in at the periods and in the proportions required by the charter.

SEC. 9. If any such company becomes insolvent before its whole capital is paid in by the stockholders, any creditor thereof may have his action on the case against any one or more of the stockholders, whose proportion of the whole stock allowed by the charter is not paid in, to recover against them in their in-

dividual capacity towards his debt, an amount not exceeding the sum due from them on their shares.

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SEC. 10. The capital stock of said companies, paid at each installment, shall within six months thereafter, except as provided in the next section, be invested in the funded debt of the United States, or of this state, or in the stock of some bank legally incorporated in this state, or in all of them, as their interest requires; or any amount, not exceeding two thirds of the capital, may be loaned to persons resident in this state, well secured on mortgages of real estate situated therein, or on pledge of any of the funded debts or stocks aforesaid.

Capital, how invested.
R. S., c. 79,
§ 10.

SEC. 11. Such company may loan to citizens of this state, any portion not exceeding one-half of its capital stock on respondentia or bottomry; but not unless at least three-fourths of all the directors agree to such loan, and enter their consent thereto at large on the records of the corporation, to be laid before the stockholders at their next meeting.

Loans on respondentia or bottomry.
R. S., c. 79,
§ 11.

SEC. 12. Such company may make insurance on vessels, freight, money, goods, and effects, against captivity of persons, on the life of any person during his absence at sea, on money lent upon bottomry and respondentia, against fire on dwelling-houses or other buildings, and on merchandise or other property within the United States, and fix the premiums and terms of payment.

What property may be insured.
25 Maine, 515.
R. S., c. 79,
§ 12.

SEC. 13. The risks incurred under the two preceding sections shall not, at any one time, exceed ten per cent. of its capital, actually paid in, on any one bottom or building with its contents.

Limitation of amount of risks.
R. S., c. 79,
§ 13.

SEC. 14. All policies of insurance shall be signed by the president, or in case of his death, inability, or absence, by any two of the directors, and countersigned by the secretary; and they shall be binding upon the company as if executed under its corporate seal.

Policies, how executed.
R. S., c. 79,
§ 14.

SEC. 15. Said companies shall not, directly or indirectly, be concerned in buying or selling any goods, wares, merchandise, or commodities whatever.

Insurance companies not to engage in trade.
R. S., c. 79,
§ 15.

SEC. 16. The directors, at such times as their charter or by-laws prescribe, shall make dividends of so much of the profits of the company as they think advisable; but moneys received and notes taken for premiums on risks, which are undetermined at the time of making such dividends, shall not be part of said profits.

Dividends, when and how made.
R. S., c. 79,
§ 16.

SEC. 17. After any diminution of the capital stock by losses, depreciation or otherwise, no dividend shall be made until such diminution is supplied by actual funds, or the value restored.

Loss of capital to be repaired.
R. S., c. 79,
§ 17.

SEC. 18. Any marine insurance company may, by the by-laws or votes duly passed for that purpose, divide among the stockholders thereof, and the persons insured therein, in proportion to the stock owned by such stockholders, and to the amount of premiums paid by the insured on risks terminated, all the clear profits of the company above six per cent. per annum on its capital stock. Before such division is made, all arrearages of

Marine insurance companies may divide certain profits.
1844, c. 97.

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Triennial statements to be made.

R. S., c. 79, § 18.

Not to insure after loss of capital.

R. S., c. 79, § 19.

Annual statements to be published, &c.

R. S., c. 79, § 20.
1856, c. 270, § 6.

Legislature may examine company's affairs.

R. S., c. 79, § 21.

Certain provisions not to be applied to mutual companies.

R. S., c. 79, § 22.

Mutual companies, insurance by, regulated.

R. S., c. 79, § 23.

Regulations to be set forth.

18 Maine, 155.
29 Maine, 97, 292.
34 Maine, 487.
R. S., c. 79, § 24.

dividends to stockholders, required to make up their annual dividends equal to six per cent. per annum, shall first be paid.

SEC. 19. Once in every three years, and oftener if required by the stockholders, the directors shall lay before them at a meeting, an exact and particular statement of the affairs of the company, showing their profits, if any, after deducting losses and dividends.

