

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FOURTH LEGISLATURE

Legislative Document

No. 934

H. P. 716

House of Representatives, February 20, 1969

Referred to Committee on Business Legislation. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Hewes of Cape Elizabeth.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-NINE

AN ACT to Amend the Charter of the Union Mutual Life Insurance Company.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. P. & S. L., 1878, c. 74, § 1, amended. Section 1 of chapter 74 of the private and special laws of 1878, as amended by chapter 73 of the public laws of 1967, is further amended to read as follows:

Sec. 1. Corporators; corporate name; powers and privileges. Joseph H. Williams, E. Brown Pratt and J. Walker Judd, their associates and successors, and all others who may hereafter become members of this company, as hereinafter provided, are hereby constituted a body corporate, by the name of the Union Mutual Life Insurance Company; and by that name may sue and be sued; appear, and prosecute, and defend suits to final judgment and execution in any courts and elsewhere; may have a common seal, and alter the same at pleasure; and may do all and everything necessary, suitable or proper for the accomplishment of any of the purposes or the attainment of any of the objects or the furtherance of any of the powers or authorities herein set forth, or for the investment of the funds of said company, and may do every other act or acts, thing or things, incidental or appurtenant to or growing out of or connected with the business of said company, including but not limited to, the borrowing of moneys, the organizing of subsidiary corporations and joint ventures in corporate form and the funding of same with assets not in excess of ~~35%~~ 50% of the surplus of said company in exchange for shares of the capital stock or other securities of such subsidiary corporation or corporations, and the purchasing, leasing, letting, acquiring, holding, conveying, licensing, selling, exchanging, mortgaging, guaranteeing, pledging, hypothecating, dealing in and disposing of real and personal property of every kind,

character and description, whatsoever, tangible and intangible, wheresoever situated.

Sec. 2. P. & S. L., 1878, c. 74, § 3, amended. Section 3 of chapter 74 of the private and special laws of 1878, as amended, is further amended by adding at the end the following:

Should this company undertake a plan or program of reorganization in compliance with the general laws of the State, now or hereinafter in effect, to modify or alter its present corporate form to become a mixed stock-mutual company or a stock company while retaining its present, independent corporate existence, and at that time or thereafter to become a subsidiary, wholly-owned or otherwise, of any corporation now or hereafter to be organized, then and in any such event any certificate of reorganization or other comparable or analogous document issued as a part of or pursuant to any such plan or program of reorganization shall be deemed, as of the effective date of such certificate or document, to be and become an amendment to the charter of this company. Thereupon, all references in this charter to "members" shall be deemed to refer to the shareholders or other owners designated in such certificate or document.

Sec. 3. P. & S. L., 1878, c. 74, § 8-A, repealed and replaced. Section 8-A of chapter 74 of the private and special laws of 1878, as enacted by chapter 120 of the private and special laws of 1961 and as amended, is repealed and the following enacted in place thereof:

Sec. 8-A. Allocation of accounts. The company may establish one or more separate accounts, including that type known as a unit investment trust, as defined by the Investment Company Act of 1940, 54 Stat. 789, 15 U. S. C. § 80A, et seq., as amended, and may allocate to such separate accounts, in accordance with the terms of a written agreement or contract or annuity or pension, profit-sharing or retirement plan, whether or not qualified under the applicable provisions of the Internal Revenue Code, 68A Stat. 1, 26 U. S. C. § 1, et seq., as amended, with any individual or any group, any amounts which are paid or remitted to or held by the company which may be applied to provide for annuities or other benefits payable in fixed and guaranteed or variable amounts, or both. The income, gains or losses, realized or unrealized, from assets allocated to a separate account shall be credited to or charged against the separate account without regard to the other income, gains or losses of the company. That portion of the assets of any such separate account equal to the reserves and other contract liabilities with respect to such separate account shall not be chargeable with liabilities arising out of any other business the company may conduct. The amounts allocated to each separate account together with any accumulations thereon may be invested and reinvested in any class of investments which may be authorized in the written agreement; without regard to any requirements or limitations prescribed by the Insurance Code; except, that to the extent that the reserve liability of the company with regard to (1) benefits guaranteed as to principal amount and duration, and (2) funds guaranteed as to principal amount or stated rate of interest, is maintained in any separate account, a portion of the assets of

such separate account at least equal to such reserve liability shall be invested in accordance with the applicable provisions of the Insurance Code. The company may provide, with respect to any separate account or any portion thereof, for the benefit of persons having beneficial interests therein, special voting and other rights and special procedures for the conduct of the business and affairs of such separate account or portion thereof, including without limitation special rights and procedures relating to investment policy, investment advisory services, selection of independent public accountants, and selection of a committee, the members of which need not be otherwise affiliated with the company, to manage the business and affairs of such separate accounts or portion thereof. In addition, the company may make such other provisions in respect to any separate accounts as the company may deem necessary or appropriate to facilitate compliance with any requirements of, or pursuant to, any federal or state law, now or hereafter in effect.