

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

DOCUMENTS

PRINTED BY ORDER OF

THE LEGISLATURE

OF THE

STATE OF MAINE,

DURING ITS SESSION

A. D. 1850.

---

Augusta:

WILLIAM T. JOHNSON, PRINTER TO THE STATE.

1850.

# REPORT

AS TO

MUTUAL FIRE AND MARINE

INSURANCE COMPANIES,

DOING BUSINESS IN THE

STATE OF MAINE.

~~~~~  
Published agreeably to Resolve of March 22, 1836.  
~~~~~

**Augusta:**

WILLIAM T. JOHNSON, PRINTER TO THE STATE.

1850.



# REPORT.

---

*To the Governor and Council of the State of Maine :*

THE undersigned, respectfully represent, that a new law of this State, approved on the thirteenth day of August, eighteen hundred and forty-nine, which took effect in thirty days after the recess of the last legislature, required “the Bank Commissioners in addition “to the duties now required of them by law, to enquire into and “examine at least once in a year, the several mutual fire and marine “insurance companies doing business in this State.”

By accident, we are informed, this law was not published with the other public laws, and we did not become possessed of it till the twenty-sixth day of November last, after our examination of the banks.

By the first section of the statute we are to “ascertain the condition of said companies, the amount of their capital or premium “notes, amount of risks, the number and amount of losses, and how “the same have been paid, the amount paid by premiums, and “amount paid by assessments, the expenses of the company, including in separate items officers and agents, and whether there has “been a departure by the company from their charter or by-laws, “or from the ordinary and usual business and modes of doing business with like associations, and make report of our doings annually “to the governor and council to be laid before the legislature.”

By the second section “foreign mutual fire and marine insurance “companies doing business in this State, shall annually before the “first day of October in each year, file in the office of the secretary “of State, a report of their doings for the year prior thereto, which

“report shall contain the information required by section one, and “the same shall be verified by the signature and oath of the president of each company. And if the commissioners shall at any time desire a more full report of any company than the report filed as aforesaid, it shall be furnished by the company upon requisition of any agent of the company resident in the State.”

And by the fourth section, “any such foreign company which shall not have complied with the provisions of said section two, shall forfeit all right to assess any premium notes of any inhabitant of this State for any losses occurring without the limits of the State.”

What arrangement may be made, if any should be deemed essential, to prevent the penal operation on foreign mutual fire and marine insurance companies doing business in this State, under the fourth section, by reason of non-compliance, in point of time, with the provisions of the second section, before the promulgation of the public law could be known, will necessarily be left to the wisdom of the succeeding legislature.

No provision was made by which we should ascertain the number of such insurance companies mentioned in the first section of this act doing business in this State. And therefore not to incur expenses in journeying to find companies so employed, we were compelled to institute an extensive correspondence to ascertain such offices. And though after searching the special laws since the separation from Massachusetts, which was not readily nor easily accomplished, by reason of neglect to procure and preserve the pamphlets containing those special laws, we did discover that forty-four acts of incorporation, and eight additional acts in relation to such companies, and an act authorizing the surrender of the charter of the Hampden Mutual Fire Insurance Company, had been passed and approved by the State of Maine. We did not become satisfied that more than eighteen of those incorporated companies were doing business in this State, when the law made incumbent upon us the performance of this duty.

These companies are located in Augusta, Bangor, Bath, Belfast,

Dover, Elliot, Gardiner, in Gorham two, in Hallowell, Monmouth, Parsonsfield, Portland, Saco, Skowhegan, Thomaston, Wells, and Woolwich.

As soon after obtaining the printed new statute, as we could with convenience, we complied with the requisition of the law, commencing our examination on the first of January last, and now most respectfully make our report of our doings to be laid before the legislature.

The principle on which mutual insurance is founded has received wide spread commendation. It is about twenty-two years since the first act of incorporation in Maine. Practically, it has been realized that it is one thing to procure an act of incorporation, a very different one to organize a company, and prosecute the various duties of a mutual insurance office, with benefit and profit to officers and members of the company. Some companies have never advanced to organization. Some others have for a season tried to sustain themselves, but have in a few years ceased to do business.

Perhaps, too sanguinely hoping that all would go on prosperously, hazardous risks were recklessly assumed, and so astounding have been the losses, and so large and so frequent the assessments in some companies, that a conscientious and meritorious man declared, in one case, that his only chance for indemnity would be that his own buildings, on which he had effected insurance should be consumed by fire. And so he was driven to surrender his policy, pay up assessments, get discharged as soon as possible, and remain his own insurer.

The amount at risk in those eighteen offices on closing our examination was at least \$24,526,455 84.

There were six hundred and ninety-eight losses to an amount of \$478,008 91.

The expenses of the companies amounted to at least \$6,243 99, making on an average \$346 88 15-18 to a company.

The capital or premium notes in these eighteen companies amounts to \$1,173,309 90.

With what avidity do some adopt the theory that extraordinary

hazards assumed may justify exorbitant demands against those who are insured. How much there is of combination to fix high rates of insurance we are not apprised. Contrasted with the almost hopeless call upon the cold charities of the world for relief after severe suffering by fire, this theory may deserve consideration. Yet some heavenly minded and wealthy individuals need only to be informed of misfortune and distress to impel them, instantly, to the noblest exertion and most lavish bestowment on the sufferers. It is not to be forgotten that the necessary expenditures for the prosecution of the business of insurance may well require unceasing devotion, nice calculation and keen watchfulness. These are generally displayed in the management of the concerns of these corporations. It is but mere justice that the officers should be well compensated, from the proceeds of the business, for their diligence and devotion. If this be not done, the whole superstructure will languish, and soon be abandoned.

If we credit the circulars at some meetings, there has grown up a jealousy on the part of the assured, that the expenses of the officers are too large.

But reflecting that these eighteen offices have assumed risks to the amount of over twenty-four millions of dollars, have met six hundred ninety-eight losses, and have paid losses to an amount of over four hundred and seventy-eight thousand dollars, instead of sending the sufferers to the world for indemnity, no one can fail of perceiving that a great benefit does arise from insurance against the ravages of fire, and the hazards of the sea, when the losses are far more numerous, than by fire.

