

# MAINE STATE LEGISLATURE

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THE  
REVISED STATUTES

OF THE

STATE OF MAINE,

PASSED APRIL 17, 1857;

TO WHICH ARE PREFIXED

THE CONSTITUTIONS

OF THE

UNITED STATES AND OF THE STATE OF MAINE:

WITH AN

APPENDIX.

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PUBLISHED BY AUTHORITY OF THE LEGISLATURE.

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BANGOR:  
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1857.

CHAP. 46.**TITLE FOUR.****Corporations of various kinds, and proprietors of real estate.**

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**CHAPTER 46.**

## CORPORATIONS.

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37. Estate of corporations on dissolution vested in shareholders.
38. Property of inhabitants of quasi corporations may be taken for debts. Remedy in such cases.
39. Foreign corporations may be sued and their property attached.

SEC. 1. Corporations may sue and be sued, plead and be impleaded, in their corporate name; have a common seal alterable at pleasure; elect all necessary officers; prescribe their duties and fix their compensation; make by-laws consistent with the laws of the state and their charters; and hold and convey lands and other property.

General powers.  
16 Maine, 224.  
17 Maine, 440.  
20 Maine, 45.  
23 Maine, 39.  
R. S., c. 76, § 1.

SEC. 2. Their first meeting, unless otherwise provided, is to be called by a notice signed by a person named in the act of incorporation, setting forth the time, place, and purpose, of the meeting, a copy of which is to be delivered to each member, or published in a newspaper in the county, if any, otherwise in the state paper, seven days before the meeting.

First meeting, how called.  
R. S., c. 76, § 7.

SEC. 3. When any meeting cannot be otherwise called lawfully, three members of the corporation may make a written application to a justice of the peace where it is established, if local, or if not, where it is desirable to hold the meeting, who may issue his warrant to either of such members, directing him to call a meeting by giving the notice required in the preceding section. When the law requires a publication of notice in some newspaper, or posting of it in some public place, the justice is to designate in his warrant the newspaper or place.

Any meeting may be called by a justice, if no other legal mode.  
12 Maine, 398.  
R. S., c. 76, § 8.

SEC. 4. When all the members of a corporation are present at a meeting, and sign a written consent on the record thereof, such meeting is legal.

When all are present and sign written consent, meeting is legal.  
R. S., c. 76, § 11.

SEC. 5. Corporations may determine by their by-laws, the manner of calling and conducting meetings; the number of members that constitute a quorum; the number of votes to be given by shareholders; the tenure of office of the several officers; the mode of voting by proxy; of selling shares for neglect to pay assessments; and may enforce such by-laws by penalties not exceeding twenty dollars.

By-laws, what they may determine.  
31 Maine, 470.  
R. S., c. 76, § 6.

SEC. 6. When a meeting is called by a justice of the peace, he, or the person to whom his warrant was directed, may call

Who may preside at meeting called by a

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justice, not responsible for error.

R. S., c. 76, § 9.

On failure to have an annual meeting, officers hold over. Officers elected on another day, acts legal. 1855, c. 163, § 1, 2.

Clerk to call meeting, when objections made to elections on another day. 1855, c. 163, § 2.

Clerk's office and records, where kept. Records and books open to inspection, to be produced in court.

R. S., c. 67, § 2. 1849, c. 141.

Clerk to file a certificate of his election in registry of deeds; attested copy, evidence of clerkship.

30 Maine, 547. R. S., c. 76, § 3.

Transfer of shares, how made. Certificates, by whom signed. R. S., c. 76, § 12.

the meeting to order and preside therein, until a clerk is chosen and qualified, if there is no officer present whose duty it is to preside. The person presiding is not responsible for an error in judgment in receiving or rejecting the vote of a person claiming to be a member.

SEC. 7. When a corporation fails to hold its annual meeting on the day appointed, the officers of the preceding year continue in the exercise of their duties, and their acts are legal, until other officers are duly chosen and qualified in their stead. When, upon due notice given, officers are regularly elected on any other day than that of the annual meeting, they are to hold their offices and perform their duties as if chosen on that day, unless a majority of the corporate members file, with the clerk within six months after such election, written objections thereto, and their acts are to be considered legal, until others are chosen and qualified in their stead.