SEC. 20. If the company sustains losses to an amount equal to their capital stock, and the president or directors after knowing the same make any new or further insurance, the estates of all, who make such insurance or consent thereto, shall be jointly and severally liable for the amount of any loss, which occurs under such insurance.

SEC. 21. Every insurance company existing or doing business in this state, shall, on or before the first day of December in each year, transmit to the secretary of state, to be laid by him before the legislature, a statement of its condition as it existed at the time of its exhibit next preceding, showing the amount of capital stock and how invested, the amount at risk, the amount of premium notes, the amount of liabilities, and shall cause the same to be published in some paper printed in the county where the company is located.

SEC. 22. The president and directors, when required by the legislature, shall lay before them a statement of the affairs of the company, and submit to an examination on oath concerning the same.

SEC. 23. The provisions in the foregoing sections of this chapter relating to the amount of capital stock to be owned by any insurance company, and the division of the same into shares, and dividends of profit thereon, and other provisions incidental to the nature of its fund, and such of said provisions as relate to the liability of directors or stockholders in case of deficiency of capital, and the regulations concerning the business of any such company contained in sections eleven and twelve, shall not be construed as applicable to mutual fire insurance companies; but the following provisions shall be binding on such companies, so far as consistent with their charters.

MUTUAL COMPANIES.

SEC. 24. Mutual fire insurance companies, incorporated in this state, may make insurance for a term, not exceeding seven years, on dwellinghouses, stores, shops, and other buildings, and on household furniture, merchandise and other property, the contents of any building within this state, against loss or damage by fire originating in any cause other than by design in the assured.

SEC. 25. No by-law, rule, or requirement, made by any such company shall be binding on any person insured, to vacate his policy, unless it is distinctly set forth in the policy or renewal.

SEC. 26. Every person insured by such company, or his legal representatives or assigns continuing to be insured therein, shall

be deemed a member of the company during the term specified in his policy, and no longer.

SEC. 27. Every person insured, before receiving his policy, shall deposit his promissory note for the sum of money determined by the directors; and such part of said note, as the by-laws require, shall be immediately paid towards incidental expenses and indorsed thereon; and the remainder shall be payable in such installments, as the directors, from time to time, require for the payment of losses and other expenses, to be assessed on all who are members when such losses or expenses happen, in proportion to the amounts of their notes.

SEC. 28. No member of such company shall be held to contribute to any losses or expenses beyond the amount of his deposit note. At the expiration of any person's term of insurance, his note, on payment of all assessments for which it is liable, shall be relinquished to him, except as provided in the next section.

SEC. 29. The company shall have a lien against the assured, on the buildings insured and the land appurtenant thereto, for the amount at any time due on said note, to commence from the time of the recording of the same, as hereinafter provided, and to continue sixty days after the expiration of the policy, on which such note is given; *provided* the company causes a certificate of their claim to such lien, signed by their secretary, to be recorded by the register of deeds for the county or district; and, during the pendency of such lien, an attachment of such property, in a suit on said note in favor of the company, shall have priority of all other attachments or claims; and execution, when recovered, may be levied on it accordingly.

SEC. 30. If an assessment, made as provided in the twenty-seventh section, remains unpaid for thirty days after demand made by any agent of the company on any person liable to pay the note, the directors may sue for and collect the amount due on such note; and the amount collected shall remain in the treasury of the company subject to the payment of such sums, as might otherwise be assessed on the note; and the overplus at the expiration of the policy shall be the property of the assured.

SEC. 31. Upon the decease of a member, the lien of the company shall remain good on the property insured to the amount due on the deposit note, and the policy shall descend to the executor or administrator of the deceased for the benefit of the estate during its continuance, unless voluntarily surrendered or forfeited by the provisions of the charter of the company.

SEC. 32. The directors of each such company shall cause a detailed account of their expenses for the year next preceding their annual meeting, the amount of property actually insured at that time, the amount due on their premium notes, and amount of all debts due to and from the company, to be laid before the stockholders at their annual meeting in each year; and a copy thereof shall be printed in some newspaper published in the county, if any, otherwise in the state paper; but no such com-

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Insured to be members.
37 Maine, 137.
R. S., c. 79,
§ 25.

Assessments on premium notes.
34 Maine, 451.
R. S., c. 79,
§ 26.

No liability beyond the amount of the note.
R. S., c. 79,
§ 27.

