

# 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. 9.

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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 to incorporate the Maine Insurance Company.

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

SECTION 1. Rufus K. Page, Amos M. Roberts,  
2 Charles Q. Clapp, Freeman H. Morse, Franklin  
3 Smith, E. Wilder Farley, James R. Bachelder,  
4 George W. Morton, Samuel Cony, John Dorr, Hast-  
5 ings Strickland, Charles Cooper, George F. Shepley,  
6 Edward Fox, Benjamin Kingsbury, jr., James T.  
7 McCobb, Darius Alden, James L. Child, Lot M.  
8 Morrill and Joseph H. Williams, with such other per-  
9 sons as may hereafter be duly associated with them,  
10 their successors and assigns forever, are hereby con-

11 stituted a body politic and corporate by the name of  
12 The Maine Insurance Company, for the purpose of  
13 making contracts of indemnity for loss and damage  
14 by fire, and by the perils of the sea, and issuing pol-  
15 icies of insurance against such loss and damage in all  
16 their various forms ; and they are hereby empowered  
17 by that name to sue and be sued, to plead and be  
18 impleaded in all courts of law and equity ; to adopt  
19 and use a common seal and to change the same at  
20 pleasure ; and to purchase, receive, hold, possess and  
21 enjoy, to themselves and their successors, lands, ten-  
22 ements and hereditaments, goods, chattels, stocks,  
23 choses in action, and real and personal property of  
24 any description, necessary in transacting the business  
25 of insurance ; and to sell, convey, grant, aliene, and  
26 dispose of the same.

SECT. 2. The capital stock of the said company  
2 shall not be less than two hundred thousand dollars,  
3 and may be any time hereafter increased by the said  
4 company to any sum not exceeding five hundred  
5 thousand dollars, and shall be divided into shares of  
6 one hundred dollars each ; and each subscriber to the  
7 said capital stock shall pay into the treasury of the  
8 said company, at the time of subscribing, an instal-

9 ment of ten dollars on each share by him subscribed,  
10 and at or before the organization of the said com-  
11 pany, a further instalment of fifteen dollars on each  
12 share by him subscribed; and at the time of paying  
13 the second instalment aforesaid, he shall secure the  
14 payment of the remaining seventy-five dollars of each  
15 share by him subscribed by his promissory note, which  
16 shall in all cases be made payable to the said com-  
17 pany on demand of the directors thereof, in such  
18 instalments as the said directors may at any time  
19 order; *provided*, that no share of stock shall ever be  
20 assessed to a greater amount in the whole than one  
21 hundred dollars, including the two instalments herein  
22 before mentioned; and the said note shall at the  
23 same time be made available for the uses of the said  
24 company by a deposit with the directors thereof, in  
25 pledge, and to their satisfaction, of at least an equal  
26 amount in marketable value, of the public stocks of  
27 the United States, or of any of the states thereof, ex-  
28 cepting the state of Mississippi, or of the stock of  
29 any bank in this state, or of the script of any city  
30 hitherto chartered in any of the New England States;  
31 and the said pledge shall be held by the said company

32 as collateral to said note or notes, with a right in the  
33 said directors to sell the same or any portion thereof  
34 and collect therefrom, in such manner as the by-laws  
35 may direct, the amount of any instalment duly laid  
36 upon said note or notes, whenever said instalment  
37 shall not be promptly paid as called for. And when-  
38 ever the said directors shall call for any portion of  
39 said notes, they shall fix the time and place for the  
40 payment of the same, and give newspaper notice of  
41 the call thirty days before the day of payment. But  
42 the said directors shall at no time retain in pledge  
43 from any stockholder a greater amount of security as  
44 aforesaid than shall be sufficient to insure the pay-  
45 ment of the sum to which his note or notes may be  
46 liable to call; and each stockholder, not delinquent  
47 for any instalment, shall be entitled to receive and  
48 enjoy the income that may accrue on any stocks  
49 pledged by him as aforesaid. Any stockholder who  
50 shall have actually in cash paid in the whole amount  
51 of the stock for which he shall have subscribed, shall  
52 not be liable in his private capacity for any debt or  
53 liability of said company, provided the amount paid  
54 by all of the stockholders shall have been actually paid

55 out to meet liabilities of said company, in payment  
56 of losses to parties insured by said company, and in-  
57 cidental expenses of the company.

SEC.T 3. The affairs of the said company shall be  
2 managed and governed by a board of not less than,  
3 seven nor more than ten directors, who shall be  
4 chosen by ballot from among and by the stockhold-  
5 ers ; and after the organization of the said company,  
6 an election of directors shall be held annually in the  
7 month of January, on such day and in such place as  
8 the directors shall appoint ; of which time and place  
9 the said directors shall give newspaper notice at least  
10 ten days before the day of meeting ; and the directors  
11 so chosen shall hold their office for the term of one  
12 year and until others are chosen and accept in their  
13 stead. And at any elections of directors each stock-  
14 holder may vote by proxy, and in all cases he shall be  
15 allowed one vote for every share of stock by him  
16 held.

