

MAINE STATE LEGISLATURE

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NEW DRAFT.

Sixty-Eighth Legislature.

HOUSE.

No. 345.

STATE OF MAINE.

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

AN ACT additional to the act incorporating the Mutual Fire
Insurance Company.

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

Section 1. The Mutual Fire Insurance Company incor-
2 porated by act approved February 23, 1827, may become
3 a stock fire insurance company under such name as may be
4 adopted not previously in use by any existing company, by
5 a two-thirds vote of the members present at any legal
6 meeting duly called for that purpose.

Sect. 2. Notice of such meeting shall be published once
2 a week for three successive weeks in some newspaper
3 published in York county, the first publication to be made
4 thirty days at least before the time named for said meet-

5 ing, and by giving a written notice thereof to the mem-
6 bers of said Mutual Fire Insurance Company at least
7 fourteen days before the day of said meeting, by deposit-
8 ing the same in the post-office, postage paid, directed to
9 each member at his or her latest post-office address.

Sect. 3. At such meeting it may, by a two-thirds vote
2 of the members present, accept the provisions of this act ;
3 pass such new rules and by-laws and take such further
4 proceedings as shall make the corporation fully conform
5 to the provisions of the general laws of this state regulat-
6 ing stock fire insurance companies.

Sect. 4. The capital stock of such corporation shall not
2 be less than one hundred thousand dollars, divided into
3 shares of one hundred dollars each.

Sect. 5. Directors and officers of said corporation shall
2 hold their respective positions until the expiration of the
3 terms for which they were elected. Their successors shall
4 be elected as if said corporation had been originally incor-
5 porated as a stock fire insurance company in accordance
6 with the provisions of the general law.

Sect. 6. Every member of said corporation on the day
2 of such meeting, shall be entitled to priority in subscrib-
3 ing to the capital stock of said corporation for one month
4 after written notice has been forwarded to him as pre-
5 scribed in section 7 of this act of the opening of the books
6 of subscription, in proportion to the amount of cash
7 premiums paid in by such members on unexpired risks in
8 force on the day of such meeting ; at the expiration of
9 said month, then the directors shall sell and dispose of
10 such portion of the capital stock which shall not have been
11 taken by the members as aforesaid, to such persons as

12 may subscribe to the same at not less than par. To such
13 members who are so entitled to subscribe to said capital
14 stock, but who fail so to do, the directors shall declare a
15 dividend from the company's surplus assets of such por-
16 tion thereof, if any, as shall have been earned by or con-
17 tributed from premiums paid by them on their unexpired
18 policies in force on the day of said meeting, and shall also
19 cancel all premium notes then in force.

Sect. 7. When such change shall have been decided
2 upon as aforesaid, then the directors shall give notice of
3 the change and that said books have been opened and that
4 the members of said corporation are entitled to priority
5 in subscribing to the capital stock, by publication once a
6 week for two successive weeks in a newspaper published
7 in the county where said corporation is located, and by
8 written notice thereof to all members of said Mutual Fire
9 Insurance Company in like manner as prescribed in sec-
10 tion two of this act.

Sect. 8. When the capital stock shall have been fully
2 subscribed for and paid in, the directors shall notify the
3 insurance commissioner of that fact, and thereupon the
4 commissioner shall make or cause to be made an examina-
5 tion of the affairs of the company, and if he shall find that
6 proceedings for the change thereof from a mutual fire
7 insurance corporation to a stock insurance corporation
8 have been regularly taken in conformity with this act, and
9 that the capital stock shall have been fully subscribed for
10 and paid in in cash or in such securities as stock insur-
11 ance corporations are entitled to hold under the laws of
12 this State, then the commissioner shall certify that such
13 examination has been made, and that the proceedings

14 required by this act have been regularly taken, the capi-
15 tal stock paid in and said corporation reorganized as an
16 insurance stock corporation in conformity with this act,
17 which certificate shall be filed with the secretary of state,
18 and thereupon said corporation shall come under the
19 provisions of the general laws of this state relating to
20 stock fire insurance companies with all the rights and
21 privileges which are granted to similar corporations in
22 this state.

Sect. 9. Said company incorporated under this act
2 shall commence, and continue business, for the term of
3 not less than ten years from the date of this act, issuing
4 and carrying an amount of insurance not less in volume
5 than the amount now written by said Mutual Fire Insur-
6 ance Company. And nothing herein contained shall be
7 construed to allow the company hereby incorporated to
8 discontinue business, and divide its surplus within said
9 period of ten years.

Sect. 10. Such parts of the original act of incorpora-
2 tion as are inconsistent with this act are hereby repealed,
3 provided said corporation fully conforms to the provisions
4 of this act.

STATE OF MAINE.

HOUSE OF REPRESENTATIVES,
March 19, 1897.

Reported by Mr. HUTCHINSON of Auburn, from Committee on Mer-
cantile Affairs and Insurance, and ordered printed under joint rules.

W. S. COTTON, *Clerk.*