

MAINE STATE LEGISLATURE

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SEVENTY-SEVENTH LEGISLATURE

SENATE

NO. 52

In Senate, Feb. 5, 1915.

Ordered, That five hundred copies be printed and that the same be referred to the Committee on Mercantile Affairs and Insurance.

Committee on Reference.

Presented by Mr. Flaherty of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND FIFTEEN

AN ACT to incorporate the Maine Fire Insurance Company.

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

Section 1. Frederic E. Boothby, Morrill N. Drew, Percival
2 P. Baxter, James A. Broe, Thomas H. Flaherty, John B.
3 Kehoe, Ralph H. Jordan, Cornelius A. Mannix, Wilbur C.
4 Whelden, Edward Duddy of the city of Portland, Charles
5 Cheltra of Bath, Wilbur E. Frank of Bangor, Jefferson M.
6 Swett of Eastport, Frank R. Linton of Lincoln, Herbert L.
7 Shephard of Rockport, Henry A. Furbish of Rangeley and
8 Charles O. Randall of Presque Isle, Maine, their associates,
9 successors and assigns are hereby made a body corporate by
10 the name of the Maine Fire Insurance Company, and by that

11 name may sue and be sued ; may have a common seal, estab-
12 lish by-laws and regulations for the management of its af-
13 fairs not repugnant to this charter and the laws of this state ;
14 and may purchase, hold and convey all such property, real and
15 personal, as may be deemed necessary for the use or accom-
16 modation of the business of the company, and generally do
17 and perform any and all legal acts incident to similar corpo-
18 rations.

Sect. 2. The powers and purposes of said corporation shall
2 be that of insuring against loss from fire by every form of
3 insurance appertaining thereto. Said corporation may at any
4 time, and without increase of its capital stock, engage in a
5 brokerage and agency business pertaining to insurance, and
6 may also accept and exercise such additional powers and
7 privileges as by any constitutional provisions or legislative
8 enactment hereafter adopted or passed shall become lawful.

The cash paid in capital of the said corporation shall be no
10 less than two hundred thousand dollars, before said corpo-
11 ration shall commence business in this or any other state.
12 Said corporation is empowered to increase its cash paid in
13 capital not to exceed one million dollars, without further
14 legislative consent.

Sect. 3. Said company may acquire by purchase the busi-
2 ness and good will of any insurance company doing a sim-
3 ilar business to that herein authorized and any such company
4 organized or doing business under the laws of the State of
5 Maine is hereby authorized and empowered to transfer its

6 business, good will and insurance risks to said Maine Fire In-
7 surance Company and the incorporators, directors or execu-
8 tive committee may enter into contracts for the purchase
9 of the same or the purchase of the business and good will of
10 any corporation, firm or individual doing a brokerage or
11 agency business in the same kind of insurance, at any time,
12 but no policy shall be issued until the entire capital stock is
13 paid in, in cash, and invested as provided in section eleven,
14 of chapter forty-nine, revised statutes of Maine.

Sect. 4. Said company shall pay a tax on premiums re-
2 ceived, as provided in section 48, chapter 8, revised statutes of
3 Maine, but shall be exempt from all other state and town
4 taxes on its capital stock and surplus invested in securities
5 exempt from taxation as provided by the laws of the state.

Sect. 5. Except as otherwise herein provided the corpo-
2 rate powers of said company shall be vested in a board of
3 directors and shall be exercised by said board and such offi-
4 cers, committees and agents as they may empower. The
5 incorporators hereinbefore named shall constitute the first
6 board of directors and hold office until the first regular meet-
7 ing of the corporation to be held in accordance with its by-
8 laws and until their successors are elected, and in case one
9 or more of the incorporators shall decline to act as such di-
10 rector or for any other reason a vacancy or vacancies occur
11 in said board, the remaining persons acting as such board
12 shall have full power to fill such vacancy until such meeting,
13 at which time the stockholders shall elect by written ballot

