

MAINE STATE LEGISLATURE

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

Legislative Document

No. 1007

S. P. 473

In Senate, March 8, 1939.

Reported by Senator Spear of Cumberland from Committee on Mercantile Affairs and Insurance and laid on table to be printed under joint rules.

ROYDEN V. BROWN, Secretary.

S T A T E O F M A I N E

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
THIRTY-NINE

AN ACT Relating to Insurance Agents and Brokers.

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

R. S., c. 60, §§ 122, 123, amended. Sections 122 and 123 of chapter 60 of the revised statutes are hereby amended to read as follows:

‘Sec. 122. Licenses of agents; agent personally liable for unlawful contracts; penalty. The insurance commissioner may issue a license to any person to act as an agent of a domestic insurance company, or to solicit, receive or forward applications for life insurance as an agent of a foreign life insurance company which has received a license to do business in this state as provided in section 105, upon his filing with the commissioner a certificate from the company or association, or its authorized agent, empowering him so to act, **provided, however, that all applications for life insurance solicited, received and forwarded by non-resident agents for foreign life insurance companies shall be placed through a duly licensed resident agent of such company in this state; and provided further, that a non-resident may only be so licensed in this state to act as an agent for a foreign life insurance company if under the laws of the state of his residence, residents of Maine may be licensed to solicit and write life insurance in such state; and to any resident of the state to act as an agent of any other foreign insurance company, which has received a license to do busi-**

ness in the state as provided in section 105 or section 154, upon his filing such certificate. Such license shall continue until the 1st day of the next July. If any person solicits, receives or forwards any risk or application for insurance to any company, without first receiving such license, or fraudulently assumes to be an agent and thus procures risks and receives money for premiums, he shall be punished by a fine of not more than \$200, or by imprisonment for not more than 60 days for each offense; but any policy issued on such application binds the company if otherwise valid. Agents of duly authorized insurance companies may place risks with agents of other duly authorized companies when necessary for the adequate insurance of property, persons or interests. An insurance agent shall be personally liable on all contracts of insurance unlawfully made by or through him, directly or indirectly, for or in behalf of any company not authorized to do business in the state. Nothing herein contained shall require a duly licensed insurance agent or broker to obtain any license for an employee doing only clerical office work in the office of said agent or broker.'

'Sec. 123. Commissioner may license insurance brokers; penalty for acting without license; may revoke license for cause or upon request of company. The insurance commissioner may license any ~~person~~ resident as broker to negotiate contracts of insurance for others than himself for a compensation, by virtue of which license he may effect insurance with any domestic or foreign company or its agents; or any ~~resident~~ non-resident of the state to negotiate such contracts and effect insurance with the agents of any domestic or foreign company who have been licensed to do business in this state as provided in sections 105 and 122, but with no others; said license shall remain in force one year unless revoked as hereinafter provided. Whoever, without such license, assumes to act as such broker, shall be punished by a fine of not more than \$200, or by imprisonment for not more than 60 days for each offense. The insurance commissioner, after reasonable notice, may revoke the license of any agent or broker for violation of the insurance laws; or the license of any agent upon receipt of written request therefor from the company filed in the office of said commissioner.'