

MAINE STATE LEGISLATURE

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

Legislative Document

No. 753

S. P. 337

In Senate, February 16, 1951.

Referred to the Committee on Legal Affairs, sent down for concurrence and ordered printed.

CHESTER T. WINSLOW, Secretary

Presented by Senator Haskell of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-ONE

AN ACT to Amend the Charter of the Union Mutual Life Insurance Company.

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

Sec. 1. P. & S. L., 1878, c. 74, § 4, amended. Section 4 of chapter 74 of the private and special laws of 1878 is hereby amended to read as follows:

'Sec. 4. Annual meeting; where held. An annual meeting of the said company shall be held on the 2nd ~~Wednesday in January, or within one month after Tuesday in February~~ or at such other time in the month of February as may be designated by the directors, in each year, at ~~Augusta~~ **Portland, Maine,** or such other place as the directors may deem more convenient to a majority of the members, at which directors shall be chosen by ballot to fill the places of those whose terms shall then expire; and public notice of said meetings shall be given by the secretary in one or more newspapers ~~printed in Augusta, and in one or more newspapers printed in such other place as may at any time be designated, as aforesaid, for holding the same~~ **published in Portland, Maine,** 15 days at least prior to the ~~said meetings meeting~~; and in case of a failure to elect directors at any meeting, the same may be adjourned from time to time until such election shall be effected or completed.'

Sec. 2. P. & S. L., 1878, c. 74, § 7, amended. Section 7 of chapter 74 of the private and special laws of 1878 is hereby amended to read as follows:

'Sec. 7. Affairs, how managed. The directors shall at all times superintend the affairs and manage the funds, property and estate of the company; and shall invest the funds of the company in the name of the company; or they may invest them in the name of trustees, whenever they deem it necessary to do so in order to preserve and protect the interests of the company and to secure a perfect title to property held as investments or as security for investments. But it shall not be lawful for them to loan any sum of money to any director or other officer of the company upon any security whatever, **except loans on policies issued by the company.'**

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 record shall be made and preserved of such apportionments; and the same shall be binding upon all parties interested in any policy 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.'