SEC. 8. When such a notice is filed, the clerk is to call a meeting of the corporation, at such time and place as he appoints, and give the notice required for an annual meeting, stating in it the fact that objections have been filed, and the purpose of the meeting; and officers duly elected at such meeting are to hold their offices, and their acts are to be considered legal, until other officers are chosen and qualified in their stead.

SEC. 9. Corporations are to keep, at some place within the state, a clerk's office containing their records and books, which, at seasonable hours, are to be open to the inspection of persons interested, who may take copies and minutes therefrom, of such parts as concern their interests, and have them produced in court on trial of an action in which they are interested, when they can be used as evidence.

SEC. 10. The clerk of a corporation, within twenty days after acceptance of the office, is to file a certificate of his election in the office of the registry of deeds of the district where the corporation is established, or where it has a place of business, or a general agent; and an attested copy of that certificate is to be a sufficient evidence that he is clerk, for services of process upon the corporation, until another certificate has been filed.

SEC. 11. When the capital of a corporation is divided into shares, and certificates thereof issued, they may be transferred by indorsement and delivery, but such transfer of shares is not valid, except between the parties thereto, until the same is so entered on the books of the corporation as to exhibit the names of the parties, the number of the shares, and the date of their transfer. Certificates of shares shall be issued to those entitled to them by transfer or otherwise, signed by the president and attested by the cashier, clerk, or treasurer of the corporation. Neither shall sign blanks and leave them for use by the other; nor sign them without knowledge of the apparent title of the person to whom they are issued. In case of the absence or disability of either of said officers, the signature of a majority of the directors in his stead shall be sufficient.

SEC. 12. The shareholders may be represented by proxies not granted more than thirty days before the meeting to be set forth therein; and they are not valid after a final adjournment of the meeting. They may be represented by a general power of attorney, to be produced to the meeting, until it is revoked. Shares hypothecated to the corporation are not to be represented. No person can give, by right of representation, a greater number of votes than is allowed to any one by the charter or by-laws.

SEC. 13. Any officer or member of a corporation, who prevents a person from having access to and use of the records and books as provided in section nine, is liable to all damages occasioned thereby, to be recovered by an action on the case.

SEC. 14. The property of any corporation, and the franchise of one having a right to receive a toll established by the state, with its privileges and immunities, are liable to attachment on mesne process and levy on execution for debts of the corporation in the manner prescribed by law.

SEC. 15. Corporations are bound by parol contracts made by an agent authorized by vote or by its by-laws. Contracts may be implied from corporate acts, or from the acts of a general agent.

SEC. 16. Corporations existing by the laws of another state or of a foreign jurisdiction, may sue or be sued by their corporate name in this state. The acts of their agents are to have the same effect, as the acts of agents of foreign private persons, unless prohibited by law.

SEC. 17. Acts of incorporation, passed since March seventeen, eighteen hundred and thirty-one, are liable to be amended, altered, or repealed, by the legislature, as if express provision therefor were made in them, unless they contain an express limitation. This is not to deprive the judicial courts of any power which they have at common law over a corporation or its officers.

SEC. 18. Corporations, whose charters expire or are otherwise terminated, are to have a corporate existence for three years thereafter; to prosecute and defend suits; to settle and close their concerns; to dispose of their property; and to divide their capitals.

SEC. 19. When the charter of a corporation expires or is terminated, a creditor or stockholder may apply to the supreme judicial court, which may appoint one or more trustees to take charge of its estate and effects, with power to collect its debts, and to prosecute and defend suits at law. The court has jurisdiction in equity of all proceedings therein, and may make such orders and decrees, and issue such injunctions as are necessary.

SEC. 20. The debts of the corporation are to be paid in full by such trustees, when the funds are sufficient; when not, ratably to those creditors, who prove their debts, as the law provides, or as the court directs. Any balance remaining is to be distributed among the stockholders or their legal representatives in proportion to their interests.

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Proxies, powers of attorney, rights under them.

1843, c. 14.

Preventing use of records and books, penalty.

1849, c. 141.

Property and franchise may be taken for debts.

R. S., c. 76, § 17.

Corporations are bound by parol or implied contracts.

7 Greenl. 118. 24 Maine, 36, 490.

29 Maine, 123. R. S., c. 76, § 4.

Foreign corporations, acts of their agents.

17 Maine, 34. 29 Maine, 465. R. S., c. 76, § 5, 31.

Acts of incorporation liable to alteration or repeal.

