

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND FIFTEENTH LEGISLATURE

THIRD SPECIAL SESSION

October 1, 1992 to October 6, 1992

FOURTH SPECIAL SESSION

October 16, 1992

ONE HUNDRED AND SIXTEENTH LEGISLATURE

FIRST REGULAR SESSION

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J.S. McCarthy Company
Augusta, Maine
1993

PUBLIC LAWS
OF THE
STATE OF MAINE

AS PASSED AT THE
FIRST REGULAR SESSION

of the
ONE HUNDRED AND SIXTEENTH LEGISLATURE

1993

part of the same transaction, by paying or tendering to the mortgagee or to those claiming under the mortgagee as appears by record at the registry of deeds where the mortgage is properly recorded, the debt, interest, costs of foreclosure and other obligations provided in the mortgage, at any time within one year from the date of the sale. Nothing in this section applies to a sale under the statutory power of sale in a mortgage as provided for in sections 6203-A to 6203-E, to railroad mortgages, so called, or to bond issues of corporations, or to bonds forming a part of a mortgage indebtedness of any corporation or corporations ~~wherein~~ when the method of sale is provided in the deed of trust or any similar instrument.

The acceptance, before the expiration of the right of redemption and after the commencement of foreclosure proceedings of any mortgage of real property, of anything of value to be applied on or to the mortgage indebtedness by the mortgagee or any person holding under ~~him shall constitute~~ the mortgagee constitutes a waiver of ~~such~~ the foreclosure, unless an agreement to the contrary in writing ~~be~~ is signed by the person from whom the ~~same~~ payment is accepted ~~or, with regard to foreclosures commenced by civil action under section 6321, unless the bank returns the payment to the mortgagor within 10 days of receipt. Except the~~ The receipt of income from the mortgaged premises, by the mortgagee ~~or his~~ the mortgagee's assigns while in possession ~~thereof of the premises, shall~~ does not constitute a waiver of the foreclosure proceedings of the mortgage on such premises.

The mortgagee and the mortgagor may enter into an agreement to allow the mortgagor to bring the mortgage payments up to date with the foreclosure process being stayed as long as the mortgagor makes payments according to the agreement. If the mortgagor does not make payments according to the agreement, the mortgagee may, after notice to the mortgagor, resume the foreclosure process at the point at which it was stayed.

See title page for effective date.

CHAPTER 322

H.P. 778 - L.D. 1051

An Act to Authorize Maine Financial Institutions and Credit Unions to Sell Annuities

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

Sec. 1. 9-B MRSA §443, sub-§11 is enacted to read:

11. Annuities. A financial institution, credit union or financial institution holding company, or a subsidiary or employee of such an entity, authorized to do business in the State may sell, or arrange for the sale of, through a

licensed 3rd-party, annuities purchased from a licensed insurance company and may share commissions in connection with the sale of annuities pursuant to the provisions of Title 24-A. A financial institution, a credit union or a financial institution holding company or an employee or subsidiary of such an entity must be licensed in accordance with Title 24-A, section 1531, subsection 1, paragraph F before engaging in any of the activities concerning the sale of annuities authorized by this subsection. If annuities are sold pursuant to the authorization under this subsection through an arrangement with a licensed 3rd-party agent, that 3rd-party agent may not be licensed to sell general lines insurance or life and health insurance. As used in this subsection, the words "sell annuities" and "arrange for the sale of annuities" do not include the underwriting of those products.

A financial institution, credit union or financial institution holding company that sells or arranges for the sale of annuities on the premises of that entity:

A. Shall post conspicuously a notice that is clearly visible to all customers that may purchase annuities. The notice must state in clearly understandable language that the annuities are not insured by the Federal Deposit Insurance Corporation;

B. Shall orally inform a prospective purchaser of annuities that the annuities are not insured by the Federal Deposit Insurance Corporation; and

C. Before a sale of annuities is completed, must obtain a written statement signed by the purchaser of the annuities stating that the purchaser received the oral notice required by paragraph B.

Sec. 2. 9-B MRSA §467, sub-§§4 and 5 are enacted to read:

4. Sale of annuities. A financial institution or a credit union authorized to do business in this State may not arrange for the sale of annuities pursuant to section 443, subsection 11 with an insurance agent if that agent is a director of the financial institution or credit union or with an agency if a director is an owner or otherwise has a financial interest in the agency.

