

MAINE STATE LEGISLATURE

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SEVENTH REVISION

THE
REVISED STATUTES

OF THE
STATE OF MAINE

PASSED AUGUST 5, 1930, AND TAKING
EFFECT NOVEMBER 10, 1930



By the Authority of the Legislature

AUGUSTA
KENNEBEC JOURNAL PRINT

ERRATA

1. Page 60 in headnote of Chapter 2, third line, "Boards" should read "Bonds."
2. Page 454, Line 20, should read "and the said Department may declare any and all of its rules and regulations."
3. Page 534, Section 113, in note, "c. 63" should be "c. 64."
4. Page 549, Section 32, Line 4, should read "templated in the six preceding sections for the building of state aid highways." (See Chap. 28, Sec. 32.)
5. Page 845, Section 4, Line 2 should read "employers who employ five or less workmen or operatives regularly in the same."
6. Page 877, Line 10, change first word "or" to "of."
7. Page 1339, Section 59 in headnote, "count" should read "court."

CHAP. 56

a settlement of any action commenced or claim made for death or injury, under the provisions thereof, shall be a bar to any claim made or action begun to recover for the same injury or the same death, under the provisions of the common law or under the provisions of any other statute.

110 Me. 376; *114 Me. 208.

Sec. 56. Special contracts prohibited. R. S. c. 50, § 57. No person shall, by a special contract with his employees, exempt himself or another person from liability which he may be under to them, for injuries suffered by them in his employment and resulting from the negligence of the employer or such other person, or of a person in his employ.

CHAPTER 56.

Corporations.

Sections	1- 2	General Provisions.
Sections	3- 7	Organization under Special Act.
Sections	8- 14	Organization under General Law.
Sections	15- 29	Corporate Powers. Meetings.
Sections	30- 37	Officers and Their Duties.
Sections	38- 42	Annual Returns.
Sections	43- 46	Transfer of Shares and Assessment of Stock.
Sections	47- 59	Changes in Charter or Certificate of Organization.
Sections	60- 62	Trusts Prohibited.
Sections	63- 74	Rights of Minority Stockholders.
Sections	75- 81	Corporate Contracts and Liabilities.
Sections	82- 97	Dissolution of Corporations.
Sections	98-105	Liability of Stockholders.
Sections	106-115	Foreign Corporations.
Sections	116-117	Miscellaneous Provisions.

General Provisions.

Sec. 1. Application of chapter. R. S. c. 51, § 1. This chapter applies to all corporations organized by special acts of the legislature or under the general laws of the state, except so far as it is inconsistent with such special acts or with public statutes, concerning particular classes of corporations.

See c. 57, § 13, c. 60, § 1, c. 68, § 3; 39 Me. 37; 58 Me. 20; *113 Me. 536.

Sec. 2. Acts of incorporation may be altered or repealed. R. S. c. 51, § 2. Acts of incorporation, passed since March seventeen, eighteen hundred and thirty-one, may be amended, altered, or repealed by the legislature, as if express provision therefor were made in them, unless they contain an express limitation; but this section shall not deprive the courts of any power which they have at common law over a corporation or its officers.

See c. 1, § 6, ¶ xxviii; 16 Me. 231; 23 Me. 319; 60 Me. 174; 63 Me. 274; 66 Me. 504, 508; *69 Me. 49; 96 Me. 258; 97 Me. 207, *592; 109 Me. 432; *124 Me. 64.

Organization under Special Act.

Sec. 3. First meeting. R. S. c. 51, § 12. The first meeting of any corporation chartered by special act of the legislature unless otherwise provided, shall be called by a notice signed by some person named in the act of incorporation, setting forth the time, place, and purpose of the meeting, a copy of which shall 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.

27 Me. 519; 38 Me. 345; 72 Me. 296.

Sec. 4. Capital stock; record of owners. R. S. c. 51, § 35. 1927, c. 101. The capital of corporations incorporated by special act of the legislature shall be fixed and divided into shares; and the names of the owners, and the number of shares owned by each, shall be entered of record at the first meeting. The capital may be subsequently increased as provided in sections forty-eight and forty-nine by adding to the number of shares.

Sec. 5. Certificate of organization. R. S. c. 51, § 3. 1921, c. 224. 1929, c. 316, § 2. Before commencing business, the president, treasurer, and a majority of the directors of any corporation chartered by special act of the legislature, shall prepare a certificate setting forth the date of approval of its charter, the name and purposes of the corporation, the amount of capital stock, the amount already paid in, the par value of the shares having par value and the number of shares without par value, the names and residences of the owners, the name of the county where it is located, the number and names of the directors, and the name and residence of the clerk, and shall sign and make oath to it. Such certificate shall be recorded in the registry of deeds in the county where its principal office is to be located, in a book kept for that purpose, and a copy thereof, certified by such register, shall be filed in the office of the secretary of state, who shall enter the date of filing thereon and on the original certificate to be kept by the corporation, and shall record said copy in a book kept for that purpose. From the time of filing such certificate in the secretary of state's office, the stockholders of said corporation, their successors and assigns, shall be a corporation.

Sec. 6. Fees payable. R. S. c. 51, § 4. 1925, c. 196, § 6. The certificate mentioned in the preceding section shall not be received and filed by the secretary of state except upon the payment to him for the use of the state: fifteen dollars, if the capital stock does not exceed five thousand dollars; twenty-five dollars if the capital stock exceeds five thousand dollars and does not exceed ten thousand dollars; seventy-five dollars if the capital stock exceeds ten thousand dollars and does not exceed fifty thousand dollars; one hundred and twenty-five dollars if the capital stock exceeds fifty thousand dollars and does not exceed one hundred thousand dollars; sixty dollars upon every one hundred thousand dollars or fraction thereof in excess of one hundred thousand dollars, if the capital stock exceeds one hundred thousand dollars, also one cent per share and in no case less than ten dollars on all shares authorized without par value, provided, that the provisions of this section shall not apply to corporations chartered for charitable and benevolent purposes.

Lapse in two years unless business commenced, see c. 1, § 6, Par. xxviii.

Sec. 7. Shall not carry on business until certificate is filed; exception. R. S. c. 51, § 5. No corporation created by special act of the legislature, municipal corporations excepted, shall carry on any business whatsoever, before filing in the office of the secretary of state the certificate of organization provided by section five of this chapter. Whoever, whether named in the act of the legis-

lature or not, conducts and carries on any business whatsoever in the name of such corporation before said certificate is filed shall be personally and individually liable for all contracts and debts of said corporation contracted prior to the filing of said certificate. The provisions of this section shall apply to all individuals granted special rights and privileges by act of the legislature.

Organization under General Law.

Sec. 8. Purposes. R. S. c. 51, § 7. 1925, cc. 172, 204. 1927, c. 62. Three or more persons may associate themselves together by written articles of agreement, for the purpose of forming a corporation with one or more classes of stock either with or without par value to carry on any lawful business anywhere, including corporations for manufacturing, mechanical, mining, or quarrying business; and also corporations whose purpose is the carriage of passengers or freight, or both, upon the high seas, or from port or ports in this state to a foreign port or ports, or to a port or ports in other states, or the carriage of freight or passengers, or both, upon any waters where such corporations may navigate; and excepting corporations for banking, insurance, the constructions and operation of railroads or aiding the constructions thereof, and the business of savings banks, trust companies, loan and building associations, or corporations intended to derive profit from the loan of money except as a reasonable incident to the transaction of other corporate business or where necessary to prevent corporate funds from being unproductive, and safe deposit companies, including the renting of safes in burglar-proof and fire-proof vaults; but corporations may also be formed hereunder to exercise the following corporate purposes in other states and jurisdictions, namely: the construction and operation of railroads or aiding in the construction thereof, telegraph or telephone companies, and gas or electrical companies, and in all such cases, the articles of agreement and certificate of organization shall state that such business is to be carried on only in states and jurisdictions when and where permissible under the laws thereof, and such corporations heretofore organized for the transaction of such business in other states or jurisdictions, if otherwise legally organized and now existing, are hereby declared to be corporations under the laws of this state.

Nothing herein shall be construed to prevent the organization of agricultural credit corporations organized to carry out the provisions of the federal farm loan act, enacted by the sixty-seventh congress of the United States, chapter two hundred fifty-two, and acts amendatory thereof and additional thereto and which become such corporations under the provisions of said federal farm loan act. Such agricultural credit corporations shall not be deemed banking corporations or institutions.

