

# MAINE STATE LEGISLATURE

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CHAPTER 13  
STOCK AND STOCKHOLDERS

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SUBCHAPTER I

CAPITAL STOCK

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424. Issue of nonpar stock consideration; division into capital and surplus.
425. Preferred stock retired.

**§ 421. Issuance of certificates of shares**

Every shareholder shall be entitled to a share certificate or certificates representing the shares owned by him. The share certificates shall be signed by such officer or officers as the bylaws of the corporation may provide and sealed with the corporate seal, which may be a facsimile, engraved or printed, but where any such certificate is signed by a transfer agent or by a transfer clerk or by a registrar, the signature of any corporate officer upon such certificate may be a facsimile, engraved or printed. In case any officer who has signed, or whose facsimile signature has been placed upon any share certificate, shall have ceased to be such officer because of death, resignation or otherwise before the certificate is issued, it may be issued by the corporation with the same effect as if the officer had not ceased to be such at the time of its issue.

R.S.1954, c. 53, § 50; 1963, c. 39; c. 362, § 6.

**§ 422. Kinds of stock**

Every corporation may create 2 or more kinds of stock with such classes and with such designations, preferences and voting powers or restrictions or qualifications thereof as shall be fixed and determined in the bylaws or by vote of the stockholders at

a meeting duly called for the purpose. Restrictions and qualifications of voting power so imposed shall control in all cases where any vote or consent of stockholders is now or hereafter required by statute, unless such statute shall provide expressly to the contrary, and the provision of any statute requiring a specific vote of all, a majority or a fractional part of the stock issued or of the stock outstanding, or any similar provision, shall be construed as limited by any such restrictions and qualifications.

R.S.1954, c. 53, § 18.

**§ 423. Issue of stock for property and services; rights or options**

Any corporation may purchase mines, manufactories and other property necessary for its business and the stock of any company or companies owning, mining, manufacturing or producing materials or other property necessary for its business, and issue stock to the amount of the value thereof in payment therefor, and may likewise issue stock for services rendered to such corporation and the stock so issued shall be fully paid stock and not liable to any further call or payment thereon, and may create and issue rights or options entitling the holders thereof to purchase from the corporation any shares of its stock for such consideration not less than par and, in the case of stock having no par value, in accordance with section 424, upon such conditions as the stockholders or the directors, acting under authority granted by the stockholders, may prescribe. In the absence of actual fraud in the transaction, the judgment of the directors as to the value of the property purchased, services rendered and rights or options granted shall be conclusive.

R.S.1954, c. 53, § 19; 1955, c. 284.

**§ 424. Issue of nonpar stock consideration; division into capital and surplus**

Corporations may issue and dispose of their authorized shares having no par value for such consideration as may be prescribed in the certificate of organization or in the certificate of amendment, or if no consideration is so prescribed, then for such consideration as may be fixed by the stockholders at a meeting duly called and held for the purpose or by the board of directors when acting under general or special authority granted by the stockholders. Any and all shares issued for the consideration prescribed or fixed in accordance with this section shall be fully paid and

nonassessable. The stockholders at a meeting duly called and held for the purpose or the board of directors when acting under any general or special authority granted by the stockholders may determine at the time of the issue thereof what part of the consideration received for issued shares without par value shall be capital and what part of said consideration shall be paid-in surplus available for dividends and other corporate purposes.

R.S.1954, c. 53, § 20.

### § 425. Preferred stock retired

Corporations formed pursuant to chapters 1 to 21 may provide that preferred stock, both with and without par value, may be called in and retired in such manner and at such price as may be provided in the provision describing the preference of such stock. No preferred stock shall thus be called in or retired if thereby the property and assets of the corporation shall be reduced below the amount of its outstanding debts and liabilities.

R.S.1954, c. 53, § 21.

## SUBCHAPTER II

### LIABILITY OF STOCKHOLDERS

Sec.

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- 458. Reimbursement from corporation.

### § 451. Personal representatives not liable

Persons holding stock as executors, administrators, guardians or trustees shall not be personally subject to any liabilities as stockholders; but the estates and funds in their hands shall be liable in like manner and to the same extent as the testator, intestate, ward or person interested in such trust funds would be if he were respectively living and competent to act and hold the stock in his own name.

R.S.1954, c. 53, § 119.

**§ 452. Pledgee of stock not liable**

A pledgee for value, holding a certificate of stock of a corporation for security merely, shall not, while he so holds such stock, be subject to any of the liabilities of a stockholder, unless he appears on the books of the corporation as the absolute owner of such stock.

