

MAINE STATE LEGISLATURE

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Sixty-Second Legislature.

HOUSE.

No. 83.

[NEW DRAFT.]

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED AND
EIGHTY-FIVE.

AN ACT to facilitate the giving of Bonds required by law.

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

SECT. 1. Any company with a paid up capital of not
2 less than two hundred and fifty thousand dollars duly
3 incorporated and organized for the sole purpose of trans-
4 acting business as surety on obligations of persons or cor-
5 porations, and which has complied with all the require-
6 ments of the law regulating the admission of such com-
7 panies to transact business in this State, may, upon
8 production of evidence of solvency and credit satisfactory
9 to the judge, head of department or other officer author-
10 ized to approve such bond, be accepted as surety upon
11 the bond of any person or corporation required by the
12 laws of this State to execute a bond, and if such surety
13 company shall furnish satisfactory evidence of its ability

14 to provide all the security required by law, no additional
15 surety may be exacted, but other surety or sureties may,
16 in the discretion of the official authorized to approve such
17 bond, be required, and such surety company may be re-
18 leased from its liability on the same terms and conditions
19 as are by law prescribed for the release of individuals, it
20 being the true intent and meaning of this act to enable
21 corporations created for that purpose to become surety
22 on bonds required by law, subject to all the rights and
23 liabilities of private individuals.

SECT. 2. Any court or officer whose duty it is to pass
2 upon the account of any person or corporation required
3 by law to give a bond, may, whenever such person or
4 corporation has given any such surety company as surety
5 upon said bond, allow in the settlement of such account
6 a reasonable sum for the expense of procuring such
7 surety.

SECT. 3. Any company which shall execute any bond
2 as surety under the provisions of this act shall be estopped,
3 in any proceedings to enforce the liability which it shall
4 have assumed to incur, to deny its corporate power to
5 execute such instrument or assume such liability.

SECT. 4. All acts and parts of acts inconsistent here-
2 with are hereby repealed.

STATE OF MAINE.

IN HOUSE OF REPRESENTATIVES, }
February 13, 1885. }

Reported from Committee on Mercantile Affairs and Insurance, in new draft, by Mr Burrill; ordered printed under joint rule.

NICHOLAS FESSENDEN, *Clerk.*