86 Me. 316.

Sec. 9. First meeting; notice or waiver. R. S. c. 51, § 8. 1921, c. 224. 1929, c. 316, § 2. Their first meeting shall be called by one or more of the signers of said articles, by giving notice thereof, stating the time, place, and purposes of the meeting to each signer, in writing, or by publishing it in some newspaper printed in the county, at least fourteen days prior to the time appointed therefor. If all of the signers of said articles shall in writing waive notice and fix a time and place of such meeting, no notice or publication shall be necessary. At such meeting they may organize into a corporation, adopt a corporate name, define the purposes of the corporation, fix the amount of the capital stock having par value, which shall not be less than one thousand dol-

lars, and divide it into shares, fix the number of shares having no par value, and elect not less than three directors, a president, a clerk, treasurer, and any other necessary officers, and may adopt a code of by-laws.

61 Me. 356; 64 Me. 381; 70 Me. 146.

Sec. 10. Certificate of organization; fees payable. R. S. c. 51, § 9. 1921, c. 224. 1925, c. 196, §§ 1, 2. 1929, c. 316, §§ 1, 2. Before commencing business the president, treasurer, and majority of the directors shall prepare a certificate setting forth the name and purposes of the corporation, the amount of capital stock, the amount already paid in, the par value of the shares having par value and the number of shares without par value, the names and residences of the owners, the name of the county where it is located, and the number and names of the directors, and the name and residence of the clerk and shall sign and make oath to it; and after it has been examined by the attorney-general, and been by him certified to be properly drawn and signed and to be conformable to the constitution and laws, it shall be recorded in the registry of deeds in the county where said corporation is located, in a book kept for that purpose, and within sixty days after the day of the meeting at which such corporation is organized, a copy thereof certified by such register shall be filed in the secretary of state's office, who shall enter the date of filing thereon, and on the original certificate to be kept by the corporation, and shall record said copy in a book kept for that purpose. The oath to said certificate may be made outside the state before a notary public, or a commissioner appointed by the governor to take acknowledgments of deeds in other states, by any subscriber to said certificate who was actually present in the state at the meeting for the organization of the corporation. All certificates verified prior to the fourth day of July, nineteen hundred fifteen, outside the state before a notary public or such commissioner shall be deemed to comply with this section. Before said certificate is filed in the office of the secretary of state, such corporation shall pay to him for the use of the state: ten dollars when the amount of the capital stock does not exceed ten thousand dollars; fifty dollars when the amount of the capital stock exceeds ten thousand dollars and does not exceed five hundred thousand dollars; ten dollars for each one hundred thousand dollars of the capital stock when the amount of the capital stock exceeds five hundred thousand dollars; also one cent per share and in no case less than ten dollars on all shares authorized without par value.

See c. 68, § 3; c. 126, §§ 11, 13, 14; 61 Me. 356; 64 Me. 381; 70 Me. 146.

Sec. 11. Quasi-public corporations; fees payable. R. S. c. 51, § 6. 1925, c. 196, § 6. No certificate of organization of any corporation for banking, insurance, construction and operation of railroads, or aiding in the construction thereof, the business of trust companies, or corporations intended to derive a profit from the loan or use of money, safe deposit companies, renting of safes and burglar and fire-proof vaults, telegraph and telephone companies, electric or gas light companies, street railroad companies, water companies, or any corporation authorized to exercise the right of eminent domain, shall be received and filed by the secretary of state except upon payment to him for the use of the state: twenty-five dollars, if the capital stock does not exceed five thousand dollars; fifty dollars if the capital stock exceeds five thousand dollars and does not exceed ten thousand dollars; one hundred dollars if the capital stock exceeds ten thousand dollars and does not exceed fifty thousand dollars; two hundred dollars if the capital stock exceeds fifty thousand dollars, and does not exceed one hundred thousand dollars; seventy-five dollars upon

every one hundred thousand dollars or fraction thereof in excess of one hundred thousand dollars, if the capital stock exceeds one hundred thousand dollars, also one cent per share and in no case less than ten dollars on all shares authorized without par value.

Sec. 12. Certificates of organization filed prior to March 15, 1893. R. S. c. 51, § 10. Any corporation organized hereunder prior to the fifteenth day of March, eighteen hundred ninety-three, which caused the certificate to be recorded in the registry of deeds of the county in which such corporation is described in said certificate to be located, shall be deemed to have complied with the requirements of section ten.

Sec. 13. When organization completed. R. S. c. 51, § 11. From the time of filing the copy of such certificate in the secretary of state's office, the signer of said articles and their successors and assigns shall be a corporation, the same as if incorporated by a special act, with all the rights and powers, and subject to all the duties, obligations, and liabilities provided by this chapter.

Lapse in two years unless business commenced, c. 1, § 6, ¶ xxix; c. 68, § 3; 61 Me. 356; 64 Me. 381; 70 Me. 146.

Sec. 14. Non-par stock certificates. 1921, c. 224. In the case of certificates for shares of stock issued under the provisions authorizing the issuance of stock without par value it shall be unlawful to set forth any par value or value in dollars thereon, or to express any rate of dividend to which the shares represented thereby shall be entitled in terms of percentage of any par or other value. Every such certificate shall have plainly stated on its face the number of shares which it represents and each such share (except as to preferences, rights, limitations, privileges, and restrictions, lawfully granted or imposed with respect to any stock or class thereof) shall be deemed to be equal to every other share of the same class. Preferences, rights, limitations, privileges, and restrictions authorized by the laws of this state may be stated in dollars and cents per share.

Corporate Powers. Meetings.

Sec. 15. General powers. R. S. c. 51, § 49. 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.

See c. 1, § 6, ¶ xvii; 16 Me. 229; 17 Me. 442; 20 Me. 46; 23 Me. 41; 29 Me. 126; 43 Me. 182; 50 Me. 550; *56 Me. 420; 58 Me. 20; 61 Me. 167; *68 Me. 43.

Sec. 16. May do business out of the state. R. S. c. 51, § 52. Any corporation of this state may conduct business in other states, territories, or possessions of the United States, or in foreign countries, and have one or more officers out of the state, and may hold, purchase, mortgage, and convey real estate and personal property out of this state.

Sec. 17. May create two or more kinds of stock. R. S. c. 51, § 53. 1929, c. 27. Every corporation may create two or more kinds of stock with such classes and with such designations, preferences, and voting powers, or restrictions, or qualifications thereof, as shall be fixed and determined in the by-laws, or by vote of the stockholders at a meeting duly called for the purpose. Restrictions and qualifications of voting power so imposed shall control in all cases where any vote or consent of stockholders is now or hereafter required by statute, unless such statute shall provide expressly to the contrary, and the provision of any statute requiring a specific vote of all, a majority, or a

fractional part of the stock issued or of the stock outstanding, or any similar provision, shall be construed as limited by any such restrictions and qualifications.

Sec. 18. Issue of stock for property and services. R. S. c. 51, § 54. Any corporation may purchase mines, manufactories, and other property necessary for its business, and the stock of any company or companies owning, mining, manufacturing, or producing materials or other property necessary for its business, and issue stock to the amount of the value thereof in payment therefor, and may likewise issue stock for services rendered to such corporation and the stock so issued shall be full paid stock and not liable to any further call or payment thereon; and in the absence of actual fraud in the transaction, the judgment of the directors as to the value of the property purchased, or services rendered, shall be conclusive.

105 Me. 403; 123 Me. 485.

Sec. 19. Issue of non-par stock consideration; division into capital and surplus. 1921, c. 224. 1929, c. 39. Corporations may issue and dispose of their authorized shares having no par value for such consideration as may be prescribed in the certificate of organization or in the certificate of amendment, or if no consideration is so prescribed then for such consideration as may be fixed by the stockholders at a meeting duly called and held for the purpose, or by the board of directors when acting under general or special authority granted by the stockholders. Any and all shares issued for the consideration prescribed or fixed in accordance with the provisions of this section shall be fully paid and non-assessable. The stockholders at a meeting duly called and held for the purpose or the board of directors when acting under any general or special authority granted by the stockholders may determine at the time of the issue thereof what part of the consideration received for issued shares without par value shall be capital stock and what part of said consideration shall be paid-in surplus available for dividends and other corporate purposes.