5. Provision of names of persons purchasing annuities. A financial institution or a credit union authorized to do business and to sell annuities in this State may not sell or provide to any individual or institution the name of any person that has purchased annuities from that financial institution or credit union.

Sec. 3. 24-A MRSA §1514-A, sub-§2, as enacted by PL 1985, c. 731, is amended to read:

2. Prohibition on licensing. No A financial institution, financial institution holding company or the subsidiary of either or any an officer, employee, agent or representative of a financial institution, financial institution holding company or the subsidiary of either may not

be licensed as an insurance agent, broker or consultant in this State or may not act as an insurance agent, broker or consultant in this State. Nothing in this section limits the activity of these organizations with respect to credit life and credit health insurance to the extent authorized by chapter 37, group health insurance to the extent authorized by chapter 35 and group life insurance to the extent authorized by chapter 31. Nothing in this section prohibits a financial institution, credit union, financial institution holding company or a subsidiary or employee of any such entity from selling annuities, arranging for the sale of annuities or sharing commissions in connection with the sale of annuities to the extent authorized by Title 9-B, section 443, subsection 11, provided that such entity has been licensed pursuant to section 1531, subsection 1, paragraph F and if that activity includes the sale of variable annuity contracts, the National Association of Securities Dealers registration form has been submitted to the superintendent as required by the provisions of section 1520, subsection 3. In the event that a financial institution, credit union or financial institution holding company or subsidiary of a financial institution, credit union or financial institution holding company contracts for the sale of annuity products through a licensed 3rd-party agent who is also licensed to sell other insurance products, if the agent sells any insurance product other than annuities, in each instance the agent shall provide a written disclosure to the party purchasing the insurance product. The disclosure must state that in making the sale the agent is acting as an independently licensed insurance agent and not as an agent of the financial institution, credit union, financial institution holding company or subsidiary of a financial institution, credit union or financial institution holding company.

Sec. 4. 24-A MRSA §1514-A, sub-§2-A is enacted to read:

2-A. Notwithstanding the provisions of subsections 1 and 2, an individual may not be affiliated pursuant to section 1518, subsection 5, with a financial institution, credit union, holding company or subsidiary of a financial institution, credit union, holding company or subsidiary of which the individual is a director or trustee nor may an individual, through a 3rd-party arrangement, otherwise sell annuities for or share commissions with an institution. This prohibition applies to an organization licensed as an agent or broker in which the director or trustee has an ownership interest or otherwise controls the organization.

Sec. 5. 24-A MRSA §1517, sub-§6 is enacted to read:

6. A financial institution, credit union, financial institution holding company or a subsidiary of any such entity may be licensed as an insurance agent for the limited purpose of selling annuities as provided in section 1531, subsection 1, paragraph F or for the purpose of sharing commissions in the connection with the sale of

annuities as provided in this Title. An entity that is authorized to sell annuities or to share in commissions from the sale of annuities pursuant to Title 9-B, section 443, subsection 11 is not required to comply with the requirements of subsection 2.

Sec. 6. 24-A MRSA §1531, sub-§1, as amended by PL 1983, c. 298, §§1 and 2, is further amended to read:

1. The superintendent ~~may~~ shall issue to an applicant qualified ~~therefor~~ under this chapter a limited agent's license as follows:

- A. Covering motor vehicle insurance only; ~~or~~
- B. Travel accident and baggage insurance, as provided in section 1521, subsection 3 ~~of section 1521;~~ ~~or~~
- C. Covering only credit life and credit health insurance; ;
- D. Covering only title insurance; ~~or~~
- E. Allowing a director of a domestic mutual assessment fire insurance company to sell property insurance coverage written by that company; ; ~~or~~
- F. Covering only annuities. An individual who is licensed to sell annuities as well as other kinds of insurance under the Maine Insurance Code who is or becomes an employee of a financial institution, credit union, financial institution holding company or a subsidiary of such an entity that becomes licensed pursuant to this subsection, must promptly deliver the license to the superintendent for reissuance without fee or charge as a limited license for the sale of annuities only.

Sec. 7. 24-A MRSA §1875, sub-§2, as enacted by PL 1989, c. 31, §4, is amended to read:

2. This Except for limited licenses for the sale of annuities, this subchapter ~~shall~~ does not apply to persons holding only resident limited licenses under section 1531.

See title page for effective date.

CHAPTER 323

S.P. 353 - L.D. 1067

An Act to Allow the Use of Polystyrene Containers by Public Institutions under Certain Circumstances

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