

MAINE STATE LEGISLATURE

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NEW DRAFT

EIGHTY-FIFTH LEGISLATURE

Legislative Document

No. 915

S. P. 573

In Senate, March 20, 1931.

Reported by Senator Southard of Kennebec from Committee on Legal Affairs and laid on table to be printed under joint rules.

ROYDEN V. BROWN, Secretary.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND THIRTY-ONE

AN ACT with Reference to Changes in the Authorized
Capital of Corporations.

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

Section 1. Sections forty-seven, forty-nine, fifty and fifty-six of chapter fifty-six of the revised statutes are hereby repealed.

Sec. 2. Section forty-eight of chapter fifty-six of the revised statutes is hereby amended so that said section as amended shall read as follows:

'Sec. 48. The stockholders of any corporation may, at any meeting, the call for which shall give notice of the proposed action, by a vote representing a majority of the voting power, except as herein otherwise provided, increase or decrease its authorized capital stock, change the number or par value of its shares or their classifications, change shares with par value into an equal or different number of shares without par value or shares without par value into an equal or different number either with or without par value, change the number of its directors, and, if not specially chartered, change its purposes by altering, abridging or enlarging the same, or make any other change or alteration in its certificate of organization as originally filed or subsequently amended that may be desired,

provided, such change or alteration is not otherwise specifically provided for and would be proper to insert in an original certificate of organization, and the corporation shall file a certificate setting forth such changes with the secretary of state, who shall duly record the same, within twenty days thereafter, and thereupon said changes shall take effect; provided, that every certificate of change of purposes shall be submitted to the attorney general for examination and shall not be filed until it has been certified by him to be properly drawn and signed and to be conformable to the constitution and laws and that he is satisfied that such change of purposes is made in good faith and not for the purpose of avoiding payment of fees or taxes to the state.

Whenever issued shares having par value are changed into the same or a greater or less number of shares without par value, whether of the same or of a different class or classes of stock, and whenever issued shares without par value are changed into other shares without par value to a greater or lesser number, whether of the same or of a different class or classes, the amount of capital represented by the new shares in the aggregate shall be the same as the aggregate amount of capital represented by the shares so changed, and the certificate setting forth any such changes, the filing fee for which shall be five dollars, shall set forth that the capital will not be reduced under or by reason of such amendment.

If any proposed change from one kind or class of stock to another kind or class would alter the preferences given to any one or more classes of stock by taking away any right or preference previously belonging thereto, then the holders of the stock of each class of stock so affected by the change shall be entitled to vote as a class upon such change, whether such class be otherwise entitled to vote or not; and the affirmative vote of eighty per cent in interest of each such class of stock so affected by the change shall be necessary to the adoption thereof, in addition to the affirmative vote of a majority of every other class of stock entitled to vote thereon.

The corporation, except as herein otherwise provided, shall pay to the secretary of state for the use of the state for any increase in the amount of its authorized capital stock an amount, in no case less than ten dollars, equal to the amount

that a like corporation organized with such increased authorized capitalization would have to pay in excess of one organized with the old authorized capitalization. For every change of purposes the corporation shall pay to the secretary of state for the use of the state the sum of twenty dollars before he shall be authorized to receive any certificate of change of purposes.'