

MAINE STATE LEGISLATURE

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L.D. 320

2

(Filing No. H- 118)

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
111TH LEGISLATURE
FIRST REGULAR SESSION

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COMMITTEE AMENDMENT " A " to H.P. 260,

8

L.D. 320, Bill, "AN ACT Relating to the Capitaliza-
tion and Board of Directors of the Maine Fidelity
Life Insurance Company."

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Amend the Bill in section 1 by striking out
everything after the amending clause and inserting in
its place the following:

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'Sec. 2. Authorized to issue life, disability
and health insurance. The company may issue stock to
the value of \$10,000,000 divided into 2 classes: Pre-
ferred stock and common stock; 5,000,000 shares of
the stock, of the par value of \$1 each, amounting in
the aggregate at par to \$5,000,000, to be common
stock and 5,000,000 shares of the stock of the par
value of \$1 each, amounting in the aggregate at par
to \$5,000,000, to be preferred stock; those classes
of stock, preferred and common, to have rights,
privileges, conditions, preferences, voting powers,
restrictions and qualifications, together with the
right to increase and decrease the par value of the
classes of stock, preferred and common, as shall be
fixed and determined in the company's bylaws. No pre-
ferred stock may be redeemed by the company, unless
the retained earnings of the company equal or exceed
the amount to be redeemed and the Superintendent of
Insurance finds that the redemption complies with the
adequacy of surplus factors set forth in the Revised
Statutes, Title 24-A, section 222, subsection 10, as
now in effect or as hereafter amended. It shall
deposit with the Treasurer of State, prior to the
issuance of a license by the Superintendent of Insur-
ance, the sum of \$200,000, to be held by the Treasur-
er of State as a deposit in the interest of all of
the policyholders. The deposit shall be subject to

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COMMITTEE AMENDMENT "A" to H.P. 260, L.D. 320

1 the same regulations as similar funds held in trust
2 by the Treasurer of State.'

3 STATEMENT OF FACT

4 This amendment reenacts Private and Special Law
5 1955, chapter 191, section 2 and underlines all the
6 language which was by mistake not done in this bill.
7 The language is all new and should have been under-
8 lined.

9 This amendment also adds new language. The 3rd
10 sentence from the end of Private and Special Law
11 1955, chapter 191, section 2 was not in the original
12 bill. This language provides safeguards in the event
13 of a redemption of preferred stock by the company.

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Reported by the Committee on Business Legislation
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