

# MAINE STATE LEGISLATURE

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DOCUMENTS

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THE LEGISLATURE

OF THE

STATE OF MAINE,

DURING ITS SESSION

A. D. 1853.

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**Augusta:**  
WILLIAM T. JOHNSON, PRINTER TO THE STATE.

1853.

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# THIRTY-SECOND LEGISLATURE.

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HOUSE.]

[No. 5.

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## STATE OF MAINE.

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IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED AND  
FIFTY-THREE.

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AN ACT in relation to Foreign Insurance Companies.

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*Be it enacted by the Senate and House of Representatives in Legislature assembled, as follows:*

SECTION 1. No insurance company organized under the laws of, or charters granted by any other state or kingdom, shall be permitted to have or employ any agents or persons in this state, to negotiate for them the business of granting policies of insurance, or of receiving for such companies applications for such policies, except in the manner hereinafter provided in this act.

SECT. 2. Every such company, desirous of transacting such business in this state, shall deposit with

3 the treasurer of this state certified copies of its  
4 charter and by-laws, and shall also deposit with the  
5 treasurer of this state the sum of twenty thousand  
6 dollars, in cash, or in stocks of banks, states, towns,  
7 or cities, known and certified by the said treasurer to  
8 be fully worth its full par value, or stocks of this  
9 state, or of the United States; and the said stocks  
10 shall be transferred and assigned to the treasurer as  
11 to authorize him to receive the dividends on the  
12 same, and to sell and transfer the same.

SECT. 3. Any such insurance company, having com-  
2 plied with the conditions required by this act, of  
3 which the certificate of the treasurer shall be evi-  
4 dence, may keep offices for the transaction of the  
5 business of insurance, and employ agents in this state  
6 for that purpose, and may issue policies of insurance  
7 to inhabitants of this state; and if any loss is  
8 sustained which is covered in whole or in part by any  
9 such policy, and the sum so insured is not paid within  
10 the time set forth in such policy, the party so insured  
11 may commence an action in any court proper to try  
12 the same, in the county in which he resides, and the  
13 writ shall be served on the said treasurer, and such  
14 other and further service made thereon as any judge

15 or justice of such court may by his order endorsed  
16 thereon direct; and if the judgment recovered in  
17 such action shall not be paid within thirty days after  
18 execution issued thereon shall be placed in the hands  
19 of the proper officer for collection, the officer may  
20 make return of that fact upon the said execution, and  
21 may present the same to the said treasurer, and the  
22 said treasurer shall thereupon cause the said execu-  
23 tion, with the said officer's fees for his travel and  
24 other services, as allowed in the acts regulating offi-  
25 cers' fees, to be paid out of any moneys in his hands,  
26 as aforesaid, for that purpose, and by a sale of so  
27 much of the stocks deposited, as aforesaid, by said  
28 company, as may be required to pay the same; and  
29 the treasurer shall forthwith notify the said company,  
30 or any of its agents known to him in this state, of the  
31 sums by him so paid, and of the stocks by him so  
32 sold, and in his said notice shall require the said com-  
33 pany, within such reasonable time as he shall appoint,  
34 to replace the money so made, on the stocks so sold,  
35 so as to keep the principal sum of twenty thousand  
36 dollars deposited by such company always good.

SECT. 4. The treasurer shall receive the dividends  
2 on said stocks, and pay them over to the said com-

panies ; but after any writ shall be served upon him as aforesaid, he shall pay over no dividends or other funds in his hands, to such company, until satisfactory evidence is produced to him showing that the same will not be required to pay such execution ; and at any time when the said treasurer shall be of opinion that the funds so deposited by any company, are not worth the full sum of twenty thousand dollars, he may require the sum to be made good at such time as he may appoint ; and any company failing to comply with such requirement, to the satisfaction of the treasurer, shall cease to have any benefit or protection of this act.

SECT. 5. Any insurance company which shall issue any policy, under the provisions of this act, shall be deemed and taken to have waived any clause or provision in its charter, or by-laws, so far as such policy is concerned, which is inconsistent with the provisions of this act.

SECT. 6. Any person who shall act as the agent of any such company, in the transaction of any business in the manner forbidden by this act, shall be punished for the same by indictment of the grand jury of the county in which the offence was committed ; and on

6 conviction, shall be sentenced to pay a fine not exceed-  
7 ing five hundred dollars, to the use of such county,  
8 or to imprisonment not exceeding six months in the  
9 county jail.

SECT. 7. Whenever any such company shall close its  
2 business in this state, and produce to the treasurer  
3 satisfactory evidence that the funds so deposited will  
4 not be required under this act to pay any such execu-  
5 tion, he may pay and transfer the same to the said  
6 company. The remedy provided for the insured, by  
7 this act, shall not in any way abridge the rights they  
8 would have against such companies, to any other  
9 remedies at law, but shall be considered to be a rem-  
10 edy additional to all other remedies.

SECT. 8. This act shall operate only on foreign  
2 insurance companies having officers, agents or per-  
3 sons transacting business for them, in issuing or re-  
4 ceiving applications for policies or otherwise in this  
5 state, but is not in any way to prohibit citizens of this  
6 state from negotiating for policies of insurance for  
7 themselves, in any foreign offices in any other way  
8 than by or through such officers, agents or persons.

SECT. 9. All acts done by such agents, and repre-  
2 sentations made by such agents, in the transaction of

3 the business of their principals, shall be binding upon  
4 such principals in the same manner as if done or  
5 made by said principals.

SECT. 10. This act shall take effect on the first  
2 day of June, 1853.



## STATE OF MAINE.

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HOUSE OF REPRESENTATIVES, }  
February 4, 1853. }

ORDERED, That 350 copies of the foregoing Bill, reported by the Committee on Mercantile Affairs and Insurance, be printed for the use of the Legislature.

A. B. FARWELL, *Clerk.*