

MAINE STATE LEGISLATURE

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DOCUMENTS

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THE LEGISLATURE

OF THE

STATE OF MAINE.

DURING ITS SESSION

A. D. 1855.

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1855.

THIRTY-FOURTH LEGISLATURE.

SENATE.

NO. 14.

STATE OF MAINE.

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

AN ACT in addition to Chapter seventy-nine of the
Revised Statutes.

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

SECTION 1. No person hereafter shall be allowed
2 to act as agent of any insurance company not incor-
3 porated in this State, until such company and such
4 agent shall have complied with all the requirements
5 of this act, relating to such companies and their
6 agents.

SECT. 2. Every person acting for an insurance
2 company not incorporated in this State, shall have
3 printed in large type, the name of the State under
4 whose authority the company he represents has been
5 incorporated, upon all policies issued to citizens of

6 this State; on all cards, placards, and pamphlets, and
7 in all advertisements, published, issued or circulated
8 in this State, by them or him, relating to the business
9 of such company.

SECT. 3. No foreign stock insurance company, by
2 their agent in this State, shall insure property in this
3 State, or contract for such insurance with any residents
4 in this State, unless the company has a capital stock
5 of one hundred thousand dollars, all of which sum
6 shall have been paid in and invested agreeably to the
7 laws of the State by which it has been incorporated
8 or authorized to act, exclusive of the stockholders'
9 obligations of any description, and the debts of the
10 company, nor unless the company is restricted by its
11 charter or otherwise, from incurring any greater hazard,
12 in one risk, than one-tenth of its capital, nor unless
13 the company shall have complied with all the pro-
14 visions of this act, which are applicable thereto.

SECT. 4. Every foreign insurance company shall,
2 in writing, appoint a citizen of this State, resident
3 therein, a general agent, with instructions to accept
4 service of all lawful processes against the company, in
5 like manner as if the company had existed and been

6 duly served with process in this State. And a copy
7 of the writing, duly certified and authenticated, shall
8 be filed in the office of the Secretary of this State, and
9 copies certified by the said Secretary, shall be evidence
10 in the courts of this State. This agency shall be
11 continued while any liability remains outstanding
12 against the company, in this State; and the power
13 shall not be revoked until the same power is given to
14 another, and a copy thereof filed as aforesaid. And
15 service upon such agent shall be deemed sufficient
16 service upon the principal.

SECT. 5. The general agent shall, before any insur-
2 ance is made by the foreign insurance company which
3 he represents, give a bond to the Treasurer of this
4 State, with one or more sureties, to be approved by
5 him, in the sum of three thousand dollars, with con-
6 ditions that he will accept service of all lawful
7 processes against the company in the manner provided
8 in the next preceding section of this act, and comply
9 with all the duties imposed upon him by the terms of
10 this act; and every agent of any foreign insurance
11 company doing business in this State, shall, before
12 making any insurance, give a bond to the Treasurer

13 of this State, with one or more sureties, to be approved
14 by him, in the sum of one thousand dollars, with
15 conditions that he will, on or before the fifteenth day
16 of December, in each year, make return on oath to
17 the Treasurer of this State, of the amount insured by
18 him, and the premiums received by him during the
19 year ending on the thirtieth day of the November
20 preceding, and at the same time pay to the treasurer
21 the tax provided in the next section of this act.

SECT. 6. Whenever, by the laws of any other State,
2 any taxes, fines, penalties, deposits of money, or of
3 securities or other obligations, are or shall be imposed
4 upon insurance companies, incorporated or organized
5 under the laws of this State, and transacting business
6 in such other State, or upon the agents of such
7 insurance companies, then, so long as such law or
8 laws shall continue in force, the same taxes, fines,
9 penalties, deposits and obligations shall be imposed
10 upon all insurance companies doing business in this
11 State, which are incorporated or organized under the
12 laws of such other State, and upon their agents.

SECT. 7. The general agent of every foreign insur-
2 ance company shall, before any insurance is made in

3 this State by said company, or any agent thereof,
4 deposit with the Secretary of this State, a copy of the
5 charter of the company, and a statement of its con-
6 dition, in the form appended to this act, signed and
7 sworn to by the president and secretary thereof; and
8 shall, before the fifteenth day of December, annually,
9 transmit a statement as aforesaid, in the form appended
10 to this act, signed and sworn to by the president and
11 secretary thereof, made up to the time of the last
12 annual statement of such company, to the Secretary
13 of this State, and in the month of January annually,
14 shall publish a copy thereof twice in two different
15 newspapers in each county in which the company has
16 established an agency, and in counties in which but
17 one newspaper is published, three successive weeks.