The compensation to officers are very different in different offices. The presidents in some offices realize fifteen dollars, with some addition for services as directors for the year; others receive one hundred, one hundred and fifty, three hundred, and another seven hundred and fifty dollars per annum. On the secretary, in some offices, seems to devolve the principal part of the labor.

These offices appear to be in a prosperous condition. The reports to the annual meetings that have fallen under our supervision, and the secretaries, so inform us.



We are inclined to the belief that much good will result to the community from the legislation on this subject. It will unquestionably excite attention, and probably tend to produce a greater uniformity in the administration of the affairs of such companies.

Our visitation was a novelty. None of the secretaries upon whom we called were apprised of the law, till we produced it. Though we were invariably treated with politeness and courtesy, our visit was manifestly a surprise upon these officers. But we are persuaded that it will insure more promptitude in preparing accounts, and more strict investigation as to the affairs of the institutions and probably invite resort for insurance to the corporations within our own state, rather than to foreign corporations.

How far the hiring of money to extinguish the amount of losses, and afterward to cover the whole expenses and interest by assessments, tends to promote the interest of the assured, must be left, we suppose, to the companies to decide. To sufferers it is of vast importance that their losses should be promptly remunerated. Relief by assessments has unquestionably been ascertained to be too dilatory.

Of two hundred sixty-four losses in the office at Gardiner, two only were by fire.

We are not disposed to believe that there has been a departure from their respective charters or by-laws in any other respect than in four instances omitting to publish the annual statements. No limitation of time within which it shall be done is prescribed. Within sixty days from the annual meeting would seem to be reasonable, provided it be a full publication in the newspaper.

Possibly the ease with which insurance has been effected on stores of goods, saw mills, &c., has contributed to multiply losses, and startle directors as to the multiplication of risks. The very general abandonment of the practice of insuring stores of goods, saw mills, and manufactories in these offices, and the classifications of risks, has had a favorable operation in the community, diminished losses, and rendered escape from responsibility for hazard on part of the assurers by far more probable.

In some offices it was difficult to learn the precise amount paid by premiums, and to obtain information as to the expenses of the company. All the bills were not in.

In order to ascertain the progress of confidence in the different institutions, it should be a part of the duty of the respective associations to communicate to the annual meeting how many of the expired policies have been renewed within the year, and the amount of those renewed risks, separately.

Undoubtedly it is often the case that those who have been insured, from their inability to furnish the necessary compensation, are reluctantly obliged to remain uninsured, rather than be compelled to disburse even the small sum requisite for the renewal. Many from mere forgetfulness let the time pass over.

It would also be beneficial to know how many policies had been forfeited; how many surrendered, with the amount of each, and how many perfectly new policies independently of renewals, have been issued within the year preceding, and the amount.

The profits come from expired insurances, and cancelled policies, the rates of insurance, and advance premium in the Kennebec and Waldo mutual insurance companies.

In the 25th section of the 79th chapter of the Revised Statutes—of insurance companies—“Every person insured by a mutual insurance company, or his legal representatives or assigns, continuing to be insured therein, shall be deemed a member of the corporation, during the term specified in his policy and no longer.”

No provision is made for the division of profits in mutual fire insurance companies. And yet it would seem to be right that an accumulated fund should be divided, after all policies have expired on which losses can arise; provided the company do not wish longer to pursue the business of insurance, upon the strength of such a capital.

There are but two mutual insurance companies in the State engaged in marine insurance. The Kennebec at Gardiner, and the Waldo at Belfast; both of which are authorized by their charters to insure against damage by fire. And the Kennebec made a

few policies on fire risks on the past organization of the company, but have since discontinued such risks and confine their operations to marine risks alone. These two companies are organized upon the principle of Stock Companies.

A stock is created on which an annual premium is paid of four per cent. to the stockholders, who deposit notes with sureties, or otherwise satisfactory to the directors, liable to be checked to meet the necessities of the company to any extent.

The premiums for insurance charged, are the same as in well regulated Stock Companies, and the insured are entitled to a dividend of the surplus earnings of the company, but are liable to no assessments ; they only pay by note or otherwise the amount of insurance according to the established rates.

The stockholders only are liable to assessment, and that can only take place under great misfortune by excessive losses.

If a part of the design of the legislature was to ascertain how far the competition between Mutual Fire Insurance Companies may serve to correct some of the abuses of stock or proprietary companies, it merits commendation ; for competition serves to reduce the price of insurance. And we may be pardoned for suggesting something of the way, in Europe, in which the very important subject of insurance in its different phases and characters is there conducted. If, on reflection upon the few hints which we present, any of our citizens, or the State, shall derive any benefit we shall be gratified.

The ingenuity of calculators is demonstrated in the schemes upon which, in England, different acts of incorporation are there framed. Thus there are Life insurance companies in which the assured do not participate in the profits ; others in which the assured and the proprietary participate in the profits ; others, in which participation or non-participation in the profits is optional with the insured. Others in which there is no proprietary, and where the contributors are mutual assurers. Others again, where the mutual assurers also assure other parties who do not participate in the profits.

The condition of the several mutual Fire and Marine Insurance Companies as they presented themselves to our examination, is detailed in our notes in the following pages, together with our remarks as to Foreign corporations doing business in this State, and a notice of some European insurance companies.

IN AUGUSTA.

*The Maine Mammoth Mutual Fire Insurance Company.*

[Incorporated February 25th, 1845. Additional act, June 8th 1846.  
Additional act, July 31st, 1849.]

JAMES DINSMORE, President.

WATSON F. HALLETT, Secretary and Treasurer.

The last meeting was on the 9th day of May, 1849.

The number of policies issued up to the 11th January, 1850, 3,291.

Insurance is made for one, two, three and four years, and is confined to buildings, &c. in this State.

Amount of its capital or premium notes.—In the treasury May 9th, 1849, \$134,701 38.

Amount of risks.—On 9th of May, 1849, \$1,336,148 00.

The number of losses.—28 losses up to September 6, 1848; 26 losses since, up to 26th December, 1849.