Sec. 20. May retire preferred stock. 1921, c. 224. Corporations formed pursuant to the provisions of this chapter may provide that preferred stock, both with and without par value, may be called in and retired in such manner and at such price as may be provided in the provision describing the preference of such stock; provided, however, that no preferred stock shall thus be 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.

Sec. 21. May hold shares of other corporations. R. S. c. 51, § 55. Any corporation organized under this chapter and any corporation organized for manufacturing, mechanical, mining or quarrying business, under special act of the legislature, may purchase, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of the shares of the capital stock of, or any bonds, securities, or evidences of indebtedness created by any other corporation or corporations of this or any other state, territory, or country, and while owners of such stock may exercise all the rights, powers, and privileges of ownership, including the right to vote thereon.

Sec. 22. By-laws; meetings thereunder. R. S. c. 51, § 50. Corporations may among other provisions, 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; by whom any and all officers, except president and directors, shall be elected; by whom vacancies in the board of directors or other offices may be filled; the tenure of the several offices, the

CHAP. 56

mode of voting by proxy; and of selling shares for neglect to pay assessments; and may enforce such by-laws by penalties not exceeding twenty dollars.

*31 Me. 476, 576; 79 Me. 443.

Sec. 23. Meetings by consent. R. S. c. 51, § 17. When all the members of a corporation are present in person or by proxy at a meeting and sign a written consent on the record thereof, such meeting is legal.

Sec. 24. Meetings called by a justice of the peace. R. S. c. 51, § 13. When a meeting of any corporation cannot be otherwise called, three members of the corporation may make written application to a justice of the peace where it is established, if local, or if not, where it is desired 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 section three. When the law requires a notice to be published in some newspaper, or posted in some public place, the justice shall designate in his warrant the newspaper or place.

12 Me. 400.

Sec. 25. Presiding officer at meeting called by a justice of the peace. R. S. c. 51, § 14. When a meeting is called by a justice of the peace, he, or the person to whom his warrant was directed, may call 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. 26. Proxies; general powers of attorney. R. S. c. 51, § 18. 1919, c. 23. 1925, c. 104. Shareholders may be represented by proxies granted not more than six months before the meeting which shall be named therein; they are not valid after a final adjournment thereof. They may be represented by a general power of attorney, produced at the meeting, until it is revoked. Shares hypothecated to the corporation shall not 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. 27. Representation of pledged stock. R. S. c. 51, § 19. After the owner of stock in a corporation has transferred, mortgaged, or in any way pledged the same to another for security merely, and it so appears in such transfer, mortgage, or pledge, and on the books of the corporation, such owner continues to have the right to vote upon such stock at all meetings of the stockholders until his right of redemption ceases.

Sec. 28. Officers holding over; election after annual meeting; objections. R. S. c. 51, § 15. When a corporation fails to hold its annual meeting on the day appointed, or fails to elect officers at such meeting, the officers of the preceding year continue in the exercise of their duties, and their acts are legal, until other officers are 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 shall 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 shall be considered legal until others are chosen and qualified in their stead.

30 Me. 550; 56 Me. 323.

Sec. 29. New election if objections filed. R. S. c. 51, § 16. When such a notice is filed, the clerk shall 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 elected at such meeting shall hold their offices, and their acts shall be considered legal, until other officers are chosen and qualified in their stead.

Officers and Their Duties.

Sec. 30. Officers of corporation; qualifications of directors; treasurer to give bond; clerk to be sworn; directors may be divided into classes; may hold meetings without this state. R. S. c. 51, § 20. Corporations shall have a president, directors, clerk, treasurer, and any other desirable officers. Such officers shall be chosen annually, and shall continue in office until others are chosen and qualified in their stead. There shall not be less than three directors, one of whom shall be by them elected president. Directors must be and remain stockholders, except that a member of another corporation, which owns stock and has a right to vote thereon, may be a director. The treasurer shall give bond for the faithful discharge of his duties, in such sum, and with such sureties, as are required. The clerk shall be sworn, and shall record all votes of the corporation in a book kept for that purpose; nothing herein shall prohibit corporations from providing by their by-laws for the division of their directors into classes and their election for a longer term than one year. After the certificate of organization required by law is filed in the office of the secretary of state, directors of all corporations not charged with the performance of any public duty within the state may hold meetings without the state and there transact business and perform all corporate acts not expressly required by statute to be performed within the state. Directors of such corporations may act through committees whose powers shall be defined in the by-laws.

See c. 5, § 29; 30 Me. 550; 41 Me. 87.

Sec. 31. Appointment of directors by court; proceedings. R. S. c. 51, § 21. If any corporation organized under the general laws of the state shall fail to elect directors within six months after the time provided in its by-laws for the annual meeting, the supreme judicial court and the superior court shall have jurisdiction in equity, upon application by any one or more of its stockholders holding at least fifty per cent of the capital stock issued, to appoint a board of directors for such corporation not exceeding in membership the number authorized by the by-laws. Such appointments may be made from among the stockholders or otherwise as the court may see fit. The application shall be made by petition filed in the county where such corporation is located and shall be brought in behalf of all stockholders desiring to be joined therein; such notice shall be given to the corporation and its stockholders as the court may direct. Such appointees of the court shall have the same rights, powers, and duties and the same tenure of office as directors duly elected by the stockholders at the annual meeting held at the time prescribed therefor in the by-laws, next prior to the date of the court's appointment, would have had.

Sec. 32. Clerk's office, books, etc., where kept; records and stock-book open to inspection and to be produced in court. R. S. c. 51, § 22. All corporations existing by virtue of the laws of this state, shall have a clerk who is a resident of this state, and shall keep, at some fixed place within the state, a clerk's office where shall be kept their records and a book showing a true and complete list of all stockholders, their residences, and the amount of stock held by each; and such book, or a duly proved copy thereof, shall be competent evidence in any court of this state to prove who are stockholders in such corporation and the amount of stock held by each stockholder. Such rec-

CHAP. 56

ords and stock-book shall be open at all reasonable hours 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. The above provisions as to list of stockholders shall not apply to any corporation doing business in this state and having a treasurer's office at some fixed place in the state where a stock-book is kept giving the names, residences, and amount of stock of each stockholder.

*109 Me. 409; *111 Me. 386; 114 Me. 259; *117 Me. 409; *118 Me. 378; 119 Me. 402; 122 Me. 91; 123 Me. 443.

Sec. 33. Preventing use of records and books, punished. R. S. c. 51, § 23. Any officer or member of a corporation, who prevents access to and use of the records and books as provided in the preceding section, is liable for all damages occasioned thereby, in an action on the case.

Sec. 34. Certificate of election of clerk; an attested copy evidence. R. S. c. 51, § 24. Whenever there is a change in the office of clerk of a corporation, the clerk shall, within twenty days after the acceptance of the office file a certificate of his election in the registry of deeds in the county or district where the corporation is located, or where it has a place of business or a general agent; and an attested copy of such certificate shall be sufficient evidence that he is clerk, for service of process upon the corporation, until another certificate has been filed.

Sec. 35. Resignation of clerk. R. S. c. 51, § 25. The clerk of any corporation may resign his office as clerk by filing his resignation with the register of deeds in the county where the certificate of his election was filed; if no such certificate of election was filed, then his resignation may be filed with the register of deeds in the county where such certificate of election ought according to law to have been filed; said resignation shall take effect from and after the time of the receipt of the same by such register of deeds.

Sec. 36. Neglect to publish statement; penalty. R. S. c. 51, § 32. If any officer of a corporation, charged by law with the duty of making and causing to be published any statement in regard to such corporation, neglects to do so, such officer, in addition to penalties already provided, forfeits five hundred dollars to the prosecutor, to be recovered by action of debt, or action on the case.

See c. 57, §§ 20, 49; c. 60, §§ 37, 117; 77 Me. 493.

Sec. 37. Dividends; limitation on payment; penalty. R. S. c. 51, § 34. Dividends of profit may be made by the directors, but the capital or the debts due shall not thereby be reduced, until all debts due from the corporation are paid. Any officer or member, who votes or aids to make a dividend in violation hereof shall be punished by a fine of not more than two thousand dollars, and by imprisonment for less than one year; and all sums received for such dividends may be recovered by any creditor of the corporation in an action on the case.