SECT. 8. No foreign insurance company shall here-
2 after be allowed to transact the business of fire
3 insurance in this State, until such company shall give
4 to the Treasurer of this State, and his successors in
5 office, a bond in the penal sum of twenty-five thousand
6 dollars, duly executed by the proper parties to bind
7 such company, with at least three good and sufficient
8 sureties, to be approved by the said Treasurer, who

9 shall be citizens resident in this State, conditioned for
10 the full and faithful performance of all contract of
11 insurance against fire, now or hereafter entered into
12 by such company with citizens of this State ; *provided*
13 *however*, that if such company shall so elect, in lieu of
14 such sureties as aforesaid, the performance of the con-
15 ditions of said bond may be secured by their
16 depositing with said Treasurer, an amount of collate-
17 ral security equal in market value, in his judgment,
18 to the penal sum of said bond, to consist of the public
19 stocks of the United States or of any New England
20 State, or of the bonds or script of any city in this
21 State ; which shall be held by the said Treasurer to
22 meet and satisfy any judgments that may be recovered
23 in any suits upon such bond, in the manner herinafter
24 provided.

SECT. 9. Whenever the conditions of any bond,
2 given under the requirements of the preceding section
3 of this act, shall be broken to the damage of any
4 citizen of this State, such person may at his own
5 expense, commence a suit thereon in the name of the
6 Treasurer of this State and in the county where such
7 person may reside, and prosecute the same to final

8 judgment and execution ; and in such case, the writ
9 shall be indorsed by the name and place of residence
10 of the person for whose benefit the suit may be com-
11 menced, or with the name of his attorney, which
12 indorser shall be alone answerable for all costs that
13 may be recovered by the defendant in said suit. But
14 no such suit shall be instituted on said bond, until the
15 party commencing it shall have recovered a judgment
16 against the Company who may have filed said bond,
17 for the damage complained of and sustained by him ;
18 and such judgment or so much thereof as shall be
19 unsatisfied, with the interest thereon, shall be the
20 amount recoverable in said suit, for which execution
21 shall issue, in favor of the said Treasurer, but for the
22 use of such person or persons as shall have commenced
23 said suit, whose name shall be expressed and set forth
24 therein. *Provided, however,* that if during the pend-
25 ency of such suit any other person shall have a right
26 of action on such bond, he may file an additional
27 declaration in the same action, and have the same
28 rights and remedies in respect to said bond as are
29 provided in the act relating to suits on sheriffs' and
30 Coroners' bonds, approved March fourteenth, eighteen

31 hundred and forty-two, so far as the same are consist-
32 ent with the provisions of this act.

SECT. 10. The Treasurer shall deliver an attested
2 copy of any bond given to him in conformity to the
3 eighth section of this act, to any one applying and
4 paying for it; and such copy shall be received as com-
5 petent evidence in any case relating to the same,
6 unless when the execution of the bond shall be dispu-
7 ted, in which case the Court may require the Treasurer
8 to produce the original bond in Court, for the purposes
9 of such trial; and if in any action on such bond, or
10 in any issue arising on any additional declaration filed
11 therein, judgment shall be rendered in favor of the
12 defendant, it shall be rendered against the party for
13 whose benefit such action was brought or such addi-
14 tional declaration was filed; and execution shall issue
15 thereon accordingly.

SECT. 11. Whenever any execution shall be issued
2 against the defendant in a suit upon any bond secured
3 by stocks, bonds or script, in conformity to the pro-
4 visions of section eighth of this act, it shall be the
5 duty of the Treasurer upon demand of the office hold-
6 ing such execution, to sell at public auction without

7 delay, so much of said collateral securities as shall be
8 sufficient to pay and satisfy said execution and all
9 costs arising therefrom, first giving three weeks notice
10 of the time and place and cause of sale, in the State
11 paper; and to apply the proceeds of such sale to the
12 payment and discharge of such execution. And in
13 all cases where a forfeiture of any bond given to the
14 Treasurer of this State, under the provisions of section
15 eighth of this act, shall have been declared by judg-
16 ment of Court in any suit thereon, it shall be the duty
17 of the company against whom such adverse judgment
18 has been rendered, forthwith to give to the said
19 Treasurer a new bond of the same tenor and amount,
20 and with the like securities as are required by the
21 provisions of section eighth of this act.