The amount of losses.—Amount of 28 losses, up to November 21st, 1848, \$15,773; amount of 26 losses, up to December last, \$15,407, by estimation.

How the losses have been paid.—One quarter, as estimated, by advance premiums, the residue by assessments.

Amount paid by premiums.—To May 10th, 1848,	\$3,293 84
To May 9th, 1849,	3,160 33
To January 11, 1850,	1,967 77
	<hr/>
	\$8,421 84

Amount paid by assessments.—Over \$12,000.

Expenses of the company.—To May 9th, 1849, \$1,116 27.

Expenses of Officers.—The President is paid for services as Director; Directors have 10 cents a policy for approval; Secretary has

50 cents for each policy; Treasurer has 5 per cent. on advanced premiums.

Expenses of Agents.—There are fifty agents, who are paid by the insured. The agents have from 3 to 5 per cent. for collecting assessments.

The company was in operation September 1st, 1846.

Mr. — Davis, Mr. — Morton, and the Secretary are authorized to do business.

The price of a policy insuring over \$500, is one dollar; for a policy insuring \$500 and under, fifty cents.

The highest rate of premium is 35 per cent.

Insurance is made on houses, stores, sawmills, and stores of goods.

The number of policies issued up to May 9th, 1849, 2,738. There were then in force 1,704 policies.

The company owed, May 9, 1849, for loans,	4,400 00	
For losses unsettled, estimated at	3,450 00	
Premium for collecting assessment No. 1, and abatement,	600 00	
	<u>        </u>	\$8,450 00

To meet this indebtedness, there were:

Uncollected assessment No. 1,	4,756 94	
Due from agents for advance premiums,	1,639 70	
Balance in treasury, per Auditor's report,	220 10	
	<u>        </u>	\$6,616 74

Leaving a deficit, unprovided for, of \$1,833 26

The Secretary's fees up to May 9th, 1849, were	505 00
The Treasurer's commissions,	158 00
The expenses of settling losses,	101 03
Directors' fees,	150 00
Postage,	65 83
Office rent,	25 00
Blanks, stationery and printing,	85 26
Miscellaneous expenses,	26 15
	<u>        </u>
	\$1,116 27

## IN BANGOR.

*The Penobscot Mutual Fire Insurance Company.*

[Incorporated March 18th, 1836. Additional act, March 22d, 1839.]

JOSIAH TOWLE, President.

BENJAMIN PLUMMER, JR., Secretary and Treasurer.

The number of policies up to 17th January, 1850, 7,850; up to May 1st, 1849, 7,017 policies.

The longest time for which insurance is made, is six years only, and is not confined to this State.

Amount of its capital or premium notes.—Up to May 1st, 1849, in force, \$148,392 08.

Amount of its risks on the 1st of May, 1849.—\$3,289,012 00. There were then in force 4,424 risks.

The number of losses up to May 1st, 1849.—68, including partial losses—9 of which occurred in the year from May 1st, 1848, to May 1st, 1849.

The amount of losses.—about \$26,000. To May 1, 1849, \$25,424 34.

How the losses have been paid.—By assessments partly, by premium and loans.

Amount paid by premium.—The Secretary said he could not tell.

Amount paid by assessments.—\$24,213 08.

Expenses of officers.—The President receives a salary of \$50, 50 00  
6 Directors, besides President, each receives \$25, 150 00  
Secretary, for his services for year ending May 1, 1849, including his pay as Treasurer, 791 00

Expenses of agents, 12 in number—\$772 59, for applications and collections.

In thirteen years the company have found it necessary to make five assessments, amounting in all to \$24,213 08. Not all collected.

The Directors also receive from two to three dollars a day, with their expenses, when employed in ascertaining losses.

On the 1st of May, 1849, the company were indebted for  
loans in order to pay losses, 3,294 01  
Funds on hand then, 385 09  
Due from agents, 420 91

The company take no risk beyond \$5,000.

On personal property alone, to half its value they insure for one

year only. They do not insure less than \$200 nor beyond 3-4 of the value of buildings. They do not take mills nor manufacturing establishments. They have a policy upon one brick meeting-house.

The longest time for which they insure buildings, is six years; and there is liberty to renew on personal property up to six years.

For annual renewal the Secretary is entitled to fifty cents.

◆

### IN BATH.

#### *The Lincoln Mutual Fire Insurance Company.*

[Incorporated July 14th, 1848 ]

CHARLES DAVENPORT, President.

PELEG WADSWORTH, Secretary.

WILLIAM V. MOSES, Treasurer.

The company commenced operations on the 14th of November, 1848; and is not confined to buildings, &c., in this State.

Amount of its capital or premium notes.—\$39,927 16.

Amount of risks.—\$599,569 00.

The number of losses.—Four.

The amount of losses.—\$646 14.

How the losses have been paid.—By advance cash premium.

Amount paid by premium.—\$730 98, after paying losses and expenses.

Amount paid by assessments.—None have been made.

Expenses of the company.—\$1,064 00, besides losses.

Expenses of officers.—President,	50 00
Two commissioners, 12 50 each,	25 00
Five more Directors, allowed each \$5,	25 00
Secretary,	328 00
Treasurer,	42 75

Expenses of agents.—They are paid nothing by the office. There are 15 agents—are allowed one dollar for application.

The Secretary is allowed fifty cents for policy and recording for risks out of Bath, for those in the city, nothing. His pay for part of the first year, was only \$31 50.

The Treasurer is paid two and one half per cent. on premium cash received. Last year it amounted to \$42 75.

Insurance is made for four years or under, as may be agreed.

The Secretary provides stove, books, stationery, furniture. Office rent, \$45 a year, at the expense of the company.

The company does not assume extra hazardous risks, but do insure the safest mills and tanneries.

They have three classes of risks.

First class includes farm houses. Rate of insurance for this, is from three to five.

Second class—houses in villages. Rate of insurance for this, is from three to ten.

Third class—stores, merchandise, mills, libraries. Rate of insurance in this, is from six to twenty-five.

In the first class—no losses.