See §§ 81, 94, 102.

Annual Returns.

Sec. 38. Contents; where filed. R. S. c. 51, § 28. Every corporation incorporated under the laws of this state, excepting religious, charitable, educational, and benevolent corporations, and excepting such corporations as may be organized under the first fourteen sections of chapter seventy, and such corporations as are liable to a franchise tax other than the tax provided for in section twenty-one of chapter twelve, and such corporations as have been or may hereafter be excused from filing annual returns under the provisions of section forty-two, so long as their franchises remain unused, shall on or before the first

day of June, annually, make a return to the secretary of state, signed by its president or treasurer, verified under oath, containing the names of its directors, president, treasurer, and clerk, with the residence of each, the location of its principal office in this state, and the amount of its authorized capital stock; and for this purpose the secretary of state shall furnish blanks in proper form and safely keep in his office all such returns.

108 Me. 275.

Sec. 39. Deposit in post-office sufficient; penalty for neglect. R. S. c. 51, § 29. A deposit of the return required in the preceding section in a post-office, postage paid, properly directed, is a compliance therewith. 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, to be prosecuted in the name of the state by the attorney-general.

76 Me. 411.

Sec. 40. Action of debt to collect penalty. R. S. c. 51, § 30. Whenever any corporation or its officers neglect to make to the secretary of state any return required by law, the secretary of state shall forthwith notify the attorney-general, who shall proceed at once, by action of debt in the name of the state, to enforce the penalties therefor, and shall make itemized return thereof in his annual report. The secretary of state, on or before the first day of July, annually, shall furnish the attorney-general with a statement showing which of said corporations, if any, have failed to comply with the preceding section, with such other memoranda from his office as will aid the attorney-general in obtaining service upon such delinquent corporation. In addition to said penalties, the following costs shall be recovered in behalf of the state against said corporation, to wit: for the attorney-general, for the writ, an attorney fee, and travel and attendance at court not exceeding two terms; and for the state, such other costs as are legally taxable in actions at law. Such action may be brought in any county.

Sec. 41. Discontinuance of action. R. S. c. 51, § 31. If within thirty days from the commencement of an action under section forty such corporation makes to the secretary of state the returns required by law, he shall forthwith notify the attorney-general, who shall discontinue such suit upon payment of the costs already accrued.

Sec. 42. When excused from filing returns. R. S. c. 51, § 33. 1923, c. 165. The attorney-general, upon application by any corporation, and satisfactory proof that it has ceased to transact business, and that it is not indebted to the state on account of franchise taxes, shall file a certificate of the fact with the secretary of state, and shall give a duplicate certificate to the corporation; and thereupon such corporation shall be excused from filing annual returns with the secretary of state.

Transfer of Shares and Assessment of Stock.

Sec. 43. Transfer; how made. R. S. c. 51, § 36. 1919, c. 49. 1929, c. 21. When the capital of a corporation is divided into shares, and certificates thereof are issued, they may be transferred by indorsement and delivery. The delivery of a certificate of stock of a corporation to a bona fide purchaser or pledgee for value, together with a written transfer of the same or a written power of attorney to sell, assign, and transfer the same, signed by the owner of the certificate, shall be a sufficient delivery to transfer the title against all parties. Certificates of shares with the seal of the corporation affixed, shall be issued to those entitled to them by transfer or otherwise, signed by such officer or

CHAP. 56

officers as the by-laws shall prescribe, but where any such certificate is signed by a transfer agent or transfer clerk and by a registrar, the signatures of any such officer or officers and the seal of the corporation upon such certificate may be facsimiles, engraved or printed.

See c. 64, § 28; c. 132, § 10; 20 Me. 305; 49 Me. 317; 68 Me. 68; *106 Me. 479.

Sec. 44. Transfer; status before record. R. S. c. 51, § 37. No transfer shall affect the right of the corporation to pay any dividend due upon the stock, or to treat the holder of record as the holder in fact, until such transfer is recorded upon the books of the corporation or a new certificate is issued to the person to whom it has been so transferred.

*106 Me. 479.

Sec. 45. Assessments; sale of shares for neglect to pay. R. S. c. 51, § 39. Assessments, not exceeding the amount originally limited for a share, may be made on all shares, subscribed and not paid for, to be paid to the treasurer, in such instalments and at such times as are ordered. If a stockholder neglects to pay such assessments on his shares for thirty days, the treasurer may sell at public auction a sufficient number of them to pay the same with incidental charges.

Sec. 46. Proceedings on sale of stock. R. S. c. 51, § 40. The treasurer, before the sale, shall give notice of the time and place thereof, of the number of shares on which the assessment is due, and of the amount due on each share, in a newspaper printed in the town, if any, if not, in the county where the office of the clerk of such corporation is established, otherwise in the state paper, three weeks successively, and such notice shall likewise be given in one other leading newspaper printed in the state; the notice in said papers shall, in all cases, be printed on the financial pages of said papers. Written or printed notice as aforesaid shall also be given to each stockholder of record in the corporation, at his last known address at least ten days before the sale. At said sale the treasurer of the corporation shall announce the market price of the stock to be sold, or if the stock has no market price, the treasurer shall make a statement of the financial condition of the company, showing what the stock is worth. If no bids are received at said sale for said stock, the treasurer of the corporation shall bid in said stock in behalf of the corporation, to be again sold by the corporation as the directors may vote; provided, however, that no rights of creditors of the corporation shall be thereby affected and such stock, so long as held by the corporation, shall have no voting power. The treasurer's certificate of the sale of such shares, recorded as other transfers, passes the title to the purchaser.

Changes in Charter or Certificate of Organization.

Sec. 47. Change in par value of shares. R. S. c. 51, § 38. 1929, c. 27. Any corporation organized under this chapter may change the par value of its shares at a meeting of the stockholders called for the purpose by a vote representing a majority of the stock issued and outstanding having voting power as provided by its by-laws, and a certificate thereof signed by the president or clerk shall be filed in the office of the secretary of state in the same manner as provided by law for changes in charter or certificate of organization.

Sec. 48. Increase in capital stock; change of purposes or number of directors; fees payable. R. S. c. 51, § 41. 1921, c. 28. 1925, c. 196, §§ 2, 6. 1929, c. 27. If the stockholders of any corporation heretofore or hereafter created by special charter and not charged with the performance of any public duty, or organized under the general laws of the state, find that the amount

of its capital stock is insufficient for the purposes for which said corporation is organized, or that the number of its directors is inconvenient for the transaction of its business, or that its purposes are inadequate, the stockholders at any annual or special meeting, the call for which shall give notice of the proposed change, may, by a vote representing a majority of the stock issued, and outstanding having voting power as provided by its by-laws, increase the amount of its capital stock to any amount, change the number of its directors, and change its purposes by altering, abridging or enlarging the same, 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 vote shall take effect; provided, that all certificates 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 changes are made in good faith and not for the purpose of avoiding payment of fees or taxes to the state. The corporation shall pay to the secretary of state for the use of the state: forty dollars when the capital stock is increased from ten thousand dollars or less to not exceeding five hundred thousand dollars; ten dollars for each one hundred thousand dollars of such increase when the capital stock is increased to any amount exceeding five hundred thousand dollars; also one cent per share and in no case less than ten dollars on all shares authorized without par value in excess of the last prior authorization. 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 or increase of capital stock. The provisions of this section with reference to change of corporate purposes shall not apply to specially chartered corporations.

Sec. 49. Quasi-public corporations; increase in capital stock; change of purposes or number of directors; fees payable. R. S. c. 51, § 42. 1925, c. 196, §§ 3, 6. 1927, c. 99. 1929, c. 27. If the stockholders of any corporation created by special act of the legislature or organized under the general laws of the state and charged with the performance of any public duty, or organized for any of the purposes enumerated in section eleven which are not subject to fees of a like kind to those herein provided, find that the amount of its capital stock is insufficient for the purposes for which said corporation is organized, or that the number of its directors is inconvenient for the transaction of its business, the stockholders, at any annual or special meeting the call for which shall give notice of the proposed change, may, by a vote representing a majority of the stock issued, and outstanding having voting power as provided by its by-laws, increase the amount of its capital stock to any amount and change the number of its directors; 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 vote shall take effect; subject, however, to the provisions, when applicable, of section forty-three of chapter sixty-two. When any such corporation increases its capital stock it shall pay to the secretary of state for the use of the state before it shall be authorized to receive any certificate of any increase of capital stock: twenty-five dollars when the capital stock is increased from five thousand dollars or less to not exceeding ten thousand dollars; fifty dollars when the capital stock is increased from ten thousand dollars to not exceeding fifty thousand dollars; one hundred dollars when the capital stock is increased from fifty thousand dollars to not exceeding one hundred thousand dollars; seventy-five dollars upon every one

CHAP. 56.

hundred thousand dollars or fraction thereof in excess of one hundred thousand dollars when the capital stock is increased to any amount exceeding one hundred thousand dollars; one cent per share and in no case less than ten dollars on all shares authorized without par value in excess of the last prior authorization.

