

MAINE STATE LEGISLATURE

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DOCUMENTS

PUBLISHED BY ORDER OF

THE LEGISLATURE

OF THE

STATE OF MAINE.

1867.

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1867.

FORTY-SIXTH LEGISLATURE.

HOUSE.

No. 55.

To the Honorable Senate and House of Representatives in Legislature assembled :

The Board of Directors for Monmouth Mutual Fire Insurance Company, Isaac S. Small, John May, Samuel Holmes, George W. King and Augustus Sprague, at the annual meeting of said company, held in Monmouth Dec. 19, 1866, were instructed to petition your honorable body for an act additional to their act of incorporation, approved March 18, 1836, empowering said company to insure in a separate and distinct class, to be denominated the second **class**.

In accordance with said instructions, said Board of Directors respectfully pray that the accompanying bill may be enacted into a law, as an act additional to the charter of said company, and as in duty bound will ever pray.

Per order of Board of Directors.

JOHN MAY.

Monmouth, January 16, 1867.

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED AND SIXTY-SEVEN.

AN ACT in addition to an act entitled an act to incorporate the Monmouth Mutual Fire Insurance Company, approved March eighteen, eighteen hundred and thirty-six.

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

SECTION 1. The Monmouth Mutual Fire Insurance
2 Company is hereby authorized and empowered to in-
3 sure in a separate and distinct class, to be denomina-
4 ted the second class, any description of property, real
5 or personal, within this state, and to issue policies of
6 insurance against loss or damage by fire for any term
7 of time not exceeding seven years.

SECT. 2. All property now insured or which may
2 hereafter be insured by said company under the act to
3 which this act is additional, shall be kept in a separ-
4 ate and distinct class, to be called the first class, and
5 each class shall be liable for its own losses; the pre-

6 mium notes and cash deposits of each class shall be
7 holden and assessed to pay the losses and expenses
8 occurring in their respective classes, and not each for
9 the other; and the policy of each member of the com-
10 pany shall designate with which class he is associated.
11 The company shall open books of account with each
12 class, and all business receipts, disbursements, losses,
13 assessments and expenses shall be put to the class to
14 which they are applicable; and the general expenses
15 of the company which are not strictly applicable to
16 either class shall be apportioned between the two
17 classes according to the amount insured by each.

SECT. 3. Every person who may become a member
2 of said company by effecting insurance therein, in
3 said second class, shall, before he receives his policy,
4 pay in cash a sum to be agreed upon by the parties
5 and established by the directors, for the purposes of
6 discharging the incidental expenses of said second
7 class, and constituting a fund for the payment of
8 losses, which fund may be loaned on interest, or other-
9 wise safely invested at the discretion of the directors;
10 and the insured shall also deposit his promissory note
11 for such sum as shall be agreed upon between the par-
12 ties, reference being had in fixing the amount thereof,
13 to the nature and condition of the risk, the amount

14 insured thereon and the length of time the insurance
15 is to run; which said note shall be paid in part or in
16 whole, at any time when the board of directors shall
17 deem the same requisite for the payment of losses or
18 other expenses, and at the expiration of the term of
19 insurance, the said note, or such part of the same as
20 shall remain unpaid after settling all losses and ex-
21 penses occurring during said term, shall be relin-
22 quished and given up to the signer thereof.

SECT. 4. Said company may establish and hold a
2 fund to an amount not exceeding twenty thousand
3 dollars, to be formed by all payments made in said
4 second class, for premiums or otherwise, and which
5 shall be applicable only to the payment of losses and
6 expenses incurred by said class.

SECT. 5. All sums of money which may be received
2 by said company from payments made in said second
3 class in excess of the fund of twenty thousand dollars
4 which the company are authorized to hold by the pro-
5 visions of section four of this act, shall be apportioned
6 and distributed to the persons who may then be mem-
7 bers of said second class, reference being had in the
8 distribution to the amount of the note deposited by
9 each member.

SECT. 6. In case of alienation by sale or otherwise

2 of any property insured in said class, although the
3 policy shall have been rendered void thereby, the
4 directors may upon just and equitable terms renew
5 said policy to the grantee or alienee having the same
6 assigned to him by the insured, and may ratify and
7 confirm the same to him for his proper use and benefit;
8 and by such ratification and confirmation, the party
9 receiving the same shall be entitled to all the rights
10 and privileges, and subject to all the liabilities to
11 which the original party insured was entitled and sub-
12 jected under the original contract.

SECT. 7. Said company shall have a lien to the
2 amount of the deposit note and no more upon the in-
3 terest of the assured in any real or personal property
4 insured by them under the provisions of this act, dur-
5 ing the term for which said insurance was made.

SECT. 8. The directors of said company may estab-
2 lish and adopt such new by-laws or make such amend-
3 ments to those now in force as may be needed for
4 carrying into effect the provisions of this act, not re-
5 pugnant to the laws of the state.

SECT. 9. No policy shall issue under the provisions
2 of this act until application shall be made for insur-
3 ance on fifty thousand dollars at least; but nothing in
4 this act shall be so construed as to prevent said com-

5 pany from continuing to insure upon the same princi-
6 ples and in the same manner as heretofore, nor in any
7 way affect the insurance already made under the act
8 to which this is additional.

SECT. 10. This act shall take effect from and after
2 its approval by the governor, but shall not be binding
3 upon the company until accepted by them.

STATE OF MAINE.

HOUSE OF REPRESENTATIVES,)
February 8, 1867.)

Laid on the table on motion of Mr. HALE of Ellsworth, and
ordered to be printed.

FRANKLIN M. DREW, *Clerk.*