In the second class—three partial losses,	43 63	
On furniture,	62 51	
	—	\$106 14
In the third class—one loss,		540 00
		<hr style="width: 100%; border: 0.5px solid black;"/>
		\$646 14

The amount taken on premium notes for four years, is ten per cent. ; for two years, is five per cent. ; one year, is two and one half per cent.

The amount paid by premiums, after paying losses and expenses, \$730 98, though some is in the hands of agents uncollected.

The company takes no risk beyond \$2,500.

#### IN BELFAST.

*The Waldo Mutual Insurance Company.*

[Incorporated July 19th, 1847.]

JAMES P. WHITE, President.

N. H. BRADBURY, Secretary.

They have never taken fire risks, but confine themselves to marine risks only, and, of course, are not confined to business in this State.

Amount of capital or premium notes.—Capital, \$76,500.

Amount of risks.—To December 1st, 1849, \$306,940 00.

The number of losses.—29.

Amount of losses.—To 1st January, 1850, \$27,915 42.

How the losses have been paid.—By cash.



Amount paid by premium.—To 1st January, 1850, \$59,687 25.

Amount paid by assessments —Nothing—none ever made.

Expenses of the company.—\$3,540.

Expenses of officers.—President, this year,	180 00
Secretary,	300 00
	<hr/>
	\$480 00

Expenses of agents.—Nothing—never have had any.

The four per cent. on stock of \$76,500, is	3,060 00
---	----------

The expenses of officers,	480 00
	<hr/>
Making the expenses of the company,	\$3,540 00

besides stationery, postage, &c.

The company, though authorized by charter, do not take fire risks.

No assessment has yet been made on the stockholders, nor any dividend among the insured.

The rates of insurance are the same as in good stock companies.

They have never published a statement of annual reports.

The losses are generally paid by loans, in whole or in part, until collections can be made to meet them.



#### IN DOVER.

*The Piscataquis Mutual Fire Insurance Company.*

[Incorporated February 2d, 1833.]

E. B. AVERILL, President.

E. S. CLARK, Secretary and Treasurer.

The last annual meeting was on the 26th day of December, 1849.

Amount of its capital or premium notes.—\$24,613 85.

Amount of risks.—\$569,202 50.

The number of losses.—Thirteen.

The amount of losses.—\$4,508 14.

How the losses have been paid.—By premiums and assessments.

One loss of \$100, last year, was paid by loan.

Amount paid by premiums.—Not specified.

Amount paid by assessments.—Not stated.

Expenses of the company.—\$148 57.

Expenses of officers.—Secretary, \$74 49; Treasurer, \$40 00.—Blanks, \$32 65; postage, \$1 43.

Expenses of agents.—One agent paid by the assured fifty cents for applications.

The Directors have one dollar per day for attending special meetings.

The Treasurer receives four per cent. commission for collecting assessments.

Confined to buildings, &c., in this State.



### IN ELLIOT.

*The Elliot and Kittery Mutual Fire Insurance Company.*

[Incorporated March 13, 1844.]

GOWEN WILSON, President.

JAMES GOODWIN, Secretary.

MARK DENNET, Treasurer.

Have been five years in operation, and is confined to buildings, &c., in the county of York.

Amount of its capital or premium notes.—\$10,879 10.

Amount of risks.—On 322 policies, \$177,243 50.

The number of losses.—One.

The amount of losses.—\$8 00.

How the losses have been paid.—By cash.

Amount paid by premiums.—For the last year ending first Monday in February, 1849, \$27 17.

Amount paid by assessments.—Nothing.

Expenses of the company.—\$28 92.

Expenses of officers.—Up to first Monday in February, 1849, \$28 92.

The company had issued 402 policies up to December 31, 1849, inclusively of that day.

There was in the treasury on the first Monday of February, 1849, \$42 60.

On the third of April, 1849, they paid a loss—\$8 00.

The Directors are paid \$15 a year, the President, 21 78; the Secretary, 7 14; the Treasurer, 1 00, as agent, 2 02.

There are ten agents, who have forty cents for each policy from the insured.

The Secretary receives six cents for policy and recording. Two per cent on premium goes into the fund. For twenty-three policies taken by him as agent, he was allowed \$9 20, and has a further allowance of sixty-seven cents per day for meetings.

There are ten agents. If the company approve the application and issue a policy, the company pay the forty cents for each policy so approved.

Insurance is principally on houses, barns, household furniture, hay and grain in the barn. The company does not insure stores of goods, nor manufactories, though they have two sawmills at risks.

It insures for six years, at a rate of not less than six nor more than twenty per cent for six years.

Takes no risk exceeding \$1,500 nor less than \$50.

### IN GARDINER.

#### *The Kennebec Mutual Insurance Company.*

[Incorporated the 16th day of February, 1844.]

EDWARD SWAN, President.

H. B. ALLEN, Secretary.

There is no formal Treasurer.

The number of policies up to January 10th, 1850, is 2,085. The first policy was dated 6th May, 1844.

Business is not confined to this State.

Amount of its capital or premium notes.—Capital was \$100,000 ; now remains, capital stock, \$80,500.

Amount of risks.—\$700,000.

The number of losses.—On vessels,	228
By fire,	2
	<hr/>

230

Additional losses,

34

---

264

on 288 policies.

The amount of losses.—From May 6th, 1844, to January 10th, 1850, \$295,814 39.

How the losses have been paid.—By money and premium notes.

Amount paid by premiums.—\$369,944 43. This includes premium notes on hand, and of course not earned.

Amount paid by assessments.—Prior to 10th January, 1850, \$19,000.

Expenses of the company.—\$11,776 25 for five years and up to the 10th January, 1850.

Expenses of officers.—President's salary, last year, 750 00  
Secretary, 600 to \$800; present year, 500 00

Expenses of agents.—They are now paid by one-eighth of the net profits of risks taken through their agency. Of agents to 10th January, 1850, not exceeding \$400 00. There are four agents.

One dollar is taken for each policy.

They have three law suits pending.

Like stock companies.

Actual premium notes on hand 10th January, 1850, amounted to \$69,345 99.

