

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE
4

5 Legislative Document

No. 320

7 H.P. 260

House of Representatives, January 31, 1983

8 Reference to the Committee on Business Legislation, sent up for
9 concurrence and ordered printed.

10 EDWIN H. PERT, Clerk

Presented by Representative Brannigan of Portland.

11
12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-THREE
16

17 AN ACT Relating to the Capitalization and
18 Board of Directors of the Maine Fidelity
19 Life Insurance Company.
20

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

23 Sec. 1. P&SL 1955, c. 191, §2, as last amended
24 by PL 1971, c. 53, is repealed and the following
25 enacted in its place:

26 Sec. 2. Authorized to issue life, disability and
27 health insurance. The company may issue stock to the
28 value of \$10,000,000 divided into 2 classes: Pre-
29 ferred stock and common stock; 5,000,000 shares of
30 the stock, of the par value of \$1 each, amounting in
31 the aggregate at par to \$5,000,000, to be common
32 stock and 5,000,000 shares of the stock of the par
33 value of \$1 each, amounting in the aggregate at par
34 to \$5,000,000, to be preferred stock; those classes

1 of stock, preferred and common, to have rights,
2 privileges, conditions, preferences, voting powers,
3 restrictions and qualifications, together with the
4 right to increase and decrease the par value of the
5 classes of stock, preferred and common, as shall be
6 fixed and determined in the company's bylaws. It
7 shall deposit with the Treasurer of State, prior to
8 the issuance of a license by the Superintendent of
9 Insurance, the sum of \$200,000, to be held by the
10 Treasurer of State as a deposit in the interest of
11 all of the policyholders. The deposit shall be sub-
12 ject to the same regulations as similar funds held in
13 trust by the Treasurer of State.

14 Sec. 2. P&SL 1955, c. 191, §4, 6th sentence, as
15 enacted by P&SL 1961, c. 75, §2, is amended to read:

16 They may hold their meetings within or without the
17 State of Maine and may be residents of this State or
18 any other state.

19 STATEMENT OF FACT

20 The purpose of this bill is to increase the capi-
21 talization of the Maine Fidelity Life Insurance Com-
22 pany to permit it to engage in broader activities as
23 a result of an acquisition recently made of the Maine
24 Fidelity Life Insurance Company. As some of the
25 directors may be residents of Canada, the bill also
26 wishes to clarify as to whether the present charter
27 permits directors to be citizens of Canada. The
28 Maine Fidelity Life Insurance Company will still
29 remain a Maine domestic company and under the control
30 of the insurance laws of the State.

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