14 a board of directors consisting of such number, not exceeding
15 thirty nor less than nine, as the by-laws may provide, one-
16 third of the board shall be elected for one year, one-third for
17 two years and one-third for three years, and annually there-
18 after directors shall be elected by the stockholders for the
19 term of three years to succeed the retiring class. All va-
20 cancies in the board shall be filled by the board for the un-
21 expired time. A majority of the board shall be residents of
22 the State of Maine and each one must be a stockholder. All
23 meetings of the directors shall be held in the State of Maine
24 and until otherwise provided by the by-laws of the company
25 seven shall constitute a quorum for the transaction of the
26 business.

Sect. 6. The directors shall elect from their number an-
2 nually as soon as convenient after they are elected, an execu-
3 tive committee which committee shall have the immediate
4 management of the business of the corporation and shall
5 exercise, when the board of directors is not in session, all
6 the rights and powers vested by this charter in the board of
7 directors, subject only to such regulations and restrictions as
8 may be provided in the by-laws of the company. The com-
9 pany to issue standard policies as provided in section four,
10 chapter forty-nine of the revised statutes of Maine, and may
11 provide for individual contracts with the insured or for
12 blanket contracts covering a class, series or group of risks.
13 They shall also fix the rate of premium and terms in manner
14 of the payment thereof and may provide for the payment

15 of said premium upon a flat or fixed rate or by assessment
16 upon a class, series or group of risks, and they may also
17 provide that a portion of the profits of any class, series or
18 group of risks, may be shared with the insured.

Sect. 7. Said company shall be located and have its princi-
2 pal place of business in the city of Portland, county of Cum-
3 berland and State of Maine, but the business of the company
4 may be transacted throughout the United States of America,
5 and elsewhere, by means of agencies, branches, or otherwise,
6 as may be deemed advisable.

Sect. 8. The first meeting of said corporation shall be
2 called by notice signed by one of the incorporators herein-
3 before named, stating the time and place thereof, a copy of
4 which shall, seven days at least before the time appointed, be
5 given to each incorporator, left at his usual place of business
6 or residence, or deposited in the post office prepaid and ad-
7 dressed to him at his usual place of business or residence.
8 Such notice shall be proved by affidavit of the person giving
9 it. At such first meeting, including any adjournment there-
10 of, an organization shall be effected by the choice by ballot
11 of a temporary clerk who shall be sworn to the faithful dis-
12 charge of his duties, by the adoption of by-laws consistent
13 with this charter and laws of the state, and by the election of
14 such officers as the by-laws require. The temporary clerk

15 shall record the proceedings, until and including the qualifi-
16 cations of the secretary of the corporation by his being
17 sworn. No organization shall be effected at any such meet-
18 ing or its adjournment unless a majority of the incorporators
19 are present in person or by proxy. The original incorpora-
20 tors shall elect a board of directors who shall thereafter
21 choose one of the number a president, also an executive com-
22 mittee, a secretary and other officers, which under the by-laws
23 they are authorized to choose. The president, the secretary
24 and a majority of the directors, shall forthwith make, sign
25 and swear to the certificate setting forth the date of the ap-
26 proval of this charter, the name and purposes of the corpo-
27 ration, the amount of capital stock, the amount already paid
28 in, the par value of the shares, the name and residence of
29 the owners, the name of the county where it is located, and
30 the number and names of the incorporators acting as direct-
31 ors. Such certificate shall be recorded in the registry of
32 deeds in the county where the principal office is to be located,
33 and a copy thereof certified by such register shall be filed in
34 the secretary of state's office, who shall enter the date of filing
35 thereof, and on the original certificate to be kept by the cor-
36 poration, and shall record said copy in a book for that pur-
37 pose. And from the time of filing said certificate in the
38 secretary of state's office the stockholders of said corporation,
39 their successors and assigns, shall be a corporation with the
40 powers hereinbefore granted.