

MAINE STATE LEGISLATURE

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Wm. F. Hill
DOCUMENTS

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THE LEGISLATURE

OF THE

STATE OF MAINE,

DURING ITS SESSION

A. D. 1856.

PART SECOND.

Augusta:

FULLER & FULLER, PRINTERS TO THE STATE.

1856.

THIRTY-FIFTH LEGISLATURE.

HOUSE.

No. 20.

STATE OF MAINE.

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

AN ACT to incorporate the Union Farmers' Mutual
Fire Insurance Company.

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

SECTION 1. George Cummings, Robert McGuire,
2 Jonathan Eastman, Spencer Meroe, M. J. Martin,
3 George Littlehale, Moses Luce, William G. Hawes,
4 Charles Fogler, Milton Daniels, Ebenezer Cobb, their
5 associates, successors and assigns, are hereby created
6 a body corporate, by the name of the Union Farmers'
7 Mutual Fire Insurance Company, with power by that
8 name to prosecute and defend suits at law, to have
9 and use a common seal, to make by-laws and regula-

10 tions for the management of their affairs, not repug-
11 nant to the laws of the state, to purchase and hold
12 such real and personal estate as may be necessary to
13 effect the object of their association, and to enjoy all
14 rights and powers incident to such corporations.

SECT. 2. Any person who shall at any time become
2 interested in said company, by insuring therein, and
3 also their respective heirs, executors, administrators
4 and assigns, continuing to be insured therein, as
5 hereafter provided, shall be deemed and taken to be
6 members thereof, for and during the terms specified
7 in their policies, and no longer; and shall at all times
8 be concluded and bound by the provisions of this act.

SECT. 3. There shall be a meeting of said company
2 at Union, in the county of Lincoln, on the second
3 Saturday of December annually, or on such other day
4 as the said company may hereafter determine; at
5 which meeting shall be chosen by a major vote of the
6 members present, a board of directors, consisting of
7 not more than nine nor less than five members, who
8 shall continue in office until others shall have been
9 chosen, and accepted the trust, in their stead. All
10 vacancies happening in said board, may be filled by
11 the remaining members until the next annual meet-

12 ing; and a majority of the whole number shall consti-
13 tute a quorum for the transaction of business. Special
14 meetings of the company may be called by order of
15 the directors, or in such manner as the by-laws there-
16 of may have prescribed.

SECT. 4. The board of directors shall superintend
2 the concerns of said company, and shall have the
3 management of the funds and property thereof, and
4 of all matters and things thereunto relating, not other-
5 wise provided for by said company. They shall have
6 power from time to time to appoint a secretary,
7 treasurer and such other officers, agents and assist-
8 ants as to them may seem necessary; and prescribe
9 their duties, and may remove them at pleasure. They
10 shall determine the rates of insurance; the sum to be
11 insured on any building not exceeding two-thirds of
12 its destructible value, and the amount of the note to
13 be deposited for the insurance thereof. They shall
14 order and direct the making and issuing of all policies
15 of insurance, the providing of books, stationery, and
16 other things necessary for the office of said company,
17 and for carrying on the affairs thereof, and may draw
18 upon the treasury for the payment of all losses which
19 may have happened, and for expenses incurred in

20 transacting the concerns of said company. They
21 shall elect one of their number to act as president ;
22 and may hold their meetings monthly, and oftener if
23 necessary ; and shall keep a record of their proceed-
24 ings.

SECT. 5. Every person who shall become a mem-
2 ber of said company, by effecting insurance therein,
3 shall, before he receives his policy, deposit his promis-
4 sory note for such sum of money as shall be deter-
5 mined by the directors ; a part not exceeding eight
6 per cent. of which said note shall be immediately
7 paid for the purpose of discharging the incidental
8 expenses of the institution, and indorsed thereon ; and
9 the remainder of said deposit note shall be payable in
10 part or the whole, at any time when the directors
11 shall deem the same requisite for the payment of
12 losses or other expenses ; and at the expiration of the
13 term of insuring, said note or such part of the same
14 as shall remain unpaid, after deducting all losses and
15 expenses occurring during said term, shall be relin-
16 quished and given up to the signer thereof.

