

# MAINE STATE LEGISLATURE

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# Sixty-Seventh Legislature.

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HOUSE.

No. 7.

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## STATE OF MAINE.

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

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AN ACT additional to Chapter 49 of the Revised Statutes  
relating to Insurance.

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

SECTION 1. No fire insurance company shall issue fire  
2 insurance policies on property in this State, other than  
3 those of the standard form herein set forth, except as fol-  
4 lows, to wit:

First. A company may print on or in its policies its  
6 name, location, and date of incorporation, the amount of  
7 its paid-up capital stock, the names of its officers and  
8 agents, the number and date of the policy, and, if it is  
9 issued through an agent, the words, "This policy shall  
10 not be valid until countersigned by the duly authorized  
11 agent of the company at ."

Second. A company may print or use in its policies  
13 printed forms of description and specification of the prop-  
14 erty insured.

Third. A company insuring against damage by light-  
16 ning may print, in the clause enumerating the perils  
17 insured against, the additional words, "Also any damage  
18 by lightning, whether fire ensues or not," and, in the  
19 clause providing for an apportionment of loss in case of  
20 other insurance, the words, "whether by fire, lightning or  
21 both."

Fourth. A company incorporated or formed in this  
23 State may print in its policies any provisions which it is  
24 authorized or required by law to insert therein; and any  
25 company not incorporated or formed in this State may,  
26 with the approval of the insurance commissioner, so print  
27 any provision required by its charter or deed of settle-  
28 ment or by the laws of its own state or country, not con-  
29 trary to the laws of this State; *provided*, that the insur-  
30 ance commissioner shall require any provision which, in  
31 his opinion, modifies the contract of insurance in such way  
32 as to affect the question of loss, to be appended to the  
33 policy by a slip or rider as hereinafter provided.

Fifth. The blanks in said standard form may be filled  
35 in print or writing.

Sixth. A company may write upon the margin or across  
37 the face of a policy, or write, or print in type not smaller  
38 than long primer, upon separate slips or riders to be  
39 attached thereto, provisions adding to or modifying those  
40 contained in the standard form; and all such slips, riders,  
41 and provisions must be signed by the officers or agent of  
42 the company so using them.

Seventh. A company may print upon policies issued in  
 44 compliance with the preceding provisions of this section  
 45 the words, "Maine Standard Policy."

The said standard form of policy shall be plainly printed,  
 47 and no portion thereof shall be in type smaller than long  
 48 primer, and shall be as follows, to wit :

No. \$.....

(Corporate name of the company or association; its  
 51 principal place or places of business.)

This company shall not be liable beyond the actual value  
 53 of the insured property at the time any loss or damage  
 54 happens.

In consideration of dollars to it paid by the  
 56 insured, hereinafter named, the receipt whereof is hereby  
 57 acknowledged, does insure and legal representa-  
 58 tives against loss or damage by fire, to the amount of  
 59 dollars.

(Description of property insured.)

Bills of exchange, notes, accounts, evidences and secur-  
 62 ities of property of every kind, books, wearing apparel,  
 63 plate, money, jewels, medals, patterns, models, scientific  
 64 cabinets and collections, paintings, sculpture, and curios-  
 65 ities are not included in said insured property, unless  
 66 specially mentioned.

Said property is insured for the term of , begin-  
 68 ning on the day of , in the year eighteen  
 69 hundred and , at noon, and continuing until the  
 70 day of , in the year hundred and  
 71 , at noon, against all loss or damage by fire origi-  
 72 nating from any cause except invasion, foreign enemies,  
 73 civil commotions, riots, or any military or usurped power

74 whatever; the amount of said loss or damage to be esti-  
75 mated according to the actual value of the insured prop-  
76 erty at the time when such loss or damage happens, but  
77 not to include loss or damage caused by explosions of any  
78 kind unless fire ensues, and then to include that caused  
79 by fire only.