Lien on real estate insured.
28 Maine, 252.
R. S., c. 79,
§ 28.

Remedy if assessment be not paid.
R. S., c. 79,
§ 29.

Lien good on property of deceased persons insured.
1846, c. 203, § 1.

Annual statements to be made.
1846, c. 203, § 2.

CHAP. 49.

Compensation
of officers, &c.
1846, c. 203,
§ 3, 4.

pany, having an accumulated fund for the payment of losses, shall be required to publish the names of its debtors.

SEC. 33. No director is eligible to the office of secretary or treasurer of such company. The salary or compensation for services of the directors, treasurer, and secretary, shall be fixed by the stockholders at their annual meeting, and no stockholder or other person shall be allowed more than fifteen votes by proxy.

LIEN OF MORTGAGEES.

Lien of mort-
gagee upon
policy.
29 Maine, 337.
1844, c. 107,
§ 1, 2.

SEC. 34. The mortgagee of any real estate shall have a lien upon any policy of insurance against loss by fire procured thereon by the mortgager, to take effect from the time he files with the secretary of the company a written notice, briefly describing his mortgage, the estate conveyed thereby, and the sum remaining unpaid thereon. If the mortgager, by a writing by him signed, and filed with the secretary, consents that the whole of the sum secured by the policy, or so much as is required to discharge the amount due on the mortgage at the time a loss occurs, shall be applied to the payment of the mortgage, it shall be so paid by the company, and the mortgagee's receipt therefor shall be a sufficient discharge of the company therefor.

How enforced
if mortgager
do not consent.
1844, c. 107, § 3.

SEC. 35. If the mortgager does not so consent, the mortgager may, at any time within sixty days after a loss, enforce his lien by a suit against the mortgager, and the company as his trustee, in which judgment may be rendered for what is found due from said company upon the policy, notwithstanding the time of payment of the whole sum secured by the mortgage has not arrived.

How amount
recovered in
suit to be
applied, &c.
1844, c. 107,
§ 3.
1855, c. 130.

SEC. 36. The amount so recovered shall be applied first to the payment of the costs of the suit and officer's fees on the execution, and next to the payment of the amount due on the mortgage; and the balance, if any, shall be retained by the company and paid to the mortgager. If the company assumes the defence of the suit, it shall be liable to the plaintiff for costs in the same manner as the principal defendant, defending the suit, would be.

Priority of
mortgage, how
determined.
1844, c. 107, § 4.

SEC. 37. When two or more mortgagees claim the benefit of the three preceding sections, their rights shall be determined according to the priority of their claims and mortgages by the principles of law.

Claims of
mortgagees,
when to be
void.
1844, c. 107,
§ 5.

SEC. 38. When any mortgagee claims the benefit of said sections, any policy of insurance, which he had procured or subsequently procures on his interest in the same property by virtue of his mortgage, shall be void, unless it is consented to by the company insuring the mortgager's interest.

AGENCIES OF FOREIGN COMPANIES.

Agents of for-
eign compa-
nies to file
certain copies

SEC. 39. The word foreign, when used herein, designates companies not incorporated by the legislature of this state. Every person authorized by any foreign fire insurance company to

advertise as its agent, or to receive and forward proposals for insurance, shall be deemed its agent. Such company insuring property by their agent in this state, shall give him instructions in writing, signed and sworn to by the president and secretary thereof, to accept service of all lawful processes against the company; and shall therein consent and engage that all such service duly made upon such agent, shall be legal, and give to the courts of this state like jurisdiction, and have like effect as if the company had existed and been duly served with process in this state; and a duplicate of this writing, duly certified and authenticated, shall be filed in the office of the register of deeds in the county where such agent resides; copies thereof, certified by said register, shall be evidence in the courts of this state. This agency, so far as relates to such service, shall continue while any liability remains outstanding against the company in this state, or until the same power is given to some other person, resident in such county, and a duplicate thereof filed as aforesaid. And service upon the agent shall be deemed sufficient service upon the principal.

CHAP. 49.
with register of
deeds.
1856, c. 270,
§ 1, 2, 3.

