

**Maine Revised Statute Title 24-A, Chapter 43:
SURETY INSURANCE CONTRACTS**

Table of Contents

Section 3101. CONTRACTS SUBJECT TO GENERAL PROVISIONS.....	3
Section 3102. ACCEPTANCE AS SURETY ON BONDS.....	3
Section 3102-A. INDEMNIFICATION; SURETY ON BONDS.....	3
Section 3103. PREMIUMS ON BONDS.....	4
Section 3104. NOTICE OF AUTHORIZATION TO REGISTERS OF PROBATE.....	4
Section 3105. ESTOPPEL TO DENY CORPORATE POWER.....	4

24-A §3101. CONTRACTS SUBJECT TO GENERAL PROVISIONS

All contracts of surety insurance delivered or issued for delivery in this State and covering subjects resident, located, or to be performed in this State are also subject to the applicable provisions of chapter 27 (the insurance contract) and to other applicable provisions of this Title. [1969, c. 132, §1 (NEW).]

SECTION HISTORY

1969, c. 132, §1 (NEW).

24-A §3102. ACCEPTANCE AS SURETY ON BONDS

Any insurer duly authorized to transact surety insurance in this State may be accepted as surety upon the bond of any person required by the laws of the State to execute a bond. If such insurer shall furnish satisfactory evidence of its ability to provide all the security required by law, no additional surety may be exacted, but other surety or sureties may, in the discretion of the official authorized to approve such bond, be required. Such insurer may be released from its liability on the same terms and conditions as are by law prescribed for the release of individuals. It is the true intent and meaning of this section to enable corporations created for that purpose to become surety on bonds required by law, subject to all the rights and liabilities of private individuals. [1969, c. 132, §1 (NEW).]

SECTION HISTORY

1969, c. 132, §1 (NEW).

24-A §3102-A. INDEMNIFICATION; SURETY ON BONDS

1. Annual notice to indemnitors. An insurer authorized to transact surety insurance in this State that acts as surety upon a payment or performance bond executed in this State in reliance on an indemnity agreement shall annually notify the following persons of the existence of the indemnity agreement:

- A. All indemnitors who are residents of the State; [1995, c. 296, §1 (NEW).]
- B. All indemnitors of a bond executed by a corporation incorporated in the State; and [1995, c. 296, §1 (NEW).]
- C. The surety insurer's agent or broker, if an agent or broker is involved. [1995, c. 296, §1 (NEW).]

Notice to the indemnitors must be sent by certified mail to their last known address. The annual notice must be sent on or before the anniversary of the date of the execution of the indemnity agreement.

[1995, c. 296, §1 (NEW) .]

2. Termination of indemnity agreement. Failure to send an annual notice in accordance with the requirements of this section terminates an indemnity agreement executed after the effective date of this section as to any indemnitor to whom the annual notice was not sent. In no event does failure to send an annual notice or termination of the indemnity agreement relieve an indemnitor or the indemnitors' heirs, successors or assigns from past, present or future liability arising under any such bond executed in reliance upon the indemnity agreement if that indemnity agreement was in effect at the time the bond was executed.

[1995, c. 296, §1 (NEW) .]

SECTION HISTORY

1995, c. 296, §1 (NEW).

24-A §3103. PREMIUMS ON BONDS

Any court or officer whose duty it is to pass upon the account of any person required by law to give a bond may, whenever such person has given any such surety insurer as surety upon the bond, allow in the settlement of such account a reasonable sum for the expense of procuring such surety. The premiums on account of all official bonds required by law to be given by county officials shall be paid from the treasuries of their several counties. [1969, c. 132, §1 (NEW).]

SECTION HISTORY

1969, c. 132, §1 (NEW).

24-A §3104. NOTICE OF AUTHORIZATION TO REGISTERS OF PROBATE

Whenever any surety insurer is authorized to transact business in this State, the superintendent shall maintain the name of such insurer and the names of all agents of such insurer who have been licensed by the superintendent, their places of residence and the dates when their licenses will expire. [1993, c. 637, §34 (AMD).]

SECTION HISTORY

1969, c. 132, §1 (NEW). 1973, c. 585, §12 (AMD). 1977, c. 330, (RPR). 1993, c. 637, §34 (AMD).

24-A §3105. ESTOPPEL TO DENY CORPORATE POWER

An insurer must attach a power of attorney to every bond it executes through an attorney-in-fact in this State; except that bonds executed by an officer of this insurer are exempt from this requirement. The power of attorney must identify the name and address of its attorney-in-fact who is authorized to act for the insurer within this State together with the scope of authority of the attorney-in-fact. Any insurer which shall execute any bond as surety under section 3102 shall be estopped in any proceedings to enforce the liability which it shall have assumed to incur, to deny its corporate power or the authority of its attorney in fact within the scope of the power of attorney filed in accordance with this section, to execute such instrument or assume such liability or the authority of any licensed agent to countersign such instrument. [1993, c. 637, §35 (AMD).]

SECTION HISTORY

1969, c. 132, §1 (NEW). 1993, c. 637, §35 (AMD).

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