This policy shall be VOID if any material fact or cir-  
81 cumstance stated in writing has not been fairly repre-  
82 sented by the insured, or if the insured now has or shall  
83 hereafter make any other insurance on the said property  
84 without the assent in writing or in print of the company,  
85 or if, without such assent, the said property shall be re-  
86 moved, except that, if such removal shall be necessary for  
87 the preservation of the property from fire, this policy  
88 shall be valid without such assent for five days thereafter,  
89 or if, without such assent, the situation or circumstances  
90 affecting the risk shall, by or with the knowledge, advice,  
91 agency, or consent of the insured, be so altered as to  
92 cause an increase of such risks, or if, without such assent,  
93 the said property shall be sold, or this policy assigned, or  
94 if the premises hereby insured shall become vacant by the  
95 removal of the owner or occupant, and so remain vacant  
96 for more than thirty days without such assent, or if it be  
97 a manufacturing establishment, running in whole or in part  
98 extra time, except that such establishments may run in  
99 whole or in part extra hours, not later than nine o'clock  
100 P. M., or if such establishments shall cease operation for  
101 more than thirty days without permission in writing in-  
102 dorsed hereon, or if the insured shall make any attempt  
103 to defraud the company, either before or after the loss,  
104 or if gunpowder or other articles subject to legal re-  
105 striction, shall be kept in quantities or manner different

106 from those allowed or prescribed by law, or if camphene,  
107 benzine, naphtha, or other chemical oils or burning fluids  
108 shall be kept or used by the insured on the premises in-  
109 sured, except that what is known as refined petroleum,  
110 kerosene, or coal oil, may be used for lighting, and in  
111 dwelling-houses kerosene-oil stoves may be used for  
112 domestic purposes, to be filled when cold, by daylight,  
113 and with oil of lawful fire test only.

If the insured property shall be exposed to loss or  
115 damage by fire, the insured shall make all reasonable  
116 exertions to save and protect the same.

In case of any loss or damage under this policy, a STATE-  
118 MENT in writing, signed and sworn to by the insured,  
119 shall be forthwith rendered to the company setting forth  
120 the value of the property insured, the interest of the  
121 insured therein, all other insurance thereon, in detail,  
122 the purposes for which and the persons by whom the build-  
123 ing insured, or containing the property insured, was  
124 used, and the time at which and manner in which the  
125 fire originated, so far as known to the insured. The  
126 company may also examine the books of account and  
127 vouchers of the insured, and make extracts from the  
128 same.

In case of any loss or damage, the company, within sixty  
130 days after the insured shall have submitted a statement,  
131 as provided in the preceding clause, shall either pay the  
132 amount for which it shall be liable, *which amount if not*  
133 *agreed upon shall be ascertained by award of referees as*  
134 *hereinafter provided*, or replace the property with other  
135 of the same kind and goodness,—or it may, within fifteen  
136 days after such statement is submitted, notify the insured

137 of its intention to rebuild or repair the premises, or any  
138 portion thereof separately insured by this policy, and  
139 shall thereupon enter upon said premises and proceed to  
140 rebuild or repair the same with reasonable expedition.  
141 It is moreover understood that there can be no abandon-  
142 ment of the property insured to the company, and that  
143 the company shall not in any case be liable for more than  
144 the sum insured, with interest thereon from the time  
145 when the loss shall become payable, as above provided.

If there shall be any *other insurance* on the property  
147 insured, whether prior or subsequent, the insured shall  
148 recover on this policy no greater proportion of the loss  
149 sustained than the sum hereby insured bears to the whole  
150 amount insured thereon. And whenever the company  
151 shall pay any loss, the insured shall assign to it, to the  
152 extent of the amount so paid, all rights to recover satisfac-  
153 tion for the loss or damage from any person, town,  
154 or other corporation, excepting other insurers; or the  
155 insured, if requested, shall prosecute therefor at the  
156 charge and for the account of the company.