SECT. 12. If insurance shall be made hereafter, by
2 a foreign insurance company without complying with
3 all the requirements of this act which are applicable
4 thereto, the contract shall be valid; but the agent
5 making or procuring such insurance shall be punished
6 by fine not exceeding one thousand dollars, or impris-
7 onment not exceeding six months for each offence; to
8 be enforced by indictment or by an action of debt in

9 any court of competent jurisdiction, one half of said
10 fine to accrue to the person who may sue or prosecute
11 therefor, and the other half to the State. And if any
12 such company shall neglect, after the first day of May
13 next, to appoint a general agent, agreeably to the
14 provisions of this act, and to furnish him for publica-
15 tion and for transmission to the Secretary of State, the
16 several statements specified in section seventh of this
17 act, at the times therein required, and to comply with
18 all the other duties imposed on such company by the
19 terms of this act, they shall not recover any premium
20 on any contract of insurance with a citizen of this
21 State, or any moneys in the hands of persons acting
22 as their agents in this State, until the said provisions
23 of this act shall be complied with by them.

SECT. 13. Any agent of a foreign insurance com-
2. pany, making insurance in violation of this act, or
3 any law of this State, shall forfeit for each offence, a
4 sum not exceeding five hundred dollars, recoverable in
5 the manner provided in the next preceding section; and
6 every person who shall receive or transmit applications
7 or proposals for insurance, or make contract for, or
8 receive for delivery, policies founded on proposals or

9 applications, forwarded by him from this State, shall
10 be deemed the agent of the company within the
11 meaning of this act.

SECT. 14. Every agent of a foreign insurance
2 company who shall fail to make the returns, or to
3 publish the statements required by this act, shall forfeit
4 one hundred dollars for each and every week's delay
5 occasioned by his personal neglect so to do, to be
6 collected in an action on his bond, by the Treasurer of
7 State, for the use of the State. And the word foreign,
8 whenever it is used in this act, shall be construed to
9 apply to all companies not incorporated by the Legis-
10 lature of this State.

SECT. 15. Sections thirtieth and thirty-first of
2 chapter seventy-ninth of the Revised Statutes are
3 hereby repealed.

FORMS OF RETURNS.

Form of Returns for all Insurance Companies, with specific capital, doing business in this State, chartered by any other of the United States.

Place where located.

Name or title of Company.

Amount of capital stock.

Amount of United States stocks and treasury notes ; stating the amount of each kind.

Bank and State stocks ; amounts and cash value of each kind, and the number of bank shares.

Loans on bottomry and respondentia.

Amount invested in real estate.

Amount of loans on real estate, secured by mortgage.

Loans on collateral and personal security.

Loans on personal security only.

Cash on hand.

Reserved or contingent fund.

Amount invested in rail road stock and bonds ; stating each kind by name, the number of shares of each, and amount and cash value of each.

Amount of losses ascertained and unpaid.

Amount of estimated losses, exclusive of such as are returned as ascertained and unpaid.

Amount of premium notes, if any, on risks terminated.

Amount of premium notes, if any, on risks not terminated.

Total amount of premium notes, if any.

Amount of notes considered bad or doubtful, not charged to profit and loss.

Amount of risks undetermined.

Amount of premiums on risks undetermined.

Average annual dividends for five preceding years, if so long incorporated, or since incorporated.

Amount borrowed, and on what security.

What amount of the capital is pledged to the Company.

Amount of losses paid the last year.

Number of shares of the capital stock owned by the Company, or that remain unsubscribed for.

Form of Return for Foreign Insurance Companies, Chartered without the United States.

Name of Company.

Where located.

Amount of capital.

Amount secured by mortgage of real estate.

Amount invested in United States and State stocks.

Amount of stock in incorporated companies; stating what companies.

Amount of other assets—particularizing each item of investment.

Form of Return for Life Insurance Companies, including Mutual, Chartered by any one of the United States.

Name of the Company.

Where located.

Amount insured by existing policies.

Present value of existing policies.

If estimated, state the grounds upon which said estimate is predicated.

Amount of the assets of the Company.

How invested,—state each kind.

Amount due for losses.

Amount due on other claims, including dividends.

Amount received for premiums the past year.

Amount received for interest the past year.

Amount of all expenses the past year.

Amount paid to agents the past year.

Amount of losses the past year.

Amount of guaranty funds.

How are dividends paid—whether in cash, script, or otherwise.

STATE OF MAINE.

IN SENATE, February 15, 1855.

ORDERED, That this Bill be laid on the table, and 350 copies be printed for the use of the Legislature.

LOUIS O. COWAN, *Secretary.*