SECT. 4. The directors of the said company shall  
2 determine how many of their number may constitute  
3 a quorum for the transaction of business ; and may  
4 fill any vacancy in their board which may occur be-  
5 tween the annual meetings of the said company, by

6 choosing a director or directors from among the  
7 stockholders, who shall continue in office until the  
8 next annual meeting, and until others shall be chosen  
9 by the company, and accept, in their place. The  
10 directors shall elect from their own body a president,  
11 who shall also be president of the company, and in  
12 his absence they may likewise elect a president *pro*  
13 *tem.*; and they shall have power to call for such  
14 instalments of the capital stock, in cash, as they may  
15 deem needful; and to make such by-laws and pre-  
16 scribe such rules and articles, not inconsistent with  
17 the laws of this state, as they shall consider desirable  
18 and proper for the management and conduct of the  
19 affairs of the said company; for the disposition of its  
20 property, estate and effects; the transfer of shares  
21 therein; and the transaction of all such matters and  
22 things as appertain to the business of insurance and  
23 the concerns of the said company; as well as for defin-  
24 ing the powers and duties of the several officers, clerks  
25 and agents of said company. And the said directors  
26 shall have power to establish such agencies in this  
27 state, and other states and provinces, and appoint  
28 such secretaries, clerks and agents, and other officers  
29 as they may deem necessary and convenient, and



30 with such reasonable compensation for services as  
31 shall seem to them meet; and to make such cov-  
32 enants and agreements as they shall judge to be  
33 expedient for the efficient and profitable ordering of  
34 the business confided to their charge by the terms of  
35 this act; and to negotiate any loans which they may  
36 deem advantageous for the payment of losses, by  
37 pledge of the company's securities, or otherwise.

SECT. 5. The said company may insure property  
2 of every description, both real and personal, to an  
3 amount not exceeding in any one risk *ten per centum*  
4 of its capital stock, against loss and damage by fire,  
5 and against loss and damage incident to ocean and  
6 inland navigation, at such rates of premium as the  
7 directors shall determine; and may issue policies  
8 stipulated to be with or without participation of profits  
9 on the part of the insured; and shall be liable to  
10 indemnify the parties insured by them for all losses  
11 sustained in the property so insured, by reason of fire  
12 or other cause insured against, in accordance with  
13 the terms of the contract of insurance, and with the  
14 form of the policies agreed upon by the directors.  
15 And said policies and all other contracts of said

16 company may be made with or without the common  
17 seal of said company, and shall be signed by the presi-  
18 dent and countersigned by the secretary thereof—and  
19 being so signed and executed shall be binding on said  
20 company. And whenever the property insured by  
21 any policy, together with such policy, shall be as-  
22 signed to any person by the party insured, such  
23 assignment shall be good and effectual to secure the  
24 benefit of the insurance to the assignee; *provided*  
25 that the said assignment be made before the occur-  
26 rence of a loss, and be completed by the assent of the  
27 said company thereto, attested according to the rules  
28 and conditions of insurance prescribed by the direct-  
29 ors of said company.

SECT. 6. The shares in the capital stock of said  
2 company shall be transferable according to the pro-  
3 visions of the by-laws, and every subscriber to the  
4 said capital stock who shall neglect to pay the instal-  
5 ments aforesaid, or to secure in the manner heretofore  
6 prescribed the amount for which he shall give his note  
7 as aforesaid, shall forfeit to the said company his  
8 share or shares, and all payments made, and profits  
9 accrued, thereon; and the said shares shall be can-

10 celled, and new ones issued in their stead, to such  
11 persons as may be found to take them on the terms  
12 herein imposed on original subscribers.

SECT. 7. Samuel Cony, Marshall S. Hagar and  
2 Joseph H. Williams, are hereby appointed commis-  
3 sioners for the purpose of receiving subscriptions to  
4 the said capital stock, and they or a majority of them  
5 are authorized to receive such subscriptions at such  
6 times and places, as they may agree upon, of which  
7 they shall give such notice as they may deem suitable.  
8 And whenever the amount of two hundred thousand  
9 dollars shall be subscribed to the said capital stock,  
10 the said commissioners, or a majority of them, are  
11 hereby further authorized to call a meeting of the  
12 subscribers to the said capital stock, for the choice of  
13 directors and the organization of the said company,  
14 to be holden at such time and place as they may ap-  
15 point; of which newspaper notice shall be given ten  
16 days at least prior to the day of said meeting. *Pro-*  
17 *vided, however,* that no policy of insurance shall be  
18 issued by the said company until its capital stock as  
19 aforesaid shall be paid in and secured according to  
20 the provisions of this act.

SECT. 8. All the newspaper notices required by  
2 any of the provisions of this charter shall be published  
3 in some paper issued in each of the cities of Augusta,  
4 Bangor and Portland ; but the principal office of said  
5 company shall be established at Augusta.

STATE OF MAINE.

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HOUSE OF REPRESENTATIVES, }  
Feb. 9, 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.*