

MAINE STATE LEGISLATURE

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

Legislative Document

No. 900

S. P. 324

In Senate, February 25, 1959

Referred to the Committee on Business Legislation. Sent down for concurrence and ordered printed.

CHESTER T. WINSLOW, Secretary.

Presented by Senator Charles of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-NINE

AN ACT Relating to Powers of Maine Fidelity Life Insurance Company.

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

P. & S. L., 1955, c. 191, § 2, amended. The 2nd paragraph of section 2 of chapter 191 of the private and special laws of 1955, as amended by section 1 of chapter 28 of the private and special laws of 1957, is further amended to read as follows:

'The company is authorized to issue stock to the value of \$500,000 at a par value of \$10 per share. The company, by a vote representing a majority of the voting stock, at any regular or special meeting of the stockholders called for that purpose, may increase its capital stock to a sum not to exceed \$5,000,000, decrease its capital stock to a sum not less than \$200,000, or change the par value of its capital stock. The amount of capital stock of this company, required under the statutes of Maine to be paid in, shall be the amount of such capital stock as may be authorized by the stockholders of this company from time to time, within the limitations set forth herein. **Notwithstanding the foregoing provisions of this paragraph or the provisions of any general statute of Maine, now or hereafter enacted to the contrary, the board of directors of the company may from time to time set aside a number of shares of the company's authorized capital stock, not exceeding 10% of such authorized capital stock as the same may be increased from time to time by the stockholders, for issuance upon the exercise of stock options granted or to be granted from time to time by the board of directors to officers, directors, employees, general agents and agents of the company. Said shares so set aside by the board of directors shall be exempt from the provisions of the Revised Statutes of Maine, 1954, chapter 60,**

section 43, as said section now exists or may hereafter be amended, requiring all capital stock to be paid in, but the number of shares so set aside shall be reported on the certificate, in addition to the information required by the aforesaid chapter 60, section 43, to be filed with the Insurance Commissioner for the State of Maine, and thereafter upon issuance of all or part of said shares so set aside, additional certificates may from time to time be filed, as contemplated by the aforesaid chapter 60, section 43, which certificates shall set forth the number of shares issued upon the exercise of such stock options; and the company may, when said additional certificates have been approved and filed in accordance with the aforesaid chapter 60, section 43, thereafter transact business on its capital as increased by the number of shares issued as stated in such additional certificates. For the purposes of the annual issuance of "like certificates" specified in said Revised Statutes of Maine, chapter 60, section 3, as said section now exists or may hereafter be amended, authorized but unissued shares of the company so set aside shall be excluded from the term "capital stock." The board of directors shall have the authority to establish and determine the officers, directors, employees, general agents and agents who shall be entitled to participate in the receipt of such stock options and the terms and conditions of such participation, including the number of shares which each individual so participating shall be entitled to purchase, the price or prices, not less than the par value thereof, at which such shares may be issued upon the exercise of such options, and the total number of shares, within the limitation of this paragraph, to be so set aside for such issuance. It shall deposit with the Treasurer of State, prior to the issuance of a license by the Insurance Commissioner, the sum of \$200,000, to be held by the Treasurer of State as a deposit in the interest of all the policyholders. The deposit shall be subject to the same regulations as similar funds held in trust by the Treasurer of State.'