

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
ONE HUNDRED AND TWELFTH LEGISLATURE

SECOND REGULAR SESSION
January 8, 1986 to April 16, 1986

SECOND SPECIAL SESSION
May 28, 1986 to May 30, 1986

AND AT THE

THIRD SPECIAL SESSION
October 17, 1986

PUBLISHED BY THE DIRECTOR OF REVISOR OF STATUTES IN
ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

J.S. McCarthy Co., Inc.
Augusta, Maine

PUBLIC LAWS
OF THE
STATE OF MAINE

AS PASSED AT THE
SECOND REGULAR SESSION
of the
ONE HUNDRED AND TWELFTH LEGISLATURE
1985

§3580. Extinguishment of cause of action

A cause of action with respect to a fraudulent transfer or obligation under this Act is extinguished unless action is brought:

1. Intent to defraud. Under section 3575, subsection 1, paragraph A, within 6 years after the transfer was made or the obligation was incurred or, if later, within one year after the transfer or obligation was or could reasonably have been discovered by the claimant; or

2. Failure to receive reasonably equivalent value; transfer to insider. Under section 3575, subsection 1, paragraph B, or section 3576, subsection 1 or 2, within 6 years after the transfer was made or the obligation was incurred.

§3581. Supplementary provisions

Unless displaced by the provisions of this Act, the principles of law and equity, including the law merchant and the law relating to principal and agent, estoppel, laches, fraud, misrepresentation, duress, coercion, mistake, insolvency or other validating or invalidating cause, supplement its provisions.

§3582. Uniformity of application and construction

This Act shall be applied and construed to effectuate its general purpose to make uniform the law with respect to the subject of this Act among states enacting it.

Effective July 16, 1986.

CHAPTER 642

H.P. 1581 - L.D. 2225

AN ACT to Clarify Certain Provisions of a
Publicly-held Financial Institution.

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

Sec. 1. 9-B MRSA §316, sub-§1, ¶F, as enacted by PL 1975, c. 500, §1, is amended to read:

F. ~~The stockholders, at any annual meeting, may elect~~ The board of directors, by a majority vote of the directors then in office, may appoint from the full board of directors an executive committee of not less than 5 members, 2/3 of whom shall be residents of this State and may delegate to ~~such~~ the committee the powers of the directors in regard to the ordinary operations of the business of the institution.

Sec. 2. 9-B MRSA §316, sub-§2, ¶C, as enacted by PL 1975, c. 500, §1, is amended to read:

C. The powers of the board may be exercised by the executive committee established pursuant to subsection 1, paragraph F, at all times when the board of directors is not in session, subject always to any specific vote of the board. The executive committee shall keep full minutes of all business transacted by them and shall make such reports of their transactions at each ~~monthly~~ meeting of the board as the board or the superintendent may require.

Sec. 3. 9-B MRSA §1011, sub-§4, as enacted by PL 1975, c. 500, §1, is amended to read:

4. Control. A company shall be deemed to control another company (referred to in this chapter as a "subsidiary") if it owns 25% or more of the voting shares of the subsidiary or if under the Bank Holding Company Act of 1956, as amended, ~~or~~ under section 407 or 408 of the National Housing Act, as amended, or under the Federal Deposit Insurance Act, as amended, or regulations or policy statements issued thereunder, it is presumed to control the subsidiary or a determination has been made by the superintendent that it exercises a controlling influence over the management and policies of the subsidiary.

Sec. 4. 9-B MRSA §1011, sub-§§9 and 10 are enacted to read:

9. Acquisition of voting shares. "Acquisition of voting shares" includes, without limitation, the acquisition of the voting power of those shares, whether by direct or indirect purchase, by single or multiple transactions or any other means.

10. Person. "Person" means an individual or individuals acting in concert.

Sec. 5. 9-B MRSA §1013, sub-§1, as amended by PL 1983, c. 55, §3, is repealed and the following enacted in its place:

1. Superintendent's approval. The prior approval of the superintendent is required for any of the following transactions:

A. Acquisition of control of a Maine financial institution or Maine financial institution holding company by any person or company;

B. Acquisition of more than 5% of the voting shares of a Maine financial institution or Maine financial institution holding company by a financial institution or financial institution holding company; or

C. Acquisition of more than 5% of the voting shares of a financial institution, the operations of which are principally conducted outside of this State, by a Maine financial institution or a Maine financial institution holding company.

Sec. 6. 9-B MRSA §1013, sub-§1-A is enacted to read:

1-A. Notification. Notwithstanding subsection 1, any person or company which acquires directly or indirectly more than 5% of the voting shares of a Maine financial institution or Maine financial institution holding company shall within 5 days of the acquisition file with the superintendent a statement containing the following information and any additional information as the superintendent shall prescribe as necessary or appropriate in the public interest:

A. The background and identity of the person or company acquiring the voting shares;

B. The source and amount of the funds or other consideration used in making the purchase; and

C. Any plans or proposals which any acquiring person or company making the acquisition may have to liquidate the financial institution or financial institution holding company, to sell its assets or merge it with any company or to make any other major change in its business, corporate structure or management.

The superintendent shall promptly notify the financial institution or financial institution holding company when a notice has been filed pursuant to this section. The notice shall identify the fact of the

acquisition and the identity of the person or company acquiring the voting shares.

Any person or company must also file notice under this section when there is material change in ownership. The acquisition of an aggregate of more than another 5% of the voting shares is a material change.

Sec. 7. 9-B MRSA §1015, sub-§1, ¶A, as amended by PL 1983, c. 302, §4, is further amended to read:

A. Acquisition by a person or company of control of a Maine financial institution or Maine financial institution holding company, or establishment by a person or company of a Maine financial institution or Maine financial institution holding company;

Sec. 8. 9-B MRSA §1015, sub-§1, ¶B, as enacted by PL 1975, c. 500, §1, is amended to read:

B. Acquisitions by a financial institution or financial institution holding company of interests in a Maine financial institution or Maine financial institution holding company in excess of 5 percent 5% of the voting shares of such institution;

Sec. 9. 9-B MRSA §1019, sub-§2, as amended by PL 1983, c. 302, §6, is further amended to read:

2. Penalties. Any person or company violating any provision of this chapter, or any regulation promulgated thereunder, shall be subject to a penalty of not more than ~~\$100~~ \$1,000 per day for each day the violation continues, to be recovered in a civil action in the name of the State.

Any company or Maine financial institution violating section 1013, subsection 3 or 4, or any regulation promulgated under that section, shall be subject to a penalty of not more than \$1,000 a day for each day the violation continues. The superintendent shall report the violation forthwith, with such remarks as he deems appropriate, to the Attorney General, who may forthwith institute a civil action therefor on behalf of the State.