SEC. 40. If insurance is made hereafter by the agent of such company, without having received such instructions, and filed such duplicate, the contract shall be valid, but he shall be liable to a fine not exceeding three hundred dollars. Any person who falsely represents himself as the authorized agent of such company, or procures payment, on any obligation for the payment of any insurance, by false or fraudulent representations, shall be punished by a fine not exceeding one thousand dollars, or imprisonment not exceeding six months for each offence.

Penalty for
neglect and
for fraud.
1856, c. 270,
§ 4, 5.
R. S., c. 79,
§ 31.

SECURITIES DEPOSITED WITH STATE TREASURER.

SEC. 41. When any insurance company, incorporated in this state, desires to deposit any portion of its stocks or other securities with any officer of this state, as a pre-requisite to the establishment of agencies in any other state in compliance with the law thereof, the treasurer of state is to receive such stocks or other securities and to hold the same on deposit and in trust for the benefit of all the policy holders in said company.

Insurance
companies
may deposit
securities with
treasurer of
state.
1854, c. 63, § 1.

SEC. 42. The treasurer shall then furnish such company with a certificate or certificates of the fact, in his official capacity, embracing the items of the security so deposited, the amount and par value of each, and his opinion of their value.

Treasurer to
furnish certi-
ficate.
1854, c. 63, § 2.

SEC. 43. He shall hold such securities on deposit in accordance with these provisions, but such company shall be permitted to receive and collect the interest or dividends on them, and to withdraw them, from time to time, on depositing in lieu thereof others of like character and value, to be determined by the treasurer.

Interest or
dividends may
be collected by
the company,
&c.
1854, c. 63, § 3.

SEC. 44. The treasurer, on being satisfied of the repeal or alteration of the law of such other state, disqualifying such company from continuing its business therein, shall return the securities on demand.

When to be
returned to the
company.
1854, c. 63, § 4.

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Company depositing securities, shall deliver up, &c. 1854, c. 63, § 5.

Duty of treasurer in case of failure of the company. 1854, c. 63, § 6.

Treasurer's fees. 1854, c. 63, § 7.

SEC. 45. When such company desires to relinquish its business out of the state, the treasurer, on application thereof, and on the oath of the president and secretary, that its assets are ample to meet all the existing demands against it, shall deliver its securities.

SEC. 46. If any such company fails, while its securities are so on deposit, the treasurer shall demand of its secretary or clerk, and he shall furnish a full and complete list of the names and residences of all policy holders and others having claims upon the company; and they shall be notified forthwith through the post-office by the treasurer, of the condition of the company; and he shall state in the notice, that the securities held by him will be disposed of, and the proceeds, after paying expenses, paid over in a ratable proportion upon their claims properly authenticated, and the time when such dividend will be made; but nothing in the foregoing provisions shall be construed to impose any liability on this state on account of any delinquency of the treasurer.

SEC. 47. Such company, on so depositing its securities, shall pay to the treasurer the sum of five dollars for each certificate granted by him; and in case of proceedings under the provisions of section forty-six, the treasurer shall retain, as compensation for the services thereby required of him, the sum of two per cent. on the amount received and disbursed by him.

CHAPTER 50.

TOLL BRIDGES.

- SEC. 1. Military companies may pass over toll bridges free; also others going to or returning from funeral, or worship on sabbath.
2. Persons exempted to give toll gatherer name and place of abode, on request. Forfeiture for refusal or giving false information.
3. Restrictions on weight of teams and droves of cattle and horses.
4. Penalty for delaying passengers.
5. Two persons only and children to pass in a carriage toll free.
6. Penalty for injuring toll gates or attempting to pass without paying toll.
7. Covered toll bridges to be lighted. Penalty for neglect.
8. Surrender of toll bridges to county, may be accepted by county commissioners. Party aggrieved may appeal.

Who may pass over toll bridges free. R. S., c. 80, § 15.

Persons exempted to inform the toll gatherer. R. S., c. 80, § 16.

SEC. 1. All military companies, with their ordnance and equipage, on days of training or review, while under arms, or in going to or returning from their place of parade, and all persons going to or from any funeral, or public worship on the sabbath, may pass over any toll bridge free of toll.

SEC. 2. Every traveler, claiming to pass any toll bridge free, shall communicate to the toll gatherer his name and place of abode, if required. Whoever refuses or omits so to do, or willfully renders a false answer, and thereby evades the payment of