Sec. 50. Increase and decrease of non-par shares. 1917, c. 144. 1921, c. 224. 1929, cc. 27, 39. The authorized number of shares without par value may be increased or reduced by a majority vote of the stock, issued and outstanding having voting power as provided by its by-laws, at a meeting duly called for the purpose, or at an annual meeting, when notice shall have been given of such proposed action in the call therefor, and the corporation shall file a certificate thereof with the secretary of state within ten days thereafter, and thereupon said change shall take effect.

Sec. 51. Decrease of capital stock; rights of creditors. R. S. c. 51, § 43. 1929, c. 27. If the stockholders of any corporation organized under this chapter shall desire to decrease the amount of its capital stock, the stockholders, at a meeting duly called for the purpose, or at any annual meeting, when notice shall have been given of such proposed action in the call therefor, may by a vote representing a majority of all the stock issued, and outstanding having voting power as provided by its by-laws, decrease the amount of its capital stock to any amount desired, and the corporation shall give notice of such change to the secretary of state within ten days thereafter. And each stockholder shall, within three months after such meeting, surrender such a proportion of his stock as the amount of the decrease shall bear to the amount of the capital stock before the decrease, so that each stockholder shall have the same proportion of the whole capital stock of the company as before the decrease; provided, however, that if at the time of such decrease there shall remain in the treasury of said corporation any unissued capital stock, such decrease may be effected by first retiring such unissued capital stock not exceeding the amount of such decrease. This section shall not affect or prejudice in any way the rights of creditors of such corporation existing at the time when the reduction of its capital stock authorized hereunder shall be consummated.

Sec. 52. Decrease of capital stock, when capital impaired. R. S. c. 51, § 44. 1929, c. 27. Whenever the assets of a corporation have been so diminished by losses or depreciation of property, that its capital is impaired, such corporation, at any meeting of the stockholders legally called therefor, with the consent of not less than two-thirds in amount of all its stock issued and outstanding having voting power as provided by its by-laws, expressed at such meeting or at any adjournment thereof, may reduce such stock to the extent of such impairment, and thereupon the par value of all shares issued or to be issued shall be reduced proportionately.

Sec. 53. Remedy of stockholder who has not agreed to reduction. R. S. c. 51, § 45. Within thirty days after such reduction any stockholder who has not agreed thereto, may file a bill in equity in any county in which said corporation has an established place of business, or in which it held its last stockholders' meeting, for a revision of its proceedings in making said reduction, upon which bill such proceedings may be annulled or modified, so that such reduction shall not exceed the actual impairment of capital. The action of the court, or, if no bill is filed as aforesaid, the action of the corporation, as provided in the preceding section, shall be conclusive upon all parties, whether stockholders or creditors, and such reduction shall not create any personal liability of any stockholder or officer thereof.

Sec. 54. Copy of proceedings, filed with secretary of state; penalty for failure; how recovered. R. S. c. 51, § 46. The clerk of said corporation shall file with the secretary of state a certified copy of such proceedings, within thirty days after they are taken, or forfeit one thousand dollars, to be recovered by action of debt in favor of any existing or future creditor of such corporation first suing therefor in any court or county in which a transitory action between the same parties may be brought.

Sec. 55. Issue of new shares after reduction. R. S. c. 51, § 47. Simultaneously with or after such reduction of its stock, such corporation may from time to time authorize the issue of new shares, of the reduced par value, until the gross capital equals the gross capital authorized by its charter or articles of association before such reduction was made, although the new shares increase the whole issue beyond the number authorized by such charter or articles.

Sec. 56. Change of par value shares to non-par shares; fees payable. 1921, c. 224. 1925, c. 196, § 5. 1929, c. 27. Any corporation, the organization of which is authorized under this chapter, having outstanding shares with par value, may, at a meeting duly called and held for the purpose, by vote of the holders of two-thirds of its stock, issued and outstanding having voting power as provided by its by-laws, and upon paying the fee provided for recording the notice of a change in the charter or certificate of organization, change such shares or any class thereof into an equal number of shares without par value, or provide for the exchange thereof pro rata for an equal or different number of shares without par value, provided the preferences, rights, limitations, privileges, and restrictions lawfully granted or imposed with respect to the outstanding shares, so changed or exchanged, shall not be impaired, diminished, or changed without the consent of all the holders thereof, such preferences, rights, limitations, privileges, and restrictions, however, to be expressed in dollars or cents per share rather than by reference to par value.

Sec. 57. Change of name; certificate shall be filed in registry of deeds. R. S. c. 51, § 51. 1923, c. 89. A corporation, at a legal meeting of its stockholders, may vote to change its name and adopt a new one; and when the proceedings of such meeting relating to such change of name, certified by the clerk thereof, are returned to the office of the secretary of state to be recorded by him, the name shall be deemed changed; and the corporation, under its new name, has the same rights, powers and privileges, and is subject to the same duties, obligations and liabilities as before, and may sue and be sued by its new name; but no action brought against it by its former name, shall be defeated on that account, but on motion of either party, the new name may be substituted therefor in the action; provided, that whenever any corporation, required by law to make returns to any official or department of the state, shall change its name under the general laws of the state, or under any special act of the legislature, such change shall not take effect and such new name shall not be used until said corporation shall have filed with said official or said department a certified copy of the vote of the corporation relative thereto. A certificate of the change of name of a corporation shall be filed by the clerk of the corporation in the registry of deeds of the county, in which the corporation has its location, within twenty days after the proceedings of the meeting are returned to the office of the secretary of state.

See c. 64, § 57; 68 Me. 84.

Sec. 58. Change of location; certificates shall be filed in registries of deeds. R. S. c. 51, § 56. 1929, c. 27. Any corporation organized under this chapter

CHAP. 56

at a legal meeting of its stockholders, by a vote representing a majority of the stock issued, and outstanding having voting power as provided by its by-laws, may change its location from one county to another in the state, and the corporation shall file, by its clerk or other officer, in the registry of deeds in each of said counties, within twenty days after such change of location, the certificate required by section thirty-four.

Sec. 59. Certificate of every change shall be filed with secretary of state. R. S. c. 51, § 48. Whenever a corporation shall make a change in its charter or certificate of organization, in any manner, for the more convenient transaction of its business, it shall forward a notice of such change to the secretary of state, who shall record the same in a book kept for that purpose.

Trusts Prohibited.

Sec. 60. Formation of trusts forbidden. R. S. c. 51, § 57. 1923, c. 187. It shall be unlawful for any firm or incorporated company, or any number of firms or incorporated companies, or any unincorporated company, or association of persons or stockholders, organized for the purpose of manufacturing, producing, refining or mining any article or product which enters into general use and consumption by the people, to form or organize any trust, or to enter into any combination of firms, incorporated or unincorporated companies, or association of stockholders, or to delegate to any one or more board or boards of trustees or directors the power to conduct and direct the business of the whole number of firms, corporations, companies, or associations which may have formed, or which may propose to form a trust, combination or association inconsistent with the provisions of this section and contrary to public policy. No association or corporation organized for the sole purpose of marketing fish, shell-fish, or any of the fish products or agricultural products of this state, the members of, or stockholders in which are actually engaged in the production of such products, or in the selling, canning or otherwise preserving of the same, shall be deemed to be a conspiracy or a combination or in restraint of trade or an attempt to lessen competition or to fix prices arbitrarily; nor shall the marketing contracts and agreements between such association or corporation and its members or stockholders be considered illegal as such or in unlawful restraint of trade or as part of a conspiracy or combination to accomplish an improper or illegal purpose.

