

MAINE STATE LEGISLATURE

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PRIVATE AND SPECIAL

A C T S

OF THE

STATE OF MAINE,

PASSED BY THE

NINTH LEGISLATURE,

AT ITS

SESSION, COMMENCING JANUARY 7th, 1829.

Published agreeably to the Resolve of the 28th June, 1829.

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1829.

CHAP. 44.

AN ACT to incorporate the Somerset Mutual Fire Insurance Company.

Approved February 25, 1829.

Persons incorpora-
ed.

SECT. 1. *Be it enacted by the Senate and House of Representatives, in Legislature assembled,* That Richard Sawtell, John G. Neil, Eleazer Coburn, David Kidder, John Burns, Ebenezer S. Phelps, Caleb Jewett, William Allen, jr. John S. Tenney, Amos Fletcher and Calvin Selden, with their associates and successors, be, and hereby are created a body corporate, by the name of the "Somerset Mutual Fire Insurance Company," with power, by that name, to prosecute and defend suits at law; to have and use a common seal; to make by-laws and regulations for the management of their affairs, not repugnant to the laws of the State; to purchase and hold such real and personal estate, as may be necessary to effect the objects of their association; and to enjoy all rights and powers, incident to such corporations.

Every person who
is insured, becomes
a member of the
company.

SECT. 2. *Be it further enacted,* That every person, who shall, at any time, become interested in said company, by insuring therein, and also their heirs, executors, administrators and assigns, continuing to be insured therein, as herein after provided, shall be members thereof, and bound by the provisions of this Act, during the terms specified in their respective policies, and no longer.

Annual meetings.

SECT. 3. *Be it further enacted,* That there shall be a meeting of said company at Norridge-wock, in the county of Somerset, on the first Wednesday of May, annually, or on such other day as the said company may hereafter determine; at which meeting shall be chosen, by a major vote of the members present, a Board of Directors, consisting of not more than nine, nor less than five members; who shall continue in office until others shall have been chosen, and accepted the trust in

Directors how chosen.

their stead. All vacancies happening in said board may be filled, by the remaining members until the next annual meeting ; and a majority of the whole number shall constitute a quorum for the transaction of business, and the assent of a majority of the whole number of the Directors shall be necessary for every official act of said board. Special meetings of the company may be called, by order of the Directors, or in such manner as the by-laws thereof may prescribe.

SECT. 4. *Be it further enacted,* That the Board of Directors shall superintend the concerns Duty of Directors. of said company, and shall have the management of the funds and property thereof, and of all matters and things thereunto relating, not otherwise provided for by said company. They shall have power, from time to time to appoint a Secretary, Treasurer and such other officers, agents and assistants, as to them may seem necessary ; and prescribe their duties, fix their compensation, take such security from them, as they may think proper, for the faithful performance of their respective duties, and may remove them at pleasure. They shall determine the rates of insurance, the sum to be insured on any building, not exceeding three fourths of its value, and the amount of the note to be deposited for the insurance thereof. They shall order and direct the making and issuing of all policies of insurance ; the providing of books, stationery and other things needful for the office of said company, and for carrying on the affairs thereof ; and may draw upon the Treasurer for the payment of all losses which may have happened, and for expenses incurred in transacting the concerns of said company. They shall elect one of their own number to act as President, and may hold their meetings monthly, and oftener, if necessary ; and shall keep a record of their proceedings.

Every person insured to deposit his note, &c.

SECT. 5. *Be it further enacted,* That every person who shall become a member of said company, by effecting insurance therein, shall, before he receives his policy, deposit his promissory note for such sum of money as the Directors shall determine; a part of which note, not exceeding eight per cent. shall immediately be paid, for the purpose of defraying the incidental expenses of the company, and endorsed thereon; and the remainder of said note shall be paid, wholly or in part, at such time as the Directors shall require, for the payment of losses, or other expenses; and at the expiration of the term of insurance, said note, or such part thereof as may remain unpaid, after deducting all losses and expenses occurring, during said term, shall be relinquished and given up to the signer thereof.