If this policy shall be made payable to a mortgage of the  
158 insured real estate, no act or default of any person other  
159 than such mortgagee or his agents, or those claiming  
160 under him, shall affect such mortgagee's right to recover  
161 in case of loss on such real estate; *provided*, that the  
162 mortgagee shall, on demand, pay according to the estab-  
163 lished scale of rates for any increase of risks not paid for  
164 by the insured; and whenever this company shall be  
165 liable to a mortgagee for any sum for loss under this  
166 policy, for which no liability exists as to the mortgagor,  
167 or owner, and this company shall elect by itself, or

168 with others, to pay the mortgagee the full amount  
169 secured by such mortgage, then the mortgagee shall  
170 assign and transfer to the companies interested, upon  
171 such payment, the said mortgage, together with the note  
172 and debt thereby secured.

This policy may be CANCELLED at any time at the request  
174 of the insured, who shall thereupon be entitled to a  
175 return of the portion of the above premium remaining,  
176 after deducting the customary monthly short rates for the  
177 time this policy shall have been in force. The company  
178 also reserves the right, after giving written notice to the  
179 insured, and to any mortgagee to whom this policy is  
180 made payable, and tendering to the insured a ratable  
181 proportion of the premium, to cancel this policy as to all  
182 risks subsequent to the expiration of ten days from such  
183 notice, and no mortgagee shall then have the right to  
184 recover as to such risks.

In case of loss under this policy and a failure of the  
186 parties to agree as to the amount of loss it is mutually  
187 agreed that the amount of such loss shall be referred to  
188 three disinterested men, the company and the insured  
189 each choosing one out of three persons to be named by  
190 the other, and the third being selected by the two so  
191 chosen; the award in writing by a majority of the refer-  
192 ees shall be conclusive and final upon the parties as to the  
193 amount of loss or damage, and such reference unless  
194 waived by the parties *shall be a condition precedent to*  
195 *any right of action in law or equity to recover for such*  
196 *loss*; but no person shall be chosen or act as a referee,  
197 against the objection of either party, who has acted in a  
198 like capacity within four months.



No suit or action against this company for the recovery  
200 of any claim by virtue of this policy shall be sustained in  
201 any court of law or equity in this State unless commenced  
202 within two years from the time the loss occurred.

In witness whereof the said \_\_\_\_\_ company has  
204 caused this policy to be signed by its president, and at-  
205 tested by its secretary (or by such proper officers as may  
206 be designated,) at their office in \_\_\_\_\_ (date)

In case of loss under any fire-insurance policy, issued on  
208 property in this State, in the standard form above set  
209 forth, and the failure of the parties to agree as to the  
210 amount of loss, if the insurance company shall not,  
211 within ten days after a written request to appoint  
212 referees under the provision for arbitration in such  
213 policy, name three men under such provision, each of  
214 whom shall be a resident of this State, and willing to act  
215 as one of such referees; and if also such insurance com-  
216 pany shall not, within ten days after receiving the names  
217 of three men named by the insured, under such provis-  
218 ions made known to the insured, its choice of one of  
219 them to act as one of such referees, it shall be deemed  
220 to have waived the right to an arbitration under such  
221 policy, and be liable to suit thereunder, as though the  
222 same contained no provision for arbitration as to the  
223 amount of loss or damage. And in case of the failure of  
224 two referees, chosen, respectively, by the insurance  
225 company and the insured, to agree upon and select  
226 within ten days from their appointment a third referee  
227 willing to act in said capacity, either of the parties may  
228 within twenty days from the expiration of said ten days  
229 make written application, setting forth the facts, to the

230 insurance commissioner to appoint such third referee ;  
231 and said commissioner shall thereupon make such ap-  
232 pointment and shall send written notification thereof to  
233 the parties.

SECT. 2. All acts or parts of acts inconsistent herewith  
2 are hereby repealed.



STATE OF MAINE.

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HOUSE OF REPRESENTATIVES, }  
January 16, 1895. }

Tabled pending reference to Committee on Mercantile Affairs and Insurance, in concurrence, by Mr. FAIRBANKS of Bangor, and ordered printed.

W. S. COTTON, *Clerk.*