SECT. 6. Every member of said company shall be
2 and hereby is bound and obliged to pay his proportion
3 of all losses and expenses, happening or accruing in

4 and to said company, to the amount of his deposit
5 note, and no more; and the company shall have a
6 lien against the assured on all buildings insured by
7 them during the continuance of his policy, to the
8 amount of his deposit note, and no more.

SECT. 7. When any member shall sustain any loss,
2 by fire, of the property so insured, the said member
3 shall within sixty days next after such loss, give notice
4 thereof in writing to the directors, or some one of
5 them, or the secretary of said company; and the
6 directors, upon a view of the same, or in such other
7 way as they may deem proper, shall ascertain and
8 determine the amount of said loss; and if the party
9 suffering is not satisfied with the determination of the
10 directors, the said party, within three months next
11 after such determination is made known, may bring
12 an action at law against said corporation, in the coun-
13 ty where said loss or damage happened; and in case
14 the plaintiff in such action shall not, on trial, recover
15 as damages more than the amount determined as
16 aforesaid, no cost shall be allowed the plaintiff, but
17 the corporation shall recover its costs, and execution
18 shall issue for the balance in favor of the party entitled
19 to recover it.

SECT. 8. The directors shall, after receiving notice
2 of any loss or damage by fire sustained by any mem-
3 ber, and ascertaining the same, settle and determine
4 the sums to be paid by the several members thereof,
5 as their respective proportions of such loss, and pub-
6 lish the same in such manner as they shall see fit, or
7 as the by-laws shall have prescribed; and the sum to
8 be paid by each member shall always be in proportion
9 to the original amount of his deposit note or notes,
10 and shall be paid to the treasurer within thirty days
11 next after the publication of said notice. And if any
12 member shall, for the space of thirty days after such
13 notice, neglect or refuse to pay the sum assessed upon
14 him, as his proportion of any loss or damage as afore-
15 said, in such case the directors may sue for and re-
16 cover the whole amount of his deposit note or notes,
17 with cost of suit; and the money thus collected shall
18 remain in the treasury of said company, subject to
19 the payment of such losses or expenses as have or
20 may thereafter occur; and the balance, if any remain,
21 shall be returned to the party from whom it was col-
22 lected, on demand, after the expiration of thirty days
23 from the end of the term for which insurance was
24 made.

SECT. 9. Said company may make any insurance
2 for a term not exceeding six years, on dwelling
3 houses, shops, and other buildings, and household fur-
4 niture, and merchandize, in this state, against loss or
5 damage by fire, originating in any cause other than
6 by design in the assured ; and when the property in-
7 sured shall be alienated by sale or otherwise, the
8 policy shall thereupon be void, and be surrendered to
9 the directors of said company to be canceled ; and
10 upon such surrender, the assured shall be entitled to
11 receive his deposit note or notes, upon the payment
12 of his proportion of all losses and expenses, that have
13 accrued prior to such surrender. *Provided, however,*
14 that the grantee or alienee having the policy assigned,
15 may have the same ratified and confirmed to him, for
16 his own proper use and benefit, upon application
17 to the directors, and with their consent, within thirty
18 days next after such alienation, on giving proper
19 security to the satisfaction of said directors, for such
20 a portion of the deposit or premium note as shall re-
21 main unpaid ; and by such ratification and confirma-
22 tion, the party causing the same shall be entitled to
23 all the privileges, and subject to all the liabilities, to

24 which the original party insured was entitled and sub-
25 jected under this act.

SECT. 10. Any two of the persons herein named
2 are authorized to call the first meeting, by posting up
3 advertisements in two or more public places in said
4 town of Union, ten days prior to said meeting. And
5 no policy shall be issued by said company, until appli-
6 cation shall be made for insurance of twenty-five
7 thousand dollars, at least.

S T A T E O F M A I N E .

HOUSE OF REPRESENTATIVES, }
February 16, 1856. }

ORDERED, That the usual number of copies be printed.

DAVID DUNN, *Clerk.*