

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. 314

H. P. 878

House of Representatives, Feb. 1, 1933.

Referred to Committee on Legal Affairs and 500 copies ordered printed.
Sent up for concurrence.

HARVEY R. PEASE, Clerk.

Presented by Mr. Flanders of Auburn.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED THIRTY-
THREE

AN ACT to Incorporate the Maine Fraternal Beneficiary Corporation.

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

Section 1. Corporators; corporate name; general authority. Harvey F. McGlauffin of Presque Isle, Merle J. Harriman of Readfield, Frank E. Potter of Bangor, Dana O. Dudley of Woodstock and Alton C. Wheeler of Auburn, their associates, successors and assigns are hereby made a body corporate by the name of Maine Fraternal Beneficiary Corporation, and by that name shall sue and be sued; may have a common seal, establish by-laws, rules and regulations for the management of its affairs not repugnant to this charter and the laws of this state, and may purchase, hold and convey all such property, real and personal, as may be deemed necessary for the use and accommodation of the business of the company and generally do and perform all legal acts incident to similar corporations.

Sec. 2. Purposes and powers. The purposes and powers of said corporation shall be: To carry on, for the sole benefit of its members and their beneficiaries, and not for profit, the activities and business of a fraternal beneficiary association as defined in section 1 of chapter 61 of the revised statutes; subject however to the same limitations, duties and restrictions as therein set forth, and with the same rights, privileges, and exemptions as therein provided, except as the provisions of said chapter 61 may be modified by this act.

Sec. 3. Membership. In addition to the incorporators hereinbefore named, any person over 18 years of age may become a member of this corporation and participate in its obligations and benefits by complying with the requirements of the by-laws, rules and regulations hereafter to be adopted hereunder not inconsistent herewith, provided however that membership herein shall be evidenced by a certificate of membership and shall be limited to such persons as are, at the time of admission to membership herein, members in good standing in one or more of the following named fraternal organizations, viz: Patrons of Husbandry; Independent Order of Odd Fellows; Masons; Knights of Pythias; New England Order of Protection; or of any other fraternal or beneficiary order or association maintaining an organization in the state of Maine having a lodge system with ritualistic form of work and representative form of government.

Sec. 4. Location. The said corporation shall be located and have its legal location in the city of Auburn, in the county of Androscoggin and state of Maine, but the business of the corporation may be transacted throughout the United States of America and elsewhere by means of agencies, branches or otherwise, as may be deemed advisable.

Sec. 5. Organization. The first meeting of said corporation shall be called by a notice signed by one of the incorporators hereinbefore named, stating the time and place thereof, a copy of which, seven days at least before the time appointed, shall be given to each incorporator, left at his usual place of business or residence or deposited in the post office pre-paid and addressed to him at his usual place of business or residence. Such notice shall be proved by affidavit of the person giving it.

At such first meeting, including any adjournment thereof, an organization shall be effected by the choice by ballot of a temporary clerk, who shall be sworn to the faithful discharge of his duties; by the adoption of by-laws consistent with this charter and laws of the state, and by the election in the manner provided by law of directors and such other officers as the by-laws require, provided however that at least 3 of the incorporators hereinbefore named shall be members of the first board of directors. The temporary clerk shall record the proceedings until and including the qualification of the secretary of the corporation by his being sworn. No organization shall be effected at any such meeting or its adjournment, unless a majority of the incorporators are present in person.

The board of directors thus elected shall elect a president, an executive committee, a secretary and other officers which under the by-laws they are authorized to choose.

The president, secretary and a majority of the directors shall forthwith

make, sign and swear to a certificate setting forth the date of the adoption of this charter by said incorporators, the name and purposes of the corporation, the name of the county where it is located and the number and names of the incorporators acting as directors. Such certificate shall be recorded in the registry of deeds in the county where the principal office is to be located and a copy thereof certified by such register shall be filed in the secretary of state's office, who shall enter the date of filing thereon and on the original certificate to be kept by the corporation, and shall record said copy in a book kept for that purpose, and from the time of filing such certificate in the secretary of state's office, the incorporators of said corporation, their successors and assigns, shall be a corporation with the powers hereinbefore granted.

Sec. 6. Certificate by insurance commissioner; reserve fund. Except in so far as they may inconsistent herewith the provisions of sections 1, 7 and 8 of chapter 61 of the revised statutes regulating fraternal beneficiary associations shall be applicable to this corporation. Any person holding a certificate of membership in this corporation may solicit memberships herein under the rules and regulations adopted hereunder without being licensed as an insurance agent, but this corporation shall neither incur liability nor issue any benefit policy certificate until it has received from the insurance commissioner a certificate of approval to the effect that it has complied with the requirements of law and is duly authorized to transact business in this state. Before such certificate of approval is granted this corporation shall present satisfactory evidence to the insurance commissioner that it has established mortuary assessment rates which are not lower than those now indicated as necessary by the National Fraternal Congress mortality tables, and that it has deposited with the treasurer of state at least \$1,000 as a part of its emergency or reserve fund for the benefit and protection of its members, which fund shall be held, increased, controlled, and used as provided in section 7 of chapter 61 of the revised statutes: provided however that nothing herein shall be held to prohibit this corporation from creating, accumulating and maintaining additional special reserves under its by-laws, rules and regulations.

Sec. 7. General insurance laws applicable. The general laws of the state with reference to insurance companies and the investment of their funds shall be applicable to this corporation except in so far as said laws may be inconsistent herewith.

Sec. 8. Limitation on charter. This charter shall not be valid unless organization hereunder shall be effected during the calendar year 1933; and the certificate of approval issued by the insurance commissioner as hereinbefore provided for, may be by him withdrawn, if, at the end of

6 months from its date of issue by him, it shall appear to said insurance commissioner that less than 300 persons have availed themselves of membership herein.