See c. 138, § 28.

Sec. 61. Evidence of interest in any trust not to have legal recognition. R. S. c. 51, § 58. No certificate of stock, or other evidence of interest, in any trust, combination, or association, as named in the preceding section, shall have legal recognition in any court in this state, and any deed of real estate given by any person, firm, or corporation, for the purpose of becoming interested in such trust, combination, or association, or any mortgage given by the latter to the seller, as well as all certificates growing out of such transaction, shall be void.

121 Me. 18.

Sec. 62. Penalty for being connected with any trust. R. S. c. 51, § 59. Any firm, incorporated or unincorporated company, or association of persons or stockholders, who shall enter into or become interested in such trust, combination, or association, shall be punished by a fine of not less than five thousand dollars, nor more than ten thousand dollars.

Rights of Minority Stockholders.

Sec. 63. Corporation not to sell franchises or entire property without consent of stockholders. R. S. c. 51, § 60. 1929, c. 242. No corporation shall sell,

lease, consolidate or in any manner part with its franchises, or its entire property, or any of its property, corporate rights or privileges essential to the conduct of its corporate business and purposes, otherwise than in the ordinary and usual course of its business, except with the consent of its stockholders at an annual or special meeting, the call for which shall give notice of the proposed sale, lease or consolidation. All such sales, leases and consolidations shall be subject to the provisions of this and the eleven following sections, and to the prior lien of stockholders as therein defined. Except as to franchises, this and the eleven following sections shall not be held to apply to mortgages or corporate property.

To effect a consolidation under the provisions of the foregoing paragraph and subject to the provisions of this and the eleven following sections, any two or more corporations organized or to be organized under the provisions of this chapter or existing under the laws of this state, or any corporation or corporations organized or to be organized under the provisions of this chapter or existing under the laws of this state and any corporation or corporations organized under the laws of any other state, may consolidate into a single corporation which may be either one of said corporations, provided the same be a corporation originally organized under the laws of this state, or a new corporation under the laws of this state to be formed by means of such consolidation, by entering into an agreement duly authorized by a majority of the directors of the respective corporations and signed by the duly authorized officers, and under the respective seals of said corporations, prescribing the terms and conditions of the consolidation, the mode of carrying the same into effect, whether or not the consolidated corporation shall be one of the constituent corporations or a new corporation created by such consolidation, and stating in such altered form as the circumstances of the case may require such other facts as are necessary to be set out in the certificate of organization of corporations organized under this chapter and as are pertinent in the case of a consolidation, the manner of converting the capital stock of each of such consolidating corporations into the stock or obligations of such consolidated corporation together with such other provisions and details as shall be deemed necessary to perfect the consolidation. Said agreement shall be acknowledged by one of the executing officers of each of the consolidating corporations before an officer authorized by the laws of this state to take acknowledgments of deeds, to be the respective act, deed and agreement of each of said corporations.

Subject to provisions of by-laws with reference to closing stock-books prior to stockholders' meetings, said consolidation agreement shall be submitted to the stockholders of record of each corporation at a meeting thereof called separately for the purpose of taking the same into consideration, and at said meeting a vote in person or by proxy shall be taken for the adoption or rejection of said agreement, and if the votes of stockholders of each corporation representing a majority of the voting power, on a proposal to consolidate said corporation with another, shall be for the adoption of said agreement, then that fact shall be certified on said agreement by the clerk or secretary of each corporation and the agreement so signed, acknowledged, adopted and certified, after it has been examined by the attorney-general, and been by him certified to be properly drawn and signed and to be conformable to the constitution and laws of this state, shall be recorded in the registry of deeds in the county where the said consolidated corporation is located, and within sixty days after the day of the meeting at which said consolidation agreement is adopted by the stockholders, a copy thereof certified by such register shall be filed in the

CHAP. 56

office of the secretary of state, who shall enter the date of filing thereon, and on the original agreement, certified as aforesaid, to be kept by the consolidated corporation, and shall record said copy. From the time of filing the copy of such agreement in the office of the secretary of state, said agreement shall be taken and deemed to be the agreement and act of consolidation of the said corporations and said original consolidation agreement or a certified copy thereof shall be evidence of the existence of such consolidated corporation and of the observance and performance of all acts and conditions necessary to have been observed and performed precedent to such consolidation. When said agreement is so signed, acknowledged, adopted, recorded and filed, the separate existence of all of the constituent corporations, or all of such constituent corporations except the one into which such constituent corporations shall have been consolidated, shall cease, and the constituent corporations, whether consolidated into a new corporation or merged into one of such constituent corporations, as the case may be, shall become the consolidated corporation by the name provided in said agreement, possessing all the rights, privileges, powers, franchises and immunities as well of a public as of a private nature, and being subject to all the liabilities, restrictions and duties of each of such corporations so consolidated and all and singular the rights, privileges, powers, franchises and immunities of each of said corporations, and all property, real, personal and mixed, and all debts due to any of said constituent corporations on whatever account, and all other things in action of or belonging to each of said corporations, shall be vested in the consolidated corporation; and all property, rights, privileges, powers, franchises and immunities, and all and every other interest shall be thereafter as effectually the property of the consolidated corporation as they were of the several and respective constituent corporations, and the title to any real estate, whether by deed or otherwise, under the laws of this state, vested in any of such constituent corporations, shall not revert or be in any way impaired by reason thereof; provided, that all rights of creditors and all liens upon the property of any of said constituent corporations shall be preserved unimpaired, limited to the property affected by such liens at the time of the consolidation, and all debts, liabilities and duties of the respective constituent corporations shall thenceforth attach to said consolidated corporation and may be enforced against it to the same extent as if said debts, liabilities and duties had been incurred or contracted by it.

The notice herein provided for shall be given to all stockholders of record of all of the consolidating corporations, whether or not entitled to vote, but subject to any by-law provisions with reference to closing stock-books prior to stockholders' meetings. If the holder of record of any share not entitled to vote in any constituent corporation selling, leasing, consolidating, or otherwise disposing of its property as aforesaid, shall at or prior to the taking of the vote, dissent therefrom in writing and shall at such time, or within one month from the date of such vote, file his written dissent therefrom with the president, clerk or treasurer of such corporation, then such non-voting shares of such stockholder shall be subject to and be entitled to all of the rights granted by the eleven following sections in like manner as if they had been voting shares.

If the location of the consolidated corporation is not the same as that of the constituent corporations, then the clerk of the consolidated corporation shall within sixty days after such consolidation has become effective file a certificate of the consolidation, setting forth the names and locations of the consolidated and constituent corporations, in the registry of deeds of each county, other

than that of the consolidated corporation, where the constituent corporations may be located.

The provisions of this section with reference to consolidation shall neither restrict nor enlarge the provisions of section one of chapter sixty-eight and section forty-four of chapter sixty-two as now amended.

120 Me. 231; 126 Me. 108.

Sec. 64. Remedy of dissenting stockholder. R. S. c. 51, § 61. If any stockholder in any corporation which shall vote to sell, lease, consolidate, or in any manner part with its franchises, or its entire property, or any of its property, corporate rights or privileges essential to the conduct of its corporate business and purposes, otherwise than in the ordinary and usual course of its business, shall vote in the negative and shall file his written dissent therefrom with the president, clerk, or treasurer of such corporation within one month from the day of such vote, the corporation, in which he is a stockholder may within one month after such dissent is so filed, enter a petition with the supreme judicial court, or the superior court, sitting in equity, in the county where it held its last annual meeting, in term time or in vacation, setting forth in substance the material facts of the transaction, the action of the corporation thereon, the names and residences of all dissenting stockholders whose dissents were so filed, making such dissenting stockholders parties thereto, and praying that the value of the shares of such dissenting stockholders may be determined, and for other appropriate relief.

120 Me. 231; 126 Me. 108.

Sec. 65. If corporation fails to enter petition, dissenting stockholder may enter and prosecute the same. R. S. c. 51, § 62. If any such corporation shall fail to enter such petition as aforesaid, any stockholder dissenting as aforesaid may within one month thereafter enter such petition and prosecute the same, making such corporation party defendant. In either case the court shall fix the time of hearing and shall order notice thereof to all parties interested, by publication in some newspaper or newspapers at least two weeks successively, and such personal service as is required upon bills in equity.