The losses have been paid from the premiums received for insurance except one assessment on the stock notes of \$20,000, of which the sum of \$19,000 was collected.

On the 6th November, 1849—Annual policies on ves-

sels, annual risks,	492,475 00
On passages,	37,000 00
On open policies,	25,000 00
On fire,	8,000 00
	<hr/>
	\$562,475 00

The rate of insurance lately, is from six to twelve per cent. Formerly the rate was from five and a half to fourteen per cent.

If the company make reinsurance they do it at the Warren Office, and when any one risk or in connection with other risks taken by the company, amounts to more than \$10,000, the trustees are to cause the excess to be reinsured.

Frequently the company have two or three policies on the same vessels, given to different parties.

The number of distinct losses, considering losses on vessels as distinct from losses on property or freight, is 264

The whole number of vessels on and by which losses were paid, is	228
By fire on building, 1; goods, 1,	2
	<hr/>
	230

## IN GORHAM.

*The Maine Mutual Fire Insurance Company.*

[Incorporated February 3d, 1828. Additional act March 4th, 1840.]

CALEB HODSDON, President.

JOHN WATERMAN, Secretary.

It is confined to buildings, &c., in this State.

Amount of its capital or premium notes.—On 17th January, 1848, \$114,000 00.

The amount of premium notes deposited during the year ending on the 16th January, 1850, \$26,575 00.

Amount of premium on said notes, \$752 00.

Amount of risks.—On 16th January, 1850, \$2,225,000.

The number of losses.—From January 3d, 1847, to January 3d, 1849, twenty-six. Between January 3d, 1849 and January 2, 1850, twenty-one.

The amount of losses.—For the year ending January 17th, 1849, three thousand nine hundred and fifty-one. For the year ending the 16th January, 1850, three thousand three hundred and thirty-four.

How the losses have been paid.—By assessments, though the practice is to borrow money to pay them, and then by assessments to cover the whole with interest.

Amount paid by premiums.—During the year ending January 17th, 1849, \$355 44.

Amount paid by assessments.—To January 17, 1849, on assessments made in beginning of 1847, \$1,373.

Expenses of the company, \$725 99.

Expenses of officers.—Treasurer, \$15.

President signing 894 policies, \$8 94. 13 directors for services, committees for insuring, applications, time, travel and expenses in investigating and settling losses, 165 99.

Secretary for 894 policies, 447.

Postages, printing and incidental expenses.

Expenses of agents.—The company pay nothing to agents. The applicants pay them for cash policy, fifty cents.

The number of policies which have been issued since the commencement of business, is 13,311. The number of policies in force on the 16th day of January, 1850, is 3,863; and the number of policies issued during the year, is 894.

The company owes a balance unprovided for, \$2,669 90. It is not due to sufferers by fire. They are paid immediately upon the claims becoming due. And the board of Directors will probably attend to that balance before the expiration of the year.

### IN GORHAM.

#### *The Farmers and Mechanics' Mutual Fire Insurance Company.*

[Incorporated 25th February, 1839.]

DANIEL C. EMERY, President.

JOSIAH PEIRCE, Secretary.

It is confined to buildings, &c., in this State.

Amount of its capital or premium notes.—\$65,571 00.

Amount of risks.—Up to September 18th, 1849, \$1,486,883 00.

The number of losses.—Thirty. From September 18th, 1849, to January 2d, 1850, seven.

The amount of losses.—\$11,100 00. Ascertained losses between September 18th, 1849, and January 2d, 1850, about \$500 00.

How the losses have been paid.—Altogether by assessments.

Amount paid by premiums.—Nothing. Percentage on premium notes received in money, \$118 38.

Amount paid by assessments.—Deducting 6 per cent. after collecting the sum assessed, leaves \$10,528 00 as paid by assessments. Partially paid, \$4,866 50.

Expenses of the company.—\$99 80. Between September 18th, 1849, and January 2d, 1850, \$266 00.

Expenses of officers.—\$116 00.

Expenses of agents.—For collecting assessments, \$150 00.

The company do not now take risks on stores of goods, nor manufacturing establishments, nor mills, nor do they insure hay or grain—confine themselves principally to dwelling-houses and barns—do insure some mechanics' shops.

The President has no salary, but is paid two cents for signing each policy.

The Secretary has fifty cents for each policy. He finds office and ordinary stationery. Between Sept. 18th, 1849 and January 2d, 1850, his fees for making policies were forty-six dollars.

For Treasurer, in that period, per centage on deposit, nothing.

The incidental expenses of the company for making sixth assessment and postages, seventy dollars.

The rate of insurance is not to be lower than four, nor higher than fifteen per cent.

◆

### IN HALLOWELL.

#### *The General Mutual Fire Insurance Company.*

[Incorporated March 9th, 1836.]

BENJAMIN WALES, President.

HENRY KNOX BAKER, Secretary and Treasurer.

The company was organized April 27th, 1836; and is confined to insurance on buildings, &c., in this State.

Amount of its capital or premium notes.—On 21st day of March, 1849, \$25,953 05.

Amount of risks.—On the 31st of December, 1849, \$379,950.

The number of losses.—Up to 21st March, 1849, for one year, one; whole number of losses, to 12th January, 1850, fourteen.

The amount of losses.—\$2,784.

How the losses have been paid.—By cash from funds on hand.

Amount paid by premiums.—\$2,769.

Amount paid by assessments.—Nothing.—No assessments have been made.

Expenses of the company.—Ending 21st March, 1849, \$136 41.

Expenses of officers.—Ending 21st March, 1849, \$109 37.

Expenses of agents.—Ending 21st March, 1849, \$27 04.

The amount of cash on hand, on the 31st December, 1849, was \$2,825; subject, however, to some claims for balances on policies not renewed, which may amount to \$100.

The Secretary is paid 50 cents on every effective policy, for all services as Secretary and Treasurer.

The Directors have nothing, except in settling losses, when they are usually allowed from 1,50 to \$2,00 per day.

There are five agents, who are allowed for receiving applications for insurance under \$1,000, fifty cents; if over \$1,000, one dollar. And they are paid, also, for renewals, depending on circumstances, sometimes twenty-five cents, sometimes fifty cents.