16 Maine, 224. R. S., c. 76, § 23.

Corporations continue for certain purposes three years after charter expires.

R. S., c. 76, § 24.

Court may appoint trustees, their powers.

R. S., c. 76, § 25, 26.

Trustees to pay debts; divide balance.

R. S., c. 76, § 27.

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Cashiers and clerks to make returns to assessors; returns, basis of taxation.

R. S., c. 76, § 13.

To make returns to secretary of state.

R. S., c. 76, § 14.

A deposit of return in post office, sufficient. Penalty for neglect.

R. S., c. 76, § 15, 16.

Stockholders' liability for debts of the corporation. To what extent and how liable.

1856, c. 271, § 1.  
1857, c. 58.

Creditor may demand of stockholder to show property.

1856, c. 271, § 2.

Action to be commenced within six months after judgment.

**SEC. 21.** The cashiers of banks, and the clerks of other corporations holding property liable to be taxed, within seven days after the first day of April annually, are to return under oath, to the assessors of a town, in which any of its stockholders are known to reside, the names of such stockholders, the amount of stock owned by them on the first day of April, and the amount of stock paid into such corporation. Such returns are to be the basis of taxation on such property.

**SEC. 22.** Such cashiers and clerks, within seven days after the first day of January annually, are to make return to the secretary of state of the names of all the stockholders; their residence; the amount of stock owned by each; and the whole amount of stock paid in. The secretary is to lay the same before the legislature within the first thirty days of its session.

**SEC. 23.** A deposit of the return required in the two preceding sections in a post office, postage paid, properly directed, is to be deemed a compliance. For the neglect or refusal of its officer to make such return, the corporation forfeits five hundred dollars, to be recovered in an action of debt, one-half to the use of the prosecutor and the other to the state.

**SEC. 24.** The stockholders of all corporations created by the legislature after the sixteenth day of February, eighteen hundred and thirty-six, excepting banking corporations, unless it is otherwise specified in their charter, or by any general law of the state, shall be liable for the debts of the corporation contracted during their ownership of such stock, prior to the first day of June, eighteen hundred and fifty-seven, in case of deficiency of attachable corporate property, to the amount of their stock and no more; and such liability shall continue, notwithstanding any subsequent transfer of such stock, one year after such transfer is recorded on the corporation books; but no stockholder whose stock has been fully paid in, and no part of the principal has been withdrawn, shall be so liable for debts contracted after said first day of June; but in the latter case, when an officer certifies on an execution against a corporation, that he cannot find corporate property to satisfy it, each stockholder's stock and interest in stock may be seized and sold thereon as on execution against him; and he may recover of the corporation the value of the stock or interest so taken as provided in section thirty-one.

**SEC. 25.** At any time within six months after the return of an execution against a corporation, recovered on a debt for which any stockholder is liable under the preceding section, unsatisfied in whole or in part for want of attachable property of the corporation, the plaintiff in such execution may make demand of any stockholder of such corporation to disclose, and show to the officer, having such execution, attachable property of such corporation sufficient to satisfy the execution.

**SEC. 26.** After demand as aforesaid, the execution creditor may have an action of the case against such stockholder, to recover of him individually the amount of his execution and costs, or the deficiency thereof, not exceeding the amount for which

said stockholder is liable by section twenty-four. Such action must be commenced within six months after the date of the rendition of judgment against the corporation.

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1856, c. 271, § 3.

SEC. 27. In such action, said stockholder may prove, in reduction of his liability, the amount of corporation debts, which he has previously paid, and which has not been repaid to him by the corporation; also any debt due him from the corporation, for which he, at the time, might maintain an action at law against it; and may show any other legal cause why judgment should not be rendered against him.

Stockholder may set off claims.

1856, c. 271, § 4.

SEC. 28. The treasurer of every such corporation shall keep a full record of all claims in favor of its stockholders against the corporation, and exhibit the same with a particular statement of the financial condition of the corporation to any creditor thereof, when requested by him, and on failure to exhibit such statement the stockholders shall not be entitled, in actions against them, to show previous payments on account of the corporation in reduction of their liability, but if they suffer damages by reason of being thus deprived of their defence, they may have a remedy upon the bond of the treasurer.

Treasurer to keep record of stockholders' claims against corporation.

1856, c. 271, § 5.