Buildings insured and the land under and appurtenant thereto, holden as security for payment of deposit note.

Proviso.

Fees of Register for filing certificates

SECT. 6. *Be it further enacted,* That whenever said corporation shall make insurance on any building, such building, the land under the same and appurtenant thereto, shall be holden as security for such deposit money and assessments, as the person thus insured, shall be liable to pay; and the policy of insurance shall, from the time it issues, create a lien on the said buildings and land therefor, which shall continue, notwithstanding any transfer of the property: *Provided,* It shall be expressed in the policy, that insurance is made subject to the lien created by law, and a certificate of the same by the Secretary, shall be filed in the Registry of Deeds of the county wherein the estate insured is situated; and the Register, for filing said certificate, and keeping a suitable index thereof, shall be entitled to receive six cents.

Proceedings in case of loss.

SECT. 7. *Be it further enacted,* That whenever any member shall sustain any loss by fire, of property, so insured, such member shall, within sixty days next after such loss, give notice thereof, in writing, to the Directors, or some one of them, or to the Secretary of said company, and the Directors, upon a view of the same, or in such

other way as they may judge proper, shall ascertain and determine the amount of such loss; and if the party suffering is not satisfied with the determination of the Directors, the said party, within three months next after such determination is made known, may bring an action at law against said company in the county where the loss or damage happened; and in case the plaintiff in such action shall not, on trial, recover damages greater than the amount determined as aforesaid, he shall not be allowed costs; but the company shall recover its costs, and execution shall issue for the balance between such costs and the amount recovered in damages, in favor of the party to whom such balance shall appear to be due.

SECT. 8. *Be it further enacted,* That the Directors shall, after receiving notice of any loss or damage by fire, sustained by any member, and ascertaining the amount of the same, settle and determine the sums to be paid by the several members of said company, as their respective proportions of such loss and publish the same in such manner as they shall see fit, or as the by-laws may prescribe. And the sum to be paid by each member shall always be in proportion to the original amount of the note or notes, but shall in no case exceed the amount of said deposit note or notes, by him deposited; and shall be paid to the treasurer, within thirty days next after the publication of said notice. And if any member shall, for the space of thirty days after such notice, neglect or refuse to pay the sum assessed upon him as his proportion of any loss or damage as aforesaid; in such case, the Directors may sue for and recover the whole amount of the note or notes by him deposited, with costs of suit; and the money thus collected shall remain in the treasury of said company, subject to the payment of such losses and expenses as have then accrued, or may thereafter accrue; and the balance, if any remain, shall be

Duty of Directors
when notified of a
loss.

returned to the party from whom it was collected, on demand, after thirty days from the expiration of the term for which insurance was made.

SECT. 9. *Be it further enacted,* That the said company may make insurance for any term, not exceeding seven years, on dwelling houses, stores, shops and other buildings and household furniture in this State, against loss or damage by fire, originating in any cause, other than by design in the assured. And that when the property insured shall be alienated by sale, or otherwise, the policy shall thereupon be void, and be surrendered to the Directors of said company, to be cancelled; and upon such surrender, the assured shall be entitled to receive the note or notes by him deposited, upon the payment of his proportion of all losses and expenses that have accrued prior to such surrender.

Company may make insurance for a term not exceeding seven years.

Policies to be void on sale or transfer of the property insured.

First meeting.

No policies to be issued until application is made for insurance on at least \$50,000.

SECT. 10. *Be it further enacted,* That any two of the persons herein named are authorized to call the first meeting of said company, by publishing a notice of the time and place of meeting in the "Somerset Journal," printed in Norridgewock, at least ten days prior to said meeting. And no policy shall be issued by said company, until application shall be made for insurance on, at least, fifty thousand dollars.

SECT. 11. *Be it further enacted,* That the powers granted by this Act, may be enlarged, restrained or annulled at the pleasure of the Legislature.

Powers herein granted subject to revision by the Legislature.