

MAINE STATE LEGISLATURE

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Acts and Resolves

As Passed by the

Seventy-Eighth Legislature

OF THE

STATE OF MAINE

1917

Including Acts and Resolves of the Special Session of the
Seventy-Seventh Legislature held in 1916.

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PUBLIC LAWS
OF THE
STATE OF MAINE

As Passed by the Seventy-Eighth Legislature

1917

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Sec. 58. Definitions. (1) In this act, unless the context or subject matter otherwise requires:

“Action” includes counter claim, set-off, and suit in equity.

“Delivery” means voluntary transfer of possession from one person to another.

“Fungible goods” means goods of which any unit is, from its nature or by mercantile custom treated as the equivalent of any other unit.

“Goods” means chattels or merchandise in storage, or which has been or is about to be stored.

“Holder” of a receipt means a person who has both actual possession of such receipt and a right of property therein.

“Order” means an order by indorsement on the receipt.

“Owner” does not include mortgagee or pledgee.

“Person” includes a corporation or partnership or two or more persons having a joint or common interest.

To “purchase” includes to take as mortgagee or as pledgee.

“Purchaser” includes mortgagee and pledgee.

“Receipt” means a warehouse receipt.

“Value,” is any consideration sufficient to support a simple contract. An antecedent or pre-existing obligation, whether for money or not, constitutes value where a receipt is taken either in satisfaction thereof or as security therefor.

“Warehouseman” means a person lawfully engaged in the business of storing goods for profit.

(2) A thing is done “in good faith” within the meaning of this act, when it is in fact done honestly, whether it be done negligently or not.

Sec. 59. Act does not apply to existing receipts. The provisions of this act do not apply to receipts made and delivered prior to the taking effect of this act.

Sec. 60. Inconsistent legislation repealed. All acts or parts of acts inconsistent with this act are hereby repealed.

Sec. 61. Name of act. This act may be cited as the “Uniform Warehouse Receipts Act.”

Approved March 31, 1917.

Chapter 144.

An Act Additional to Revised Statutes, Chapter Fifty-one, Relating to Corporations.

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

R. S., c. 51, relating to corporations, amended. Chapter fifty-one of the revised statutes is hereby amended by adding at the end of said chapter five new sections to be sections one hundred fifteen, one hundred and sixteen, one hundred and seventeen, one hundred and eighteen and one hundred and nineteen, and to read respectively as follows:

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‘Sec. 115. Certificate of incorporation may provide for issuance of stock par value not stated. Exceptions. Conditions. Upon the formation of any corporation other than a corporation for banking, insurance, or intended to derive profit from the loan or use of money, or a corporation under the jurisdiction of the public utilities commission the certificate of incorporation may provide for the issuance of the shares of stock of such corporation, other than preferred stock having a preference as to principal, without any nominal or par value by stating in such certificate:

(a) The number of shares that may be issued by the corporation, and if any of such shares be preferred stock, the preferences thereof. If such preferred stock or any part thereof shall have a preference as to principal, the certificate shall state the amount of such preferred stock having such preference, the particular character of such preferences, and the amount of each share thereof, which shall be five dollars or some multiple of five dollars, but not more than one hundred dollars.

(b) The amount of capital with which the corporation will carry on business, which amount shall be not less than the amount of preferred stock, if any, authorized to be issued with a preference as to principal, and in addition thereto a sum equivalent to five dollars or to some multiple of five dollars for every share authorized to be issued other than such preferred stock; but in no event shall the amount of such capital be less than one thousand dollars.

Such statements in the certificate shall be in lieu of any statements now or heretofore prescribed by law as to the amount of its capital stock or the number of shares into which the same shall be divided, or of the par value of such shares.

Each share of such stock without nominal or par value shall be equal to every other share of such stock, subject to the preference given to the preferred stock, if any, authorized to be issued. Every certificate for such shares without nominal or par value shall have plainly written or printed upon its face the number of such shares which it represents and the number of such shares which the corporation is authorized to issue, and no such certificate shall express any nominal or par value of such shares. The certificates for preferred shares having a preference as to principal shall state briefly the amount which the holders of each of such preferred shares shall be entitled to receive on account of principal from the surplus assets of the corporation in preference to the holders of other shares, and shall state briefly any other rights or preferences given to the holders of such shares.

Such corporation may issue and may sell its authorized shares, from time to time, for such consideration as may be prescribed in the certificate of incorporation, or as from time to time may be fixed by the board of directors pursuant to authority conferred in such certificate, or if such certificate shall not so provide, then by the consent of the holders of two-thirds of each class of shares then outstanding given at a meeting called for that purpose in such manner as shall be prescribed by the by-laws. Any and all shares issued as permitted by this section shall be deemed fully paid and non-assessable and the holder of such shares shall not be liable to the corporation or to its creditors in respect thereof.’

