

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

OF THE

FIFTY-SEVENTH LEGISLATURE

OF THE

STATE OF MAINE.

1878.

Published by the Secretary of State, agreeably to Resolves of June 28, 1820,
February 18, 1840, and March 16, 1842.

AUGUSTA:

SPRAGUE, OWEN & NASH, PRINTERS TO THE STATE.

1878.

PRIVATE AND SPECIAL LAWS

OF THE

STATE OF MAINE.

1878.

purchasers or lessees, to all the duties and restrictions rest- CHAP. 74.
 ing upon said corporation or its mortgagees.

Approved February 19, 1878.

Chapter 74.

An act to consolidate, revise, and amend the various acts which constitute the charter of the Union Mutual Life Insurance Company.

Be it enacted by the Senate and House of Representatives in Legislature assembled, as follows :

The various acts which constitute the charter of the Union Mutual Life Insurance Company are hereby consolidated and amended, so that the following shall be the charter of said company :

Charter consolidated and amended.

SECT. 1. Joseph H. Williams, E. Brown Pratt, and J. Walker Judd, their associates and successors, and all others who may hereafter become members of this company, as hereinafter provided, are hereby constituted a body corporate, by the name of the Union Mutual Life Insurance Company; and by that name may sue and be sued; appear, and prosecute, and defend suits to final judgment and execution in any courts and elsewhere; may have a common seal, and alter the same at pleasure; and may purchase, hold, and convey in this state, or in any other state or country, all such property, real and personal, as may be deemed necessary for the use or accommodation of the business of the company, or for the investment of its funds.

Corporators.

Corporate name.

Powers and privileges.

SECT. 2. As soon as applications for insurance shall be made to said corporators, or either of them, to the amount of one hundred thousand dollars, in sums not exceeding five thousand dollars upon any one life, they, or any two of them, may call the first meeting of said company, by giving notice of the time and place for holding the same, in one of the newspapers printed in Augusta, fifteen days at least prior to the said meeting; and it shall be lawful for the said corporators and their associates then and there to choose by ballot a board of twelve directors, who shall be members of said company, and continue in office until others shall be chosen as hereinafter provided.

First meeting, when and how called.

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Membership.

SECT. 3. Every person whose life shall be insured in this company, according to the provisions of this act, shall be deemed a member thereof during the period of such insurance, and until the policy shall be paid, cancelled, or surrendered, according to the terms of this act and the by-laws of the company, and no longer; and shall be entitled to one vote, and to an additional vote for each thousand dollars of insurance above one thousand. And any member may vote by proxy, if the same be given directly to the person producing it at any meeting; but no person or corporation shall have the right to vote on any policy of re-insurance issued by this company.

Annual meeting, when and where held.

SECT. 4. An annual meeting of the said company shall be held on the second Wednesday in January, or within one month after, in each year, at Augusta, 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, fifteen days at least prior to the said meetings; 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.

—directors to be chosen.

—notice, how given.

—may be adjourned.

Directors, term of office.

SECT. 5. The directors shall continue in office during the term for which, under the by-laws, they are chosen, and until a new election shall be made; and they shall have power to fill any vacancy in the board, which may happen by death or otherwise, until the next annual election of directors; five of them shall constitute a quorum for the transaction of business; they shall fix and determine the rate of premium on all policies of insurance that the company shall issue, and the terms and manner of the payment thereof; and may adopt such by-laws, and other rules and regulations, for discharging the various functions, and conducting and transacting the business and affairs of the company, as they shall deem necessary and useful; and exercise all the corporate powers of said company not inconsistent with the provisions of the charter or the other laws of the state.

—quorum.

—powers and duties.

SECT. 6. The directors shall have power to choose a president, vice-president, secretary and clerk, and such other officers and agents as they may deem necessary for the prosecution of the business of the company, who may or may not be members of the board of directors; they shall prescribe the term of office, the duties and compensation of said officers and agents, and take such security from them as they may think proper for the faithful discharge of their respective duties.

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Officers, how chosen.

—term, duties and compensation.

SECT. 7. 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.

Affairs superintended, property managed and funds invested, by directors.

Funds, not to be loaned to any officer of company.

SECT. 8. The company may issue contracts of life insurance, and grant annuities and endowments, and all such contracts shall be signed by the president or vice-president, and by the secretary thereof; and the same shall bind the said company, upon delivery and upon payment of the premium chargeable thereon, to the satisfaction of the directors, and in accordance with their rules and regulations. And, upon the death of any person upon whose life this company shall have a subsisting policy of insurance, the sum insured shall become due and payable in ninety days from the time the same shall be proved and established according to the terms of such policy, unless the policy provides for a different time of payment. And the said company may cause itself to be insured against the hazard of any risk assumed by them.

Contracts of insurance issued by president and secretary, shall bind company.

Sum insured, when payable.

Company may insure itself against risk.

SECT. 9. The said company may issue policies of insurance upon the life of any person, expressed to be for the benefit of any woman, minor or minors; and the same shall inure to the sole use and benefit of such person or persons so expressed as aforesaid, independently of the one whose life may be thus insured, as well as of his or her creditors, and of the creditors of such woman, minor or minors; *provided, however,* that this section shall not apply to cases where the annual cash premium paid on the policy shall exceed the sum

Policies may be issued for the benefit of women or minors.

Proviso.

CHAP. 74. of four hundred dollars, unless paid from the private property of the person or persons for whose express benefit such insurance shall be effected.

Fiscal year to close Dec. 31.

Estimate of standing and business of company to be made annually.

May distribute surplus.

Record of apportionment to be made and preserved.

Payments of dividends may be made conditional.

Act not to affect the issue of certain policies.

Company not exempt from operation of general laws.

SECT. 10. The fiscal year of the said company shall close on the thirty-first day of December annually ; and on the first Wednesday of January following, or within one month thereafter, 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.

SECT. 11. Nothing in this act shall be construed to prevent the company from issuing policies with or without a participation in the profits of said company, or for a limited term of years ; nor to prevent the issuing of policies for a larger amount than five thousand dollars, when the accumulated premiums shall have reached the sum of one hundred thousand dollars ; but the excess of any policy above twenty thousand dollars shall always be reinsured.

SECT. 12. Nothing herein contained shall be construed to exempt said company from the operation of the general laws of the state.