

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
95th LEGISLATURE

COMMITTEE AMENDMENT "A" to S. P. 337, L. D. 753, Bill, "An Act to Amend the Charter of the Union Mutual Life Insurance Company."

Amend said Bill by striking out Section 3 thereof and inserting in its place the following:

Sec. 3. P. & S. L., 1878, c. 74, §10, amended. Section 10 of chapter 74 of the private and special laws of 1878 is hereby amended to read as follows:

'Sec. 10. Fiscal year; financial report; surplus; record of apportionment; dividends. The fiscal year of the said company shall close on the 31st day of December annually; and on the first Wednesday of January following, or within one month thereafter and at least 3 days before the date of the annual meeting, the directors shall cause an estimate to be made, as near as may be practicable, of the true state of the affairs of the company at the said close, and of their business for the last fiscal year, and a balance to be struck of the accounts of the company; and thereupon compute the reserve, as required by law, for insurance of the risks of all outstanding policies, and shall then ascertain the net surplus of the total assets over the aggregate of the losses, payments and expenses of the said year, and the reserve, computed as aforesaid. They may, whenever they deem it for the interests of the policyholders ~~but not oftener than once a year,~~ apportion and distribute ~~this~~ surplus, or any part thereof, to the policies ~~which were in force at the close of the said last fiscal year and then entitled to participate in such apportionment, in the ratio in which the said policies severally contributed to the forming of such surplus~~ and contracts entitled by their terms to participate in a distribution of surplus; and record shall be made and preserved of such apportionments; and the same shall be binding upon all parties interested in any policy or contract issued, or risk taken, by the said company, ~~which by the terms of the policy or by the contract for the risk, is entitled to participate in the said surplus.~~ But the directors may make the payments of such dividends conditional upon the payment of the premium next becoming due.'

Reported by the Committee on Legal Affairs.

Read and adopted in the Senate March 13, 1951.

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