**§709-A. Financial guaranty insurance defined**

The term "financial guaranty insurance" includes any insurance under which loss is payable upon proof of occurrence of any of the following events to the damage of an insured claimant or obligee: [PL 1987, c. 707, §2 (NEW).]

**1.**  Failure of any obligor or obligors on any debt instrument or other monetary obligation, including common or preferred stock, to pay when due the principal, interest, dividend or purchase price of the instrument or obligation, whether the failure is the result of a financial default or insolvency and whether or not the obligation is incurred directly or as guarantor by, or on behalf of, another obligor which has also defaulted;

[PL 1987, c. 707, §2 (NEW).]

**2.**  Changes in the level of interest rates,whether short term or long term, or in the difference between interest rates existing in various markets;

[PL 1987, c. 707, §2 (NEW).]

**3.**  Changes in the rate of exchange of currency, or from the inconvertibility of one currency into another for any reason; or

[PL 1987, c. 707, §2 (NEW).]

**4.**  Changes in the value of specific assets, including the residual value of property at the termination of a lease.

[PL 1987, c. 707, §2 (NEW).]

SECTION HISTORY

PL 1987, c. 707, §2 (NEW).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

*All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Regular Session of the 131st Maine Legislature and is current through October 15, 2024
 . The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.*

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.