

MAINE STATE LEGISLATURE

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L.D. 965

(Filing No. H- 280)

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
112TH LEGISLATURE
FIRST REGULAR SESSION

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COMMITTEE AMENDMENT "A" to H.P. 678, L.D. 965,
Bill, "AN ACT to Protect Shareholders in Maine Corporations."

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Amend the Bill in section 1 by striking out all
of paragraph D (page 1, lines 25 to 28 in L.D.) and
inserting in its place the following:

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'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 that if, after September 1,
1985, a corporation shall adopt a provision in
its articles of incorporation or bylaws which es-
tablishes such 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 or-
der a special meeting of the shareholders 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;
or'

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Further amend the Bill in section 3 in that part
designated "§910." in subsection 1 in the first line
(page 2, line 8 in L.D.) by striking out the under-
lined word "controlled" and inserting in its place
the underlined word "entitled"

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Further amend the Bill in section 3 in that part
designated "§910." in subsection 10 in the first line
(page 9, line 20 in L.D.) by striking out the under-
lined word "have"

COMMITTEE AMENDMENT "A" to H.P. 678, L.D. 965

1 Further amend the Bill in section 3 in that part
2 designated "§910." in subsection 14, paragraph A in
3 the first line (page 10, line 11 in L.D.) by insert-
4 ing after the underlined word "corporation" the fol-
5 lowing: 'that is the subject of a control transac-
6 tion and'

7 Further amend the Bill in section 3 in that part
8 designated "§910." in subsection 14, paragraph A,
9 subparagraph (2) in the 2nd and 3rd lines (page 10,
10 lines 16 and 17 in L.D.) by striking the following:
11 "Section 12(g) of the United States" and inserting
12 in its place the following: 'the Act of Congress
13 known as'

14 Further amend the Bill in section 3 in that part
15 designated "§910." in subsection 14, paragraph B by
16 striking out all of the first underlined sentence
17 (page 10, lines 21 to 27 in L.D.) and inserting in
18 its place the following: 'Any person or group that
19 inadvertently becomes a controlling person if that
20 controlling person divests itself of a sufficient
21 amount of its voting shares so that it is no longer a
22 controlling person, as soon as practicable, but in no
23 event more than 30 days after that person or group
24 receives notice from the corporation that it has be-
25 come a controlling person, or to any corporation that
26 is the subject of a control transaction and that on
27 the effective date of this section was a subsidiary
28 of any other corporation.'

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STATEMENT OF FACT

30 This amendment permits 10% of the shareholders of
31 a corporation to request the Superior Court to order
32 a special meeting even if the bylaws or articles of
33 incorporation set a higher level, and applies to all
34 corporations whose current bylaws regarding special
35 meetings are not "grandfathered" under the Maine

COMMITTEE AMENDMENT "*A*" to H.P. 678, L.D. 965

1 Business Corporation Act. The amendment also cor-
2 rects printing errors and clarifies the applicability
3 of the bill and time limits imposed by the bill.

4 3579050885

Reported by the Majority of the Committee on Business and Commerce
Reproduced and distributed under the direction of the
Clerk of the House

5/30/85

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