There are twelve Directors. Seven in Hallowell, one in Augusta, one in Gardiner, one in Bath, one in Belfast, one in Winthrop.

The practice is to insure for two years.

They have issued 2,202 policies up to 12th January, 1850.

They have published no statement under the law of 1846.

### IN MONMOUTH.

*The Monmouth Mutual Fire Insurance Company.*

[Incorporated March 18, 1836.]

WASHINGTON WILCOX, President.

JONATHAN M. HEATH, Secretary.

CHARLES T. FOX, Treasurer.

It is confined to insurance on buildings, &c., in this State.

Amount of capital or premium notes.—Now in treasury, \$331,889 45.

Funds arising from premiums on the business of the company paid in, \$3,291 52.

Amount of risks.—About \$8,290,000.

The number of losses.—The year the ending December 19th, 1849, forty-one.

The amount of losses.—The year ending December 19th, 1849, \$10,303 91.

How the losses have been paid.—By premium notes as far as it could be done, first paying other incidental expenses of the company, and by loans.

Amount paid by premiums.—\$12,441 64.

Amount paid by assessments.—\$12,422 63.

Expenses of the company.—Up to December 19th, 1849, the annual meeting, \$316 19.

Expenses of officers.—To President,	187 44
To Secretary,	418 22
To Treasurer,	94 00

Expenses of agents.—There are about sixty agents. Expense to agents four per cent. for collecting third assessment, and to Secretary, in September, 1849, \$335 28.

The President has one dollar per day, and eight cents travel.

The Treasurer has one per cent. on receipts and disbursements.



The Secretary is entitled to eleven cents for each policy issued and recorded. His stationery and books are furnished to him, but he finds his own fuel and office.

By the by-laws, each policy shall issue for four years, but not to a greater amount than three per cent. upon the whole amount insured by the company, in any one policy; and if the loss do not amount to four per cent. upon the amount insured, the insured has no claim upon the company.

Since going into operation, the company has issued 23,074 policies.

Number of policies now in force, 13,002.

They do not insure stores nor merchandize in them; nor tanneries, blacksmiths, joiners, coopers, or any other hazardous shops.

The business in this office is quite extensive and conducted with distinguished ability.

### IN PARSONSFIELD.

#### *The Parsonsfield Mutual Fire Insurance Company.*

[Incorporated March 23d, 1843.]

GILMAN L. BENNET, President.

RUFUS McINTIRE, Secretary.

JOHN P. BENNET, Treasurer.

It is not confined to this State.

Amount of its capital or premium notes.—12th June,  
1849,

9,799 89

Three per cent. paid when taken,

394 00

---

9,405 89

Assessment on these securities, since cancelled,

819 10

Due,

\$8,586 79

Amount of risks.—On 12th June, 1849, \$235,735.

The number of losses.—Four.

The amount of losses.—In seven years, \$799.

How the losses have been paid.—By money paid for the purpose.

Amount paid by premiums.—\$64.

Amount paid by assessments.—\$819 10.

Expenses of the company.—\$76 30.

Expenses of officers.—\$57 55.

Expenses of agents.—\$18 75.

The whole number of policies executed and recorded from the commencement of business is 564.

The company make no insurance on personal property above \$300, and that in the building insured. They do not insure mills, nor manufactories, nor school-houses, nor stores, nor goods in them.

As to the condition of the company, on the 12th of June, 1849.—

The account stated the amount in treasury,	85 97
Expenses paid,	76 30
	<hr/>
Balance in treasury,	\$9 67



### IN PORTLAND.

#### *The Portland Mutual Fire Insurance Company.*

[Incorporated February 21st, 1828. Additional act, January 28th, 1829.

Additional act, January 21st, 1834.]

THOMAS CHADWICK, President.

RUFUS EMERSON, Secretary.

It is confined to insurance on buildings, &c., in this State.

Amount of its capital or premium notes.—\$53,266 31.

Bank stock,	5,030 96
Shares in A. & St. L. Railroad,	10,000 00
Deposited notes,	23,541 45
Notes,	14,693 90
	<hr/>
	\$53,266 31

The amount of risks.—From the beginning, the risks have been \$12,104,901. From last year to 1st October, 1849, \$784,715.

The number of losses.—Seven, for the last year.

The amount of losses.—\$9,483 53. Two losses, \$1,563 90 in last year.

How the losses have been paid.—From the funds.

Amount paid by premiums.—\$4,852 39. From September 30th, 1848, to September 30th, 1849, \$1,474 06.

Amount paid by assessments.—Nothing.

Expenses of the company.—\$683 40 for the year.

Expenses of officers.—\$375 for the year.

Expenses of agents.—Nothing. The company has none other than Secretary and President.

The whole amount of premium received, to the 30th of September, 1849, is \$31,778 49. The whole profit and loss, to September 30th, 1849, is \$9,483 53. The amount of interest to that date received is \$17,476 17.

The whole number of policies issued is 11,380.

For the original policy, one dollar each is charged; nothing is charged to the insured for renewal of the policy; but it must be renewed annually. The company renewed 764 policies to Sept. 30th, 1849, and issued 41 new policies in the year then ending—in all, 805 policies. They have eight volumes of records.

The amount of interest which the company has received to 30th September, 1849 is \$17,476 17.

We regard this as one of the most fortunate and best managed offices which we have visited.

They take no mills, stores, or hazardous risks, and confine themselves to the insurance of dwelling-houses only.

## IN SACO.

### *The Mutual Fire Insurance Company.*

[Incorporated February 23d, 1827.]

JOSIAH CALEF, President.

JOHN SKEELE, Secretary and Treasurer.

It is not confined to this State.

Amount of its capital or premium notes.—On the 8th of May, 1849.  
\$9,837 13.

Amount of risks.—On 8th of May, 1849, \$390,038 58.

The number of losses.—Two.

The amount of losses.—\$278 28.

How the losses have been paid.—In money.

Amount paid by premiums.—For the year ending May 8th, 1849, \$849 00. For policies and indorsements, \$49.

