

# 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)

NEW DRAFT.

---

---

SEVENTY-SEVENTH LEGISLATURE

---

---

HOUSE

NO. 893

---

---

*House of Representatives, March 20, 1915.*

*Reported by Mr. Campbell from Committee on Judiciary,  
and ordered printed under joint rules.*

*C. C. HARVEY, Clerk.*

---

---

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 rights  
of minority stockholders.

---

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

Section 1. Section fifty-six of chapter forty-seven of the  
2 revised statutes of 1903 is hereby amended by adding after  
3 the word "lease" in the first line of said section the word  
4 'consolidate,' and by adding after the word "franchises" in  
5 the second line of said section the following words, 'or its  
6 entire property, or any of its property, corporate rights or  
7 privileges essential to the conduct of its corporate business  
8 and purposes, otherwise than in the ordinary and usual

9 course of its business,' and by striking out the words "of  
10 the subject matter" after the word "notice" in the third line  
11 of said section, and by adding after the word "defined" in  
12 the last line of said section the words 'except as to fran-  
13 chises this and the eleven following sections shall not be  
14 held to apply to mortgages of corporate property,' so that  
15 said section as amended shall read as follows:

'Sect. 56. No corporation shall sell, lease, consolidate or  
17 in any manner part with its franchises, or its entire property,  
18 or any of its property, corporate rights or privileges essen-  
19 tial to the conduct of its corporate business and purposes,  
20 otherwise than in the ordinary and usual course of its busi-  
21 ness except with the consent of its stockholders at an annual  
22 or special meeting, the call for which shall give notice of  
23 the proposed sale, lease or consolidation. All such sales,  
24 leases and consolidations shall be subject to the provisions  
25 of this and the eleven following sections, and to the prior  
26 lien of stockholders as therein defined. Except as to fran-  
27 chises this and the eleven following sections shall not be held  
28 to apply to mortgages of corporate property.'

Sect. 2. Section fifty-seven of chapter forty-seven of the  
2 revised statutes of 1903 is hereby amended by striking out  
3 the word "or" in the second line of said section, and by  
4 adding after the word "consolidate" in the second line of  
5 said section the following words, 'or in any manner part  
6 with,' and by adding after the word "franchises" in the  
7 second line of said section the following words, 'or its en-

8 tire property, or any of its property, corporate rights or  
9 privileges essential to the conduct of its corporate business  
10 and purposes, otherwise than in the ordinary and usual  
11 course of its business,— so that said section as amended  
12 shall read as follows:

‘Sect. 57. If any stockholder in any corporation which  
14 shall vote to sell, lease, consolidate or in any manner part  
15 with its franchises, or its entire property, or any of its prop-  
16 erty, corporate rights or privileges essential to the conduct  
17 of its corporate business or purposes, otherwise than in the  
18 ordinary and usual course of its business,—shall vote in the  
19 negative and shall file his written dissent therefrom with  
20 the president, clerk or treasurer of such corporation within  
21 one month from the day of such vote, the corporation in,  
22 which he is a stockholder may within one month after such  
23 dissent is so filed, enter a petition with the supreme judicial  
24 court, sitting in equity, in the county where it held its last  
25 annual meeting, in term time or in vacation, setting forth  
26 in substance the material facts of the transaction, the action  
27 of the corporation thereon, the names and residences of all  
28 dissenting stockholders whose dissents were so filed, making  
29 such dissenting stockholders parties thereto, and praying  
30 that the value of the shares of such dissenting stockholders  
31 may be determined, and for other appropriate relief.’