

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

M
A 48

L.D. 2693

DATE: April 26, 2000

(Filing No. S-740)

JUDICIARY
AND
BUSINESS AND ECONOMIC DEVELOPMENT

Reported by:

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE
SENATE
119TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 1089, L.D. 2693, Bill, "An Act to Establish Requirements for the Removal of Directors of Certain Maine Business Corporations before the Expiration of Their Established Terms"

Amend the bill by striking out everything after the enacting clause and before the emergency clause and inserting in its place the following:

Sec. 1. 13-A MRSA §603, sub-§4, ¶B, as enacted by PL 1971, c. 439, §1, is amended to read:

B. The chairman chair of the board of directors;

Sec. 2. 13-A MRSA §603, sub-§4, ¶D, as repealed and replaced by PL 1985, c. 394, §1, is amended to read:

D. The holders of not less than such percentage of the shares entitled to vote at the meeting as may be set forth in the articles of incorporation or bylaws, provided except that if, after September 1, 1985, a corporation shall-adopt adopts a provision in its articles of incorporation or bylaws which that establishes such a percentage to be in excess of 10%, then, upon application of the holders of not less than 10% of the shares entitled to vote at a meeting, the Superior Court, in an action in which the court may proceed after giving notice to the corporation, for good cause shown, may order a special meeting of the shareholders

COMMITTEE AMENDMENT

AND

COMMITTEE AMENDMENT "A" to S.P. 1089, L.D. 2693

2 of the corporation to be called and held at a time and
place, upon the notice and for the transaction of the
business, as may be designated in the order~~+-e±.~~

4
6 (1) A special meeting of shareholders expressly called
for the purpose of removing one or more members of the
board of directors within 90 days following the meeting
of shareholders at which a director or directors last
stood for election may be called under this paragraph
only by the holders of not less than 50% of the shares
entitled to vote at the meeting. This subparagraph
applies only to special meetings of the shareholders of
a corporation with a class of voting stock registered
under the United States Securities Exchange Act of
1934, as amended. This subparagraph is repealed 90
days after adjournment of the First Regular Session of
the 120th Legislature; or

18 **Sec. 3. Retroactivity.** This Act applies retroactively to April
20 1, 2000.'

22 **SUMMARY**

24 This amendment rewrites the bill to clarify that the 50%
26 shareholder vote is the only method by which shareholders may
call a special meeting when the meeting is expressly called to
28 remove a director within 90 days after a director or directors
last stood for election. This change applies only to
30 corporations whose shares are registered under the United States
Securities Exchange Act of 1934, as amended, and is repealed 90
32 days after adjournment of the First Regular Session of the 120th
Legislature.