SEC. 29. The clerk of every such corporation, on demand of any officer legally holding any execution against it, shall furnish the officer with the names, place of residence, so far as known to him, and the amount for which every person is liable as aforesaid.

Clerk to furnish names to officer.

R. S., c. 76, § 21.

SEC. 30. The stockholders of corporations, excepting those created for literary, benevolent, and banking purposes, incorporated since March seventeen, eighteen hundred and thirty-one, are subject, as it regards debts of the corporation, to the liabilities imposed on stockholders by the twenty-fourth section of this chapter, except for stock owned before April twenty-four, eighteen hundred and thirty-nine, and for stock held as executor, administrator, guardian or trustee.

Stockholders' liability in corporations created since March 17, 1831.

R. S., c. 76, § 30.

SEC. 31. When members of a corporation are liable for its debts, or on account of any acts of its officers or members, or to contribute for money paid on account of such debts or acts, the amount due may be recovered by an action at law, or a bill in equity; and the court may make such orders and decrees as are necessary.

Stockholders paying for corporation may recover.

36 Maine, 78. R. S., c. 76, § 22.

SEC. 32. When an officer, having an execution against a corporation not created for purposes of education or religion, certifies thereon that he is unable to find personal property of the corporation, the creditor may cause so much of its real estate to be seized and sold at public auction, in the town where it lies, in the manner that the real estate of banks is sold, and subject to the same right of redemption, as is necessary to satisfy such execution and incidental charges.

Officer having an execution may sell real estate in certain cases.

1845, c. 143, § 1, 2.

SEC. 33. Corporations, not created for literary, benevolent, or banking purposes, are not allowed to divide any of their corporate property so as to reduce their stock below its par value, until all debts are paid, and then for the purpose of closing its concerns.

Corporations not allowed to divide capital till debts paid.

1843, c. 64, § 1.



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Judgment creditor may file bill in equity in certain cases.

1848, c. 64, § 2.

Proceedings in the suit.

1848, c. 64, § 2.

Bill may be amended, costs.

1848, c. 64, § 3.

Estate of corporations on dissolution vested in share holders.

36 Maine, 179.

R. S., c. 76,

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Property of inhabitants of quasi corporations liable to be taken for debts.

Remedy.

1 Greenl. 361.

R. S., c. 76,

§ 29.

Foreign corporations may be sued, &c.

R. S., c. 76,

§ 31.

SEC. 34. When such a corporation has unlawfully made a division of any of its property, or has property which cannot be attached, or is not by law attachable, any judgment creditor may file a bill in equity in the supreme judicial court, setting forth the facts, and the names of such persons as are alleged to have possession of any such property, or choses in action, either before or after division. Service is to be made on the persons so named as in other suits in equity. They are, in answer thereto, to disclose on oath all facts within their knowledge relating to such property in their hands, or received by a division among stockholders. When any one of them has the custody of the records of the corporation, he is to produce them and make extracts therefrom and annex to his answer, as the court directs.

SEC. 35. The court is to determine, with or without a jury, whether the allegations in the bill are sustained, and it may decree, that any such property shall be paid to such creditor in satisfaction of his judgment, and cause such decree to be enforced as in other chancery cases. Any question arising may, at the election of either party, be submitted to the decision of a jury under the direction of the court.

SEC. 36. The court may allow the bill to be amended by striking out or adding names of defendants, and may award costs at its discretion.

SEC. 37. When a corporation is dissolved, its real and personal estate is vested in the individuals, who were at the time shareholders, as tenants in common according to their interests.

SEC. 38. The property of the inhabitants of counties, towns, and other quasi corporations, may be taken to pay any debt due from the body politic, of which they are members. All sums so paid with interest and costs may be recovered of such body politic.

SEC. 39. Foreign corporations, having property in the state, may be sued, and such property attached, as the property of individuals not inhabitants of the state.

## CHAPTER 47.

## BANKS AND SAVINGS INSTITUTIONS.

## BANKS OF DISCOUNT.

- SEC. 1. Banks, except savings banks, their powers, duties and liabilities. To notify secretary of state of acceptance of charter. To be kept in town where originally established. Corporation name.
2. Number and qualifications of directors.
  3. Annual meeting for choice of directors, when to be held and how to be notified.
  4. Directors may call special meetings; notice how to be given. Vacancies in board, how filled.
  5. Directors shall choose one of their number president and fix his compensation. Majority necessary for transaction of business. May authorize president or a director to act.