R.S.1954, c. 53, § 120.

**§ 453. Liability limited by amount of stock; exception**

No stockholder in any corporation, except in banks, trust companies and when otherwise provided by the act of incorporation, shall be liable for the debts or of claims against such corporation beyond any amounts withdrawn or not paid in, as provided in sections 454 and 455. Neither this section nor sections 454 to 457 affect past or future liabilities of any officer of any corporation.

R.S.1954, c. 53, § 121.

**§ 454. Capital stock subscribed is for security of creditors**

The capital stock subscribed for any corporation is declared to be and stands for the security of all creditors thereof, and no payment upon any subscription to or agreement for the capital stock of any corporation shall be deemed a payment within the purview of chapters 1 to 21, unless bona fide made in cash or in some other matter or thing at a bona fide and fair valuation thereof.

R.S.1954, c. 53, § 122.

**§ 455. Rights of judgment creditors**

No dividend declared by any corporation from its capital stock or in violation of law, no withdrawal of any portion of such stock, directly or indirectly, no cancellation or surrender of any stock and no transfer thereof in any form to the corporation which issued it is valid as against any person who has a lawful and bona fide judgment against said corporation, based upon any claim in tort or contract or for any penalty, or as against any receivers, trustees or other persons appointed to close up the affairs of an insolvent corporation.

R.S.1954, c. 53, § 123.

**§ 456. Collection of judgments**

Any person having such judgment or any such trustees, receivers or other persons appointed to close up the affairs of an insolvent corporation may, within 2 years after their right of action herein given accrues, commence a civil action, without demand or other previous formalities, against any persons, who have subscribed for or agreed to take stock in said corporation and have not paid for the same; or who have received dividends declared from the capital stock or in violation of law; or who have withdrawn any portion of the capital stock, or canceled and surrendered any of their stock and received any valuable consideration therefor from the corporation, except its own stock or obligation therefor; or who have transferred any of their stock to the corporation as collateral security or otherwise and received any valuable consideration therefor. In such action they may recover the amount of the capital stock so remaining unpaid or withdrawn, not exceeding the amounts of said judgments or the deficiency of the assets of such insolvent corporation. No stockholder is liable for the debts of the corporation not contracted during his ownership of such unpaid stock, nor for any mortgage debt of said corporation. No action for the recovery of the amounts mentioned shall be maintained against a stockholder unless proceedings to obtain judgment against the corporation are commenced during the ownership of such stock or within one year after its transfer by such stockholder is recorded on the corporation books.

R.S.1954, c. 53, § 124; 1961, c. 317, § 154.

**§ 457. Defenses**

A defendant in such action may prove that he has already in good faith paid, by himself or through another person who has assumed his stock or subscription, to any person holding a bona fide judgment, or to any such trustee or receiver, or other person authorized to receive it, or to the corporation itself, the whole or any part of any amounts for which he would be liable under chapters 1 to 21; or that he has already in good faith and without collusion been sued for and is still in peril of being compelled to pay such amounts in whole or in part to some other person, in which latter case the action may be continued to await, on payment of defendant's costs from term to term; or he may prove that the amounts illegally received by him from said corporation were received more than 2 years before the claim arose on which such judgment was obtained, or if the action is by trustees, re-

ceivers or other such person, more than 2 years before the commencement of the legal proceeding by virtue of which such corporation passed into the hands of trustees or receivers; or he may prove the invalidity of such judgment in any particular by which the corporation could have relief from the judgment or that said judgment was not bona fide; or he may prove that he has bona fide claims in contract or tort, several or joint with other persons against said corporation, absolute or contingent, or which could be asserted by counterclaim in court or on execution for the whole or any part of the amounts for which he would be liable under chapters 1 to 21; or in case his stock was transferred to such corporation as collateral security or as payment, he may either prove that the same was so transferred in good faith as security or payment for or of, an anterior liability incurred without any concurrent agreement for the transfer of such stock and for which the corporation was unable to obtain other sufficient security or payment, or in such case he may prove that whatever sum was received thereon, has been in whole or part repaid to such corporation; and proof of any of such matters is a full or partial defense for such defendant.

R.S.1954, c. 53, § 125; 1961, c. 317, § 155.

#### § 458. Reimbursement from corporation

When members of a corporation are liable for its debts, or for any acts of its officers or members, or to contribute for money paid on account of such debts or acts, the amount due may be recovered of such corporation in a civil action. The court may make all necessary orders and decrees.

R.S.1954, c. 53, § 126; 1961, c. 317, § 156.