120 Me. 231; 121 Me. 213.

Sec. 66. Court to determine value of shares and secure rights of stockholders; corporation to deposit amount of award in some bank; shares to become property of corporation. R. S. c. 51, § 63. The court, or any justice thereof in term time or in vacation, shall hear the parties and determine as soon as practicable the value of the stock of such dissenting stockholders; and shall make and enforce all such orders and decrees as may be necessary to secure to such stockholders all their rights. Such corporation shall, notwithstanding any appeal as hereinafter authorized, forthwith deposit the amount so awarded, in some bank or trust company designated by the court, to be by it held until final judgment, and paid to the parties as thereafter ordered by the court directing such deposit. Upon such deposit and upon compliance with final judgment as hereinafter provided, the shares of such stockholders shall become the property of such corporation, and the court may make and enforce such orders as may be necessary to secure its title thereto.

120 Me. 231; 126 Me. 108.

Sec. 67. Either party may enter appeal, and trial had before a jury; award, how paid; appellant to have lien on property of corporation. R. S. c. 51, § 64. Within thirty days after filing the decree determining such values, as aforesaid, either party may enter an appeal therefrom, to be heard at the next term of the superior court in the county where such petition is pending. The issue may thereupon, at the request of any party thereto, be submitted to a jury. If up-

CHAP. 56

on such trial the amount of such award is increased, the stockholder shall have judgment and execution against the petitioning corporation or corporation defending, for such increase with interest and costs; and if decreased, such corporation may withdraw from said deposit, the amount of the decrease with interest and costs. During the pendency of such appeal, the appellant shall have a lien upon all the property of the corporation interested in such sale or lease, or consolidation for thirty days after judgment on appeal. Such lien shall have precedence over any mortgages or leases made after any vote of sale, lease or consolidation. All such liens may be released upon filing with the court, a bond in such amount and with such sureties as the court may approve. Two or more stockholders may join in the same appeal.

120 Me. 231.

Sec. 68. If dissent is not filed, stockholder to be deemed to have assented; guardian may be appointed for incapacitated stockholder. R. S. c. 51, § 65. Any stockholder failing to file his dissent as required in section sixty-four shall be deemed to have assented to such vote. If it appears that any stockholder is legally incapacitated from giving such assent or waiver, the court shall appoint suitable guardians or representatives for such persons, and the case shall then be heard and determined as if such stockholders had filed their dissent as required by section sixty-four. Provided, however, that, if the proceedings hereby authorized are not had, then as against any stockholder who is a minor, or otherwise legally incapacitated, and who has no guardian, the period of one month in which to file the written dissents aforesaid shall not begin to run until the removal of the incapacity, by the appointment of a guardian or otherwise and actual notice of the vote of sale, lease or consolidation.

126 Me. 108.

Sec. 69. Stockholders to deposit in court certificates of shares; transfers to be subject to final decree. R. S. c. 51, § 66. Every stockholder appearing in answer to, or filing any petition, by himself, guardian, or other legal representative, shall simultaneously therewith or within such time as the court may allow, deposit in court his certificate of shares duly indorsed to the corporation of which he is a shareholder, or some other sufficient transfer thereof, which shall there remain subject to the order of the court. All attachments and transfers of such shares shall be subject to the final decrees in such proceeding; and any such attaching creditor or transferee shall be allowed to become a party to the proceedings to protect his interests; and if such person, so claiming under such transfer or attachment omits or fails to intervene in such proceedings, his omission as a party shall not bar or impair the proceedings.

Sec. 70. If corporation fails to pay amount decreed, rights of stockholder; lien of dissenting stockholder. R. S. c. 51, § 67. If none of the corporations interested in such petition shall pay or deposit the amount as herein ascertained and decreed, with interest thereon, within such time as the court shall order, any stockholder, entitled to such amount, may at his option take judgment and execution therefor, with interest and costs, against such corporation or withdraw his stock aforesaid; and after such withdrawal or if said execution is returned unsatisfied within thirty days after judgment, the owner of such shares shall retain all the rights of a dissenting stockholder as though no proceedings had taken place. All stockholders entitled to a remedy hereunder, shall have a lien upon the property of the corporations in which they are stockholders which shall take precedence of all mortgages or leases, of any kind made after any vote of sale, lease or consolidation. Such liens may be released as provided in section sixty-seven.

Sec. 71. Court may hear and determine petitions, and make orders for enforcement of rights of all parties. R. S. c. 51, § 68. The supreme judicial court, or the superior court, or any justice thereof, may in term time or vacation hear and determine said petitions, and make all orders for giving notice to non-resident parties, and taking action with reference to them, for the enforcement of the rights of any party to the proceedings, for the consolidation of two or more petitions, for the payment of interest on the adjudged value of the shares, for the payment of dividends, pending the proceedings, for interest upon the deposit aforesaid, for the distribution of costs between the parties and for enforcing its orders and decrees, as are consistent with the principles of equity practice, and as the convenient and speedy settlement of the controversy may require.

Sec. 72. If petition fails for any matter of form, new petition may be filed. R. S. c. 51, § 69. If any petition shall fail for any matter of form, any party interested therein may file a new petition within two months thereafter. No petition shall be abated by the death of any party, but may thereupon be summarily revived by suggestion and amendment.

Sec. 73. Exceptions. R. S. c. 51, § 70. The proceedings hereby authorized shall not apply to nor affect any special act relating to the rights of minority stockholders in any particular corporations enacted before the fourth day of April, eighteen hundred ninety-one, nor any mortgage legally made.

Sec. 74. Proceedings for valuing stock under the laws of other states to be a bar to any under this chapter. R. S. c. 51, § 71. If either of the corporations interested has consolidated its stock with corporations created by any other state or states, or the stock therein is held by virtue of concurrent legislation of one or more states, and proceedings have been commenced for valuing the stock and paying the value thereof in any state having jurisdiction, such proceedings shall, while pending, be a bar to any under this chapter; but if such proceedings in any other state shall fail for any reason not touching the merits, a petition may be filed as herein provided within two months thereafter.

Corporate Contracts and Liabilities.

Sec. 75. Contracts. R. S. c. 51, § 72. Corporations are bound by parol contracts made by an agent authorized by vote or by their by-laws. Contracts may be implied from corporate acts, or from the acts of the general agent.

Authority to exchange reciprocal contracts of indemnity, c. 60, § 100; 7 Me. 120; 24 Me. 38, 502; 26 Me. 435; 29 Me. 126; 103 Me. 79; 106 Me. 387; 117 Me. 291.

Sec. 76. Provisions of law relating to foreclosure of railroad mortgages given to trustees, applicable to mortgages of all corporations so given. R. S. c. 51, § 73. The provisions of chapter sixty-four, sections thirty-six to fifty-eight inclusive, shall apply to and include all mortgages of franchises, lands or other hereditaments, or of all of them, heretofore or hereafter given by any corporation to trustees to secure scrip or bonds of said corporation; and the holder of said scrip or bonds shall have the benefit of all said provisions, whether the said mortgages have been or may be foreclosed in the manner provided by section thirty-six of said chapter, or in any other legal manner, and to the extent of and with reference to the property covered by the mortgage; the new corporation, when organized, shall have the rights and privileges of the original corporation.

119 Me. 579.

Sec. 77. Property and franchise may be taken for debts. R. S. c. 51, § 75. 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

CHAP. 56

to attachment on mesne process and levy on execution for debts of the corporation, in the manner prescribed by law.

See c. 90, § 31; c. 98, § 17; 97 Me. 302; 112 Me. 439.

Sec. 78. Names of directors, clerk, and schedule of property to be furnished to an officer. R. S. c. 51, § 76. Every agent or person having charge of corporate property, shall, on request, furnish to any officer having a writ or execution against the corporation for service, the names of the directors and clerk, and a schedule of all property, including debts known by him to belong to the corporation.

Sec. 79. Officer, having an execution, may elect to take debts due to corporation; proceedings. R. S. c. 51, § 77. An officer, having an execution against a manufacturing corporation and unable to find property liable to seizure, or the creditor, may elect to satisfy it, in whole or in part, by a debt due to the corporation not exceeding the amount due to the creditor, and the person having custody of the evidence of such debt shall deliver it to such officer with a written transfer thereof to him for the use of the creditor, which shall constitute an assignment thereof, and the creditor, in the name of the corporation, may sue for and collect it, subject to any equitable set-off by the debtor.

