

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
102ND LEGISLATURE

COMMITTEE AMENDMENT "A" to H.P. 394, L.D. 506, Bill, "An Act Authorizing Conversion of Augusta Mutual Insurance Company to a Stock Company."

Amend said Bill by striking out all of the last 2 lines and inserting in place thereof the following:
'company on the unanimous approval of the policyholders, and providing that the company shall comply in all other respects with the general law.'

Further amend said Bill by adding 6 new sections, to read as follows:

'Sec. 3. Corporation authorized to change name. The name of the Augusta Mutual Insurance Company may be changed at any time as long as said change is in accordance with a vote of the majority of the stockholders or policyholders and in compliance with the Revised Statutes of Maine. In the event that the Augusta Mutual Insurance Company is converted to a stock company, the term "mutual" shall not be a part of its name.

Sec. 4. Corporation authorized to purchase franchises, business, property or assets. The Augusta Mutual Insurance Company may purchase or otherwise acquire the whole or any part of the franchises, business, property or assets and assume the liabilities of any corporation or association organized under the laws of the State of Maine or of any other state, carrying on any type of insurance business similar or related to any business which this corporation is authorized to carry on, and to pay for the same either in cash or by the issuance or exchange of its stock or otherwise, and when such business or property is acquired, to operate the same as a part of the business of this corporation or separately, and this corporation may sell, lease, consolidate, merge or in any manner part with its franchises, or its entire property, or any of its property, corporate rights or privileges essential to the conduct of its corporate business and purposes, to or with one or more corporations or associations organized under the laws of this State or of any other state, any such sale, lease, consolidation, merger or other such transfer shall be effected in accordance with the Revised Statutes of 1964, Title 13, chapter 7, as amended, or as may hereafter be amended, subject to the conditions contained in the aforesaid chapter and also subject to the written approval of the Insurance Commissioner for the State of Maine in such form as said Insurance Commissioner may prescribe. The corporation shall have all the powers, rights and privileges, subject to all the duties, liabilities and restrictions, set forth in the general laws of this State relating to such insurance companies, excepting such provisions as may be inconsistent with the provisions and grants of this Act.

Sec. 5. --Life insurance corporation or association. The Augusta Mutual Insurance Company may purchase or otherwise acquire the whole or any part of the franchises, business, property or assets, as well as the liabilities, of any corporation or association organized under the laws of this State or any other state, carrying on a life insurance business and to pay for the same either in cash or by the issuance or exchange of its stock or otherwise, but this corporation shall conduct the life insurance business through a separate entity, although it may have over-lapping directorships;

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(over)

and said life insurance business may be sold, leased, consolidated or merged with any other life insurance company organized under the laws of this State or any other state, any such sale, lease, consolidation, merger or other such transfer shall be effected in accordance with the Revised Statutes of 1964, Title 13, chapter 7, as amended, or as may hereafter be amended, subject to the conditions contained in the aforesaid chapter and also subject to the written approval of the Insurance Commissioner for the State of Maine in such form as said Insurance Commissioner may prescribe. The corporation shall have all the powers, rights and privileges, subject to all the duties, liabilities and restrictions, set forth in the general laws of this State relating to such insurance companies, excepting such provisions as may be inconsistent with the provisions and grants of this Act.

Sec. 6. Policies. Policies may be participating or non-participating and the company may accept or cede reinsurance of any such risks.

Sec. 7. Stock as assets. The stock of any company purchased or acquired by the Augusta Mutual Insurance Company shall be part of the legally admitted assets of the Augusta Mutual Insurance Company.

Sec. 8. Qualification of directors. Directors need not be stockholders and may be residents of this State or any other state and directors' meetings may be held within or without the State of Maine, but stockholders' meetings must be held within the State.'

Reported by the Committee on Business Legislation.

Reproduced and distributed under the direction of the Clerk of the House.

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