

MAINE STATE LEGISLATURE

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Sixty-Second Legislature.

SENATE.

No. 43.

REPRINT—SENATE AMENDMENT "A."

STATE OF MAINE.

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

AN ACT to provide for the organization of Mutual
Relief Associations.

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

SECTION 1. Any ten or more persons, residents
2 of this State, associated by such an agreement in
3 writing as is hereafter described, with the intention
4 of constituting a corporation, fraternal or non-
5 fraternal, for the transaction of the business of life
6 or casualty insurance, or both life and casualty
7 insurance, upon the co-operative or assessment
8 plan, shall, upon complying with section forty-six of
9 chapter forty-nine of the revised statutes, become
10 and remain a corporation with all the powers,

11 rights, and privileges, and subject to all the duties,
12 liabilities, and restrictions set forth in all general
13 laws relating to insurance corporations, except as
14 modified by the provisions of this act.

SECT. 2. Such agreement shall set forth the fact
2 that the subscribers thereto associate themselves
3 together with the intention to constitute a corpora-
4 tion, the name by which it shall be known, the class
5 or classes of insurance for the transaction of which
6 it is to be constituted, the plan or principle upon
7 which the business is to be conducted, and the town
8 or city in which it is to be established or located.

SECT. 3. Said corporation shall be organized in
2 the manner provided in sections forty-three, forty-
3 four, forty-five, and forty-six of chapter forty-nine
4 of the revised statutes.

SECT. 4. Every corporation, association, or so-
2 ciety doing a life or casualty insurance business, or
3 both, on the co-operative or assessment plan, shall
4 annually by the thirty-first day of January, render
5 to the insurance commissioner a report of its offi-
6 cers and operations during the year ending the
7 thirty-first day of December immediately preced-
8 ing. Such report shall be upon blank forms to be
9 provided by such commissioner and shall be veri-
10 fied under oath by the secretary and treasurer of

11 such corporation, and shall be published, or the
12 substance thereof, in his annual report by such
13 commissioner, and shall contain answers to the fol-
14 lowing questions:

15 1. Number of certificates or policies issued
16 during the year or members admitted.

17 2. Amount of indemnity effected thereby.

18 3. Number of death losses.

19 4. Number of death losses paid.

20 5. Amount received from each assessment in
21 each class during the year.

22 6. Total amount paid policy-holders, bene-
23 ficiaries, legal representatives or heirs.

24 7. Number of death claims for which assess-
25 ments have been made.

26 8. Number of death claims compromised or
27 resisted and brief statement of reason.

28 9. Does society charge annual dues?

29 10. How much on each one thousand dollars
30 annually or per capita, as the case may be.

31 11. Total amount received and the disposition
32 thereof.

33 12. Does society use money received for pay-
34 ment of death claims to pay expenses of society in
35 whole or in part, and if so, state the amount so
36 used.

37 13. State total amount of salaries paid to
38 officers.

39 14. Does society guarantee fixed amount to be
40 paid, regardless of amount realized from assess-
41 ments, dues, admission fees, and donations?

42 15. If so, state the amount guaranteed, and the
43 security for such guarantee.

44 16. Has the society a reserve fund?

45 17. If so, how is it created and for what pur-
46 pose, the amount thereof, and how invested.

47 18. Has the society more than one class?

48 19. If so, how many, and the amount of in-
49 demnity in each.

50 20. Number of members in each class.

51 21. If organized under the laws of this State,
52 state under what law and at what time.

53 22. If organized under the laws of any other
54 State, state such fact, and the date of organization.

55 23. Number of policies, or membership lapsed
56 during the year.

57 24. Number in force at the beginning and end
58 of year, in each class, if more than one class.

59 25. Aggregate maximum, minimum, and aver-
60 age age, of membership, in each class in the
61 society.

62 26. The assets applicable to life or casualty
63 insurance, other than reserve fund, and how in-
64 vested.

65 27. Amount received from all sources, for life
66 or casualty insurance, and the disposition thereof.

67 No guarantee capital or deposit of securities
68 shall be required of any corporation, association,
69 or society.

SECT. 5. The annual report of the insurance
2 commissioner shall be in lieu of all other reports
3 required by law.

SECT. 6. Any foreign company doing a life or
2 casualty insurance business, or both, upon the co-
3 operative or assessment plan, which, on the first
4 day of January, eighteen hundred and eighty-five,
5 had lodges, councils, or other local organizations
6 established in this State, may, upon compliance
7 with the provisions of section seventy-two, chapter
8 forty-nine of the Revised Statutes, and upon
9 license obtained therefor from the insurance com-
10 missioner, continue business in this State, and
11 shall be subject to all the provisions of this act,
12 and the general laws of this State relating to in-
13 surance, so far as applicable.

SECT. 7. Each notice of assessment made by
2 any corporation, association, or society transacting

3 the business of life or casualty insurance, or both,
4 upon the co-operative or assessment plan, made
5 upon its members or any of them, shall truly state
6 the cause and purpose of such assessment.

SECT. 8. Nothing in this act contained shall be
2 construed to require the subordinate lodges or
3 councils, or other bodies, by whatever name
4 known, of fraternal, or secret, or beneficial, or in-
5 dustrial societies, to make and file reports with the
6 insurance commissioner, or obtain license from him
7 as hereinbefore provided, when the money, benefit,
8 charity, relief, or aid is payable by the grand or
9 supreme body of the same, and is derived from
10 assessments upon such subordinates or their
11 members; but such reports shall be made and filed,
12 and license obtained by such grand or supreme
13 body.

SECT. 9. All assessments made by any such cor-
2 poration, association, or society to defray the ex-
3 pense of maintaining and carrying on the business
4 of such corporation shall be separate and distinct
5 from assessments to pay death losses. No part of
6 the money collected on assessments for death
7 losses shall be used in payment of expenses of any
8 kind, but the same shall be exclusively used in the
9 payment of said death losses.

SECT. 10. Any solicitor, agent, or examining
2 physician, who shall knowingly or wilfully make
3 any false or fraudulent statement or representation
4 in or with reference to any application for member-
5 ship, or for the purpose of obtaining any money
6 or benefit in any corporation, association, or society
7 transacting the business of life or casualty insur-
8 ance, or both, upon the co-operative or assessment
9 plan, in the State, shall be guilty of a misdemeanor,
10 and upon conviction thereof, shall be punished by
11 a fine not exceeding fifty dollars, or by imprison-
12 ment not exceeding sixty days.

STATE OF MAINE.

IN SENATE CHAMBER, }
February 10, 1885. }

Amendment "A," offered by Mr. CUTLER, to Senate Document No. 32, and on his motion laid on table to be printed.

C. W. TILDEN, *Secretary.*