Sec. 80. Penalty for refusing to comply with §§ 78 and 79. R. S. c. 51, § 78. Any officer or other person, who unnecessarily neglects or refuses to comply with the two preceding sections, forfeits not exceeding four times the amount due on such execution, and may be imprisoned less than one year.

Sec. 81. Books to be produced on trial; refusal punished. R. S. c. 51, § 79. When a suit or prosecution is pending for a violation of section thirty-seven or either of the three preceding sections, the clerk or person having custody of the books of the corporation, shall, upon reasonable written notice, produce them on trial; and for neglect or refusal so to do, he is liable to the same fine or imprisonment as the party on trial would be.

Dissolution of Corporations.

Sec. 82. Existence after charter expires. R. S. c. 51, § 81. Corporations, whose charters expire or are otherwise terminated, 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.

55 Me. 293; 92 Me. 476; 106 Me. 178; 115 Me. 289; 117 Me. 84.

Sec. 83. Proceedings for obtaining injunction against continuing business. R. S. c. 51, § 82. Whenever any corporation shall become insolvent, or be in imminent danger of insolvency, or whenever through fraud, neglect or gross mismanagement of its affairs, or through attachment, litigation or otherwise, its estate and effects are in danger of being wasted or lost, or whenever it has ceased to do business, or its charter has expired or been forfeited, upon application of any creditor or stockholder by bill in equity filed in the supreme judicial court or the superior court in the county in which it has an established place of business, or in which it held its last stockholders' meeting, upon which bill such notice shall be given as may be ordered by any justice of either of such courts, in term time or vacation, either of such courts may, if it finds that sufficient cause exists, issue an injunction, both temporary and permanent, restraining said corporation, its officers and agents, from receiving any moneys, paying any debts, selling or transferring any assets of the corporation, or exercising any of its privileges or franchises until further order, and may at any time make a decree dissolving said corporation.

*102 Me. 371; 103 Me. 277; *109 Me. 458; 113 Me. 182, 532; 114 Me. 184; 115 Me.

289; 117 Me. 84; 120 Me. 108.

Sec. 84. Appointment of receivers; attachments dissolved. R. S. c. 51, § 83. At the time of ordering any such injunction or at any time afterwards during its continuance, such court may also appoint one or more receivers to wind up the affairs of the company, who shall be duly sworn, and give bond in such sum and upon such conditions as such court shall determine, and shall at all times be subject to the direction and control of the court, which may at any time remove said receiver and appoint another in his place. All attachments made within thirty days before the filing of any such bill in equity, wherein a receiver is so appointed, shall thereupon be dissolved.

See c. 57, § 61; 113 Me. 182; 114 Me. 184; 115 Me. 289; 117 Me. 84.

Sec. 85. Authority of receiver; to report to court. R. S. c. 51, § 84. Such receiver shall have power to institute or defend suits at law or in equity, in his own name as receiver, to demand, collect and receive all property and assets of said corporation, to sell, transfer, or otherwise convert the same into cash, and to conduct and carry on the business of said corporation, as ordered by the court, if it appears for the best interests of all concerned. He shall report to the court at least as often as every six months a statement of all the assets and liabilities of said corporation, and from time to time shall distribute the assets of said corporation as provided in section eighty-nine.

113 Me. 86; 114 Me. 184; 117 Me. 84; 120 Me. 444.

Sec. 86. Presentation of claims. R. S. c. 51, § 85. Whenever a receiver is appointed as above, the court shall limit a time, not less than four months, of which decree notice shall be given, within which all claims against said corporation shall be presented, and make such order for the manner of hearing and proving the same as may be just and proper.

113 Me. 180, 532; 114 Me. 184; 117 Me. 84.

Sec. 87. Sale of property and franchises; receiver may accept claims in payment. R. S. c. 51, § 86. Said court may in its discretion, in lieu of decreeing the dissolution of such corporation, order the receiver to sell its property and franchises; and the purchaser thereof shall succeed to all the rights and privileges of such corporation, and may reorganize the same under the direction of said court. At any sale of such property at public auction, the court may, in its discretion, authorize the receiver to accept in payment, duly allowed claims against such corporation, at a proper valuation.

117 Me. 84; 126 Me. *141.

Sec. 88. Jurisdiction in equity. R. S. c. 51, § 87. The court shall have jurisdiction in equity of all proceedings hereunder and may make such orders and decrees as equity may require.

113 Me. 182; 117 Me. 84; 120 Me. 112.

Sec. 89. Distribution of assets. R. S. c. 51, § 88. The debts of the corporation shall be paid in full, 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 shall be distributed among the stockholders or their legal representatives in proportion to their interests.

111 U. S. 110; 60 Me. 173, 182; 79 Me. 316; 102 Me. 376; 106 Me. 181; 113 Me. 536; 117 Me. 84.

Sec. 90. Bill in equity against corporations for dissolution; if no liabilities, dissolution may be had without trustees. R. S. c. 51, § 89. 1923, c. 13. Except where otherwise provided by statute, whenever at any meeting of its stockholders, legally called therefor, such stockholders vote to dissolve such corporation, a bill in equity against the same for dissolution thereof may be filed by any officer, stockholder, or creditor in the supreme judicial court or the superior court, in the county in which it has an established place of business, or in which

CHAP. 56

it held its last stockholders' meeting; upon said bill, notice shall be given by the clerk of courts to the attorney-general and such notice shall be given to others as may be ordered by any justice of either of said courts, in term time or vacation, and upon proof thereof, such proceedings may be had according to the usual course of suits in equity, that said corporation shall be dissolved and terminated. Upon proof that there are no existing liabilities against said corporation, and no existing assets thereof, requiring distribution among the stockholders, said court may dissolve said corporation without the appointment of trustees or receivers.

79 Me. 316; *106 Me. 179; 107 Me. 187.

Sec. 91. Jurisdiction of court; court may superintend collection and distribution of assets. R. S. c. 51, § 90. Said courts have jurisdiction in said cause to appoint receivers, issue injunctions; and pass interlocutory decrees and orders, according to the usual course of proceedings in equity; and shall, moreover, upon dissolving said corporation, or upon terminating its charter, appoint one or more trustees, who shall have all the powers conferred upon similar trustees by sections eighty-two, eighty-nine and one hundred three, or by any other law of the state, with such special powers as may be given them by said court. But, notwithstanding the appointment of such trustees, said court may superintend the collection and distribution of the assets of said corporation, and may retain said bill for that purpose.

106 Me. 179; 107 Me. 187.

Sec. 92. No relief from liability. R. S. c. 51, § 91. Nothing in the two preceding sections relieves any officer, shareholder, or other person from any liability, except as provided therein.

Sec. 93. Capital not to be divided until debts paid. R. S. c. 51, § 101. Corporations, not created for literary, benevolent, or banking purposes, shall not so divide any of their corporate property as to reduce their stock below its par value, until all debts are paid, and then only for the purpose of closing their concerns.

59 Me. 474.

Sec. 94. Judgment creditor may file bill in equity in certain cases. R. S. c. 51, § 102. 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 or the superior court, setting forth the facts, and the names of such persons as are alleged to have possession of any of such property, or choses in action, either before or after division; names of defendants may be struck out or added by leave of court; costs awarded at discretion, and service made on the defendants named, as in other equity suits. They shall in answer thereto, disclose on oath all facts within their knowledge relating to such property in their hands, or received by a division among stockholders. When either of them has the custody of the records of the corporation, he shall produce them and make extracts therefrom and annex them to his answer, as the court directs.

*77 Me. 474.

Sec. 95. Proceedings, trial, and decree in the suit. R. S. c. 51, § 103. The court shall 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. 96. Decree of dissolution to be filed with secretary of state. R. S. c. 51, § 92. A copy of every decree or judgment dissolving a corporation or forfeiting its charter shall be forthwith filed by the clerk of the court in the office of the secretary of state and there recorded.

Sec. 97. On dissolution, estate vests in shareholders. R. S. c. 51, § 104. When a corporation is dissolved, its real and personal estate is vested in the persons who were at the time shareholders, as tenants in common according to their interests.

16 Me. 318; 29 Me. 134; *36 Me. 190; 66 Me. 400; 79 Me. 316; 121 Me. 18.

Liability of Stockholders.

Sec