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'Sec. 116. Capital stock of corporations, formed under preceding section, must be fully paid in before business is commenced or debts incurred. Dividends not to be declared which shall reduce capital stock below amount stated in certificate. Directors liable jointly and severally. No corporation formed pursuant to section one hundred and fifteen hereof shall begin to carry on business or shall incur any debts until the amount of capital stated in its certificate of incorporation shall have been fully paid in money or in property taken at its actual value. In case the amount of capital stated in its certificate of incorporation shall be increased as hereinafter provided, such corporation shall not increase the amount of its indebtedness then existing until it shall have received in money or property the amount of such increase of its stated capital. The directors of the corporation assenting to the creation of any debt in violation of this section shall be liable jointly and severally for such debt; but no action shall be brought under the foregoing provision of this section unless within one year after the debt shall have been incurred the creditor shall have served upon the director written notice of intention to hold him personally liable for such debt. Any director who, because of any such liability under this section, shall pay any debt of the corporation, shall be subrogated to all rights of the creditor in respect thereof against the corporation and its property and also shall be entitled to contribution from all other directors of the corporation similarly liable for the same debt and the personal representative of any such director who shall have died before making such contribution.

No such corporation shall declare any dividend which shall reduce the amount of its capital below the amount stated in the certificate as the amount of capital with which the corporation will carry on business. In case any such dividend shall be declared, the directors in whose administration the same shall have been declared, except those who may have caused their dissent therefrom to be entered upon the minutes of such directors at the time or who were not present when such action was taken, shall be liable jointly and severally to such corporation and to the creditors thereof to the full amount of any loss sustained by such corporation or by its creditors respectively by reason of such dividend.'

'Sec. 117. Certificate may be amended. Number of shares and capital stock may be reduced or increased. Certificates of change to be filed with secretary of state; must be approved by attorney general. Provisions. Any corporation formed pursuant to section one hundred and fifteen may amend its certificate of incorporation so as to increase or to reduce the number of shares which it may issue, or so as to increase or to reduce the amount of its stated capital, by filing, in the secretary of state's office, a certificate of amendment under seal executed by its president or a vice-president and by its clerk or its treasurer, stating the amendment proposed and that the same has been duly authorized by a vote of a majority of the directors and also by the vote of the holders of at least three-fifths of the outstanding shares of each class issued by the corporation, at a meeting of the stockholders called for the purpose, and by filing with such certificate of amendment a copy of the proceedings of such meeting, made, signed, verified and acknowledged by the president or a vice-

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president and by the clerk or the treasurer of the corporation; but an amendment cannot be made under this section unless as so amended the certificate of incorporation could lawfully have been filed under section one hundred and fifteen of this chapter. In case of a reduction of the amount of capital of a corporation, a certificate setting forth the whole amount of the ascertained debts and liabilities of the corporation shall be made, signed, verified and acknowledged by the president or a vice-president and by the clerk or the treasurer of the corporation and shall be filed with the certificate of amendment; and such certificate of amendment shall have endorsed thereon the certificate of the attorney general that he has received satisfactory proof that as so stated the reduced amount of capital is sufficient for the proper purposes of the corporation and is in excess of its ascertained debts and liabilities.'

'Sec. 118. Fees of incorporation; annual franchise tax, how determined. For the purpose of any rule of law or of any statutory provision other than the foregoing sections one hundred and fifteen, one hundred and sixteen and one hundred and seventeen or of determining the amount to be paid to the treasurer of the state for the use of the state as provided in section nine of this chapter, or of determining the amount of the annual franchise tax as provided in section eighteen of chapter nine of the revised statutes, but for no other purpose, shares without nominal or par value shall be assumed to be of the par value of one hundred dollars each.'

'Sec. 119. Preferred stock not to be called in when by so doing capital stock reduced below amount fixed. Penalty for violation. In case the certificate of organization of a corporation formed pursuant to section one hundred and fifteen hereof shall provide for an issue of preferred stock and shall also provide that such stock may be called in and retired at any price stated in the provisions describing the preferences of such shares, such preferred stock shall not be thus called in or retired if thereby the property and assets of the corporation shall be reduced below the amount stated in the certificate of organization or fixed in accordance with the provisions of section one hundred and seventeen, as the capital with which the corporation will carry on business, nor shall such preferred stock be thus 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.

In case the certificate of organization of any corporation organized under section seven of this chapter shall provide for an issue of preferred stock and shall also provide that such stock may be called in and retired at any price stated in the provisions describing the preferences of such shares, such stock shall not be thus 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.

Any officer or member of a corporation who votes for or aids in the calling and retiring of preferred stock in violation hereof shall be fined not exceeding two thousand dollars and imprisoned less than one year; and all sums received for such stock so called in and retired in violation hereof may be recovered by any creditor of the corporation in an action on the case.'