

MAINE STATE LEGISLATURE

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E I G H T Y - S I X T H L E G I S L A T U R E

Legislative Document

No. 207

S. P. 111

In Senate, Jan. 31, 1933.

Referred to Committee on Mercantile Affairs and Insurance and 500 copies ordered printed. Sent down for concurrence.

ROYDEN V. BROWN, Secretary.

Presented by Senator Story of Aroostook.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED THIRTY-THREE

AN ACT Relating to Insurance Policies.

Emergency Preamble. Whereas failure to collect insurance premiums under prevailing credit conditions may result in reduction of the legal reserves of insurance companies, and in disastrous unpaid losses to the public, and

Whereas these facts render the passage of this act necessary for the immediate preservation of the public health, peace and safety and constitute an emergency within the meaning of the constitution, now, therefore,

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

R. S. c. 60, § 7, amended. Section 7 of chapter 60 of the revised statutes is hereby amended to read as follows:

Sec. 7. Notification to policy-holders attached to policy. There shall be printed ~~on the margin of~~ in the policy ~~near~~ **immediately succeeding** the part thereof that relates to cancellation, in type not smaller than long primer, ~~or attached to such policy by rider in the form permitted by law,~~ the following clause: "If, **within forty-five days after the effective date of this policy,** the premium ~~on this policy has not been paid to~~ **shall not have been paid in full and endorsed hereon** by the company, or its agent ~~or to the duly licensed insurance broker~~ through whom the contract of insurance was ~~negotiated~~ **effected,** this policy **shall become void for want of**

consideration, but during said 45 day period it may be cancelled by the company at any time in the manner herein provided prescribed and without tendering to the assured any part of the original premium.”’

Emergency Clause. In view of the emergency recited in the preamble, this act shall take effect when approved.