

MAINE STATE LEGISLATURE

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SEVENTY-SEVENTH LEGISLATURE

HOUSE

NO. 459

House of Representatives, Feb. 27, 1915.

Ordered, That five hundred copies be printed, and that the same be referred to the Committee on Judiciary.

Committee on Reference.

Presented by Mr. Campbell of Island Falls.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND FIFTEEN

AN ACT to amend sections fifty-six and fifty-seven of chapter forty-seven of the Revised Statutes of 1903, relating to the rights of minority stockholders.

Be it enacted by the People of the State of Maine, as follows:

Section 1. Section 56 of chapter 47 of the revised statutes of 1903 is hereby amended by adding after the word "franchises" in the second line of said section, the following words, "or its entire property, or any of its property, corporate rights or privileges essential to the conduct of its corporate business and purposes, otherwise than in the ordinary and usual course of its business,—" so that said section, as amended, shall read as follows:

'Sect. 56. No corporation shall sell, lease or in any man-
10 ner part with its franchises, or its entire property, or any
11 of its property, corporate rights or privileges essential to
12 the conduct of its corporate business and purposes, other-
13 wise than in the ordinary and usual course of its business,—
14 except with the consent of its stockholders at an annual
15 or special meeting, the call for which shall give notice of
16 the subject matter of the proposed sale, lease or consolida-
17 tion. All such sales, leases and consolidations shall be sub-
18 ject to the provisions of this and the eleven following sec-
19 tions, and to the prior liens of stockholders as therein de-
20 fined.'

Sect. 2. Section 57 of chapter 47 of the revised statutes
2 of 1903, relating to the rights of minority stockholders, is
3 hereby amended by adding after the word "franchises," in
4 the second line of said section, the following words, 'or its
5 entire property, or any of its property, corporate rights or
6 privileges essential to the conduct of its corporate business
7 and purposes, otherwise than in the ordinary and usual
8 course of its business,— so that said section, as amended,
9 shall read as follows:

'Sect. 57. If any stockholder in any corporation, which
11 shall vote to sell, lease or consolidate its franchise, or its
12 entire property, or any of its property, corporate rights or
13 privileges essential to the conduct of its corporate business
14 or purposes, otherwise than in the ordinary and usual course
15 of its business,—shall vote in the negative and shall file his
16 written dissent therefrom with the president, clerk or treas-

17 urer of such corporation within one month from the day of
18 such vote, the corporation in which he is a stockholder may
19 within one month after such dissent is so filed, enter a peti-
20 tion with the supreme judicial court, sitting in equity, in
21 the county where it held its last annual meeting, in term
22 time or in vacation, setting forth in substance the material
23 facts of the transaction, the action of the corporation there-
24 on, the names and residences of all dissenting stockholders
25 whose dissents were so filed, making such dissenting stock-
26 holders parties thereto, and praying that the value of the
27 shares of such dissenting stockholders may be determined,
28 and for other appropriate relief.'