Amount paid by assessments.—Never has been but one, in 1843. The amount then, was \$1,700 24. Nearly all collected.

Expenses of the company.—For one year back, from May 8th, 1849, \$244 92.

Expenses of officers.—\$179 50.

President,	30 00
Secretary and Treasurer,	100 00
Directors,	49 50
	<hr/>
	\$179 50

Expenses of agents.—\$20 27. Agents have fifty cents on each policy.

On the 3d of January, 1850, cash in hands of Treasurer, \$53. Amount of bank stock, \$1,298. This is exclusive of four shares in the City Bank, Portland.

The number of policies now in force is 580.

## IN SKOWHEGAN.

*The Somerset Mutual Fire Insurance Company.*

[Incorporated April 1st, 1836.]

EBENEZER H. NEIL, President.

JAMES DINSMORE, Secretary and Treasurer.

Number of policies issued, up to the 10th day January, 1850, 2,701.

It is confined to insurance on buildings, &c., in this State.

Amount of its capital or premium notes.—\$31,462 00.

Amount of risks.—\$548,553.

The number of losses.—Forty-six.

The amount of losses—\$6,895 16.

How the losses have been paid.—By seven assessments.

Amount paid by premiums.—By report, on 1st May, 1849, for the year, \$368 81.

Amount paid by assessments.—No. 7, \$7,002 44.

Expenses of the company.—In thirteen years, \$2,816 71.

## INSURANCE COMPANIES.

27

Expenses of officers.—Directors' bills,	14 25
Treasurer's per cent.,	10 00
No regular salary to Secretary and Treasurer ; but to be paid for services, examined and allowed by Directors.	
Treasurer's services,	43 36
Secretary, superintending the whole concern,	119 25
Printing,	13 00
Nine agents,	72 25
Seal and blanks,	13 58
Postage, &c.,	6 50
	\$292 19

Expenses of agents.—There are six agents. \$72 25.

The company insures for from one to six years ; but does not insure mills, nor stores, nor stores of goods, nor blacksmiths shops, nor manufactories, nor tanneries.

The Secretary is to be paid fifty cents for each policy, agreeably to the by-laws ; but insurance is not to be made to a greater amount than \$3,000 on any one risk ; and not more than half of the value of any building or furniture, and as much less as the insured may choose.

Four per cent. is to be paid in cash.

There are four classes of risks. First class, five per cent. Second class, six per cent. Third class, seven per cent. Fourth class, as taverns, ten per cent.

## IN THOMASTON.

*The Thomaston Mutual Fire Insurance Company.*

[Incorporated February 23d, 1828.]

EDWARD ROBINSON, President.

WILLIAM R. KEITH, Secretary.

JOHN D. BARNARD, Treasurer.

It is confined to insurance on buildings, &c., in this State.

Amount of its capital or premium notes.—Oct. 22d, 1849,	77,749	13
Add to January, 1850,	6,957	68
	<hr/>	
	\$84,706	81
Amount of risks.—October 22d, 1849,	2,667,245	75
Add to January 15, 1850,	221,760	00
	<hr/>	
	\$2,889,005	75
The number of losses.—Fifty-six, up to January 15th, 1850.		
The amount of losses.—\$11,964 33.		
How the losses have been paid.—Money is hired to pay the losses.		
Amount paid by premiums.—Twelfth assessment, \$10,630 16; which was intended to cover losses, \$9,333 71, up to 9th October, 1848, interest and expenses.		
Expenses of the company.—\$971 82.		
Expenses of officers.—President,	100	00
Secretary, paying an assistant,	500	00
Treasurer,	125	00
Six Directors,	88	00
Expenses of agents.—There are eighty-one agents who are paid by applicants for insurance.		
The resources of the company on 15th January, 1850,	8,810	31
The liabilities,	8,493	00
	<hr/>	
Balance in favor of the company,	\$317	31
There were sixteen losses between the 9th day of October, 1848 and the 15th day of January, 1850, amounting to \$2,630 62.		
The office expenses for 1849.—Stationery, printing, fuel, &c.	78	33
Office rent,	40	00
Postage,	40	49
Directors have one dollar each, each meeting, and meet monthly.		
The Secretary reports to them the doings of the month.		
The agents are paid a policy fee of fifty cents by the applicants. If employed to settle losses they are paid two dollars a day, and their expenses.		
The company has twenty volumes of policy records; five policy abstracts; two directors' records; two volumes of reports to directors; one letter book.		
The amount of capital or premium notes, for one month, December, 1840, \$2,489 64. Ten per cent. of this amount is \$249 01.		

The lowest rate of insurance is two and a half per cent. for four years. The highest rate is four per cent.

The risks generally taken are on houses, furniture, barns, and libraries; but do not take stores of goods, mills, factories, tanneries, shops of cabinet makers, joiners, blacksmiths, or coopers; nor buildings used for making or storage of combustible liquids, nor stores used for retailing intoxicating liquors.

IN WELLS.

*The Wells Mutual Fire Insurance Company.*

[Incorporated February 16th, 1836.]

JOSHUA C. LITTLEFIELD, President.

THEODORE WELLS, Secretary.

JOHN STAPLES, JR., Treasurer.

Amount of its capital or premium notes.—\$12,902 52.

Amount of risks.—\$218,695 51.

The number of losses.—6.

The amount of losses.—\$2,406 32.

How the losses have been paid.—By six assessments.

Amount paid by premiums.—One per cent. on premium notes.

Amount paid by assessments.—Nothing this year—no losses in this year.

Expenses of the company.—Eighty-two dollars.

Expenses of officers.—Directors have each for yearly service, \$2 50.

There are five Directors. Making assessments and attending to special business.

President has five cents for each policy examined and signed. Attending meetings same as other Directors.

Treasurer has \$2 50.

Paid per last assessment, \$6.

Secretary has three-fourths per cent. for each policy recorded.

Expenses of agents.—There is but one agent—he has thirty-four cents for each premium note taken and for each policy returned to the insured.

Six policies have been issued since 2d Monday of December, 1849, and seventy-four had previously been issued in the year before the 3d day of January, 1850.

One per cent. is paid on premium note, and there were 473 premium notes in existence then. The policies are drawn insuring the property during the term of seven years. The right to make insurance not exceeding that term, against loss or damage by fire, is confined to dwelling-houses, stores, shops and other buildings, household furniture and merchandize, in this State.

### IN WOOLWICH.

*The Wiscasset and Woolwich Mutual Fire Insurance Company.*

[Incorporated 4th March, 1839.]

NATH'L G. GOULD, President.

JOHN M. BAILEY, JR., Secretary.

DAVID BAILEY, Treasurer.

Amount of its capital or premium notes.—\$2,992 95.

Amount of risks.—\$99,765.

The number of losses.—Four.

The amount of losses.—1,150.

How the losses have been paid.—By four assessments.

Amount paid by premiums.—Not communicated. Take 3 per cent. on premium notes.

Amount paid by assessments.—\$1,150.

Expenses of the company.—Last year, \$15.

Expenses of officers.—Including Secretary and stationery the last year, \$15.

Expenses of agents.—Have fifty cents for assessments from the insured.

The last annual meeting was on the 2d Tuesday of June, 1849, when there were 190 policies in force—now 196. The Treasurer is allowed five per cent. commission for collecting. The Secretary's fees for policy and recording, is thirty cents. Annual meeting 11th of June, 1849. It is confined to making insurance on buildings in this State.

The charter authorizes the company to insure for any term of time from one to ten years.



As to foreign mutual fire insurance companies, doing business in this state, but one had filed a report of their doings in the office of the secretary of state in the past year. The report filed is from the president of the Portsmouth Mutual Fire Insurance Company, duly verified by his signature and oath, on the nineteenth day of December, eighteen hundred and forty-nine.

We subjoin the result of the information therein communicated :

Amount of its capital or premium notes.—\$177,580 27.

Amount of risks.—\$1,925,379.

The number of losses.—Twenty-two.

The amount of losses.—\$13,873 92.

How the losses have been paid.—In cash.

Amount paid by premium.—\$746 68.

Amount paid by assessments.—\$12,969 35.

Expenses of company.—Nothing is said about those expenses.

Expenses of officers.—The Directors residing in Portsmouth receive \$250 ; Secretary and Treasurer, \$600.

Expenses of agents.—There are eleven agents in Maine. The agents have fifty cents for each application approved, and five per cent. commission on assessments collected by them.

We desire a more full report than that so filed, and have requested of the agent resident in this state, information of the names of those individuals in the State of Maine, and their places of residence, who have sustained losses by fire within the last year, insured by the Portsmouth Mutual Fire Insurance Company, and the amount of losses paid to each person in this state insured by said company, and when each loss was so paid. Also, what were the expenses of the company the last year ending on the first day of September, eighteen hundred and forty-nine ; the amount of agents' expenses in the State of Maine, for that year in separate items ; how much for policies issued ; and how much for collections of assessments ; and the amount of premium advanced by persons in Maine insured in said company, and the amount of premium notes given by such persons so insured.

In a book printed in London, called the British Almanack and

Companion, containing in all three hundred and sixty pages, for eighteen hundred and fifty, it is stated that in this year "there are twenty-four fire insurance companies, which paid duty for the year eighteen hundred and forty-eight, £740,739 sterling; and the amount of farming stock insured, exempted from duty, in eighteen hundred and forty-eight, was £35,911,860 sterling.

"There were twenty-four more country offices paying duty for the year eighteen hundred and forty-eight, of £265,790 sterling, and the amount of farming stock insured, exempt from duty, in eighteen and forty-eight, was £22,962,035 sterling.

"There were ten Scotch offices, two Irish offices and various English or Scotch offices which have branches or agents in Ireland. The duty paid by Scotch and Irish offices for the year eighteen hundred and forty-eight, was £114,703 sterling, and the amount of farming stock insured, exempt from duty, in eighteen hundred and forty-eight, in those offices, was £4,720,987 sterling.

"It is also noted that many of the country insurance companies have offices in London also.

"There are nine life assurance companies, in which the assured do not participate in the profits, and twenty-one companies in which the assured and the proprietary participate in the profits, and seventy-two companies, in which participation or non-participation in the profits is optional with the insured; and twenty-two companies in which there is no proprietary, and where the contributors are consequently mutual assurers. In four of these companies, to wit:—Great Britain Mutual and India and London, London Life Association, and Metropolitan, and Scottish Equitable. The mutual assurers also assure other parties who do not participate in the profits."

The duty paid by some of the London insurance companies for the year 1848.—Atlas office, £32,834, having an amount of farming stock insured exempt from duty in 1848, £1,006,095.

Country office.—Duty—£50,350. Insured—£7,265,832.

Hand in hand office.—Duty—£9,665. Insured—£18,800.

*In Country Insurance Offices.*Duty paid for the  
year 1848.

£11,820	in Birmingham office, having	£667,576
12,315	in Liverpool office, having	64,980
72,045	in Norwich Union office, having	9,785,654

Am't of farming stock  
insured exempt from  
duty in the year 1848.*In Scotch Offices.*

4,153	in Aberdeen office, having	374,377
15,374	in North British office, having	759,670

*In Irish Offices.*

4,005	in Patriotic office, having	37,150
-------	-----------------------------	--------

From all this, it is apparent that a vast revenue is derived from the duties paid in these twenty-four London fire insurance companies, to the amount of \$3,555,547 20, and that the amount of farming stock insured exempt from duty in 1848, in those offices, amounted to \$172,376,848, estimating the pound sterling to be equal to four dollars and eighty cents.

As to whatever is said in commendation of this new law, and in regard to benefits, which may be hoped to result from the enactment of the law, there is not a unanimity in our opinion.

But we have supposed it best to exhibit the story of our doings, with such suggestions as either of us might entertain, in the conviction that, however erroneous the conceptions of either us may be, they will do the State no injury, subject as they are, to the severe scrutiny of the legislature.

All which is respectfully submitted.

ALPHEUS LYON,  
NICHOLAS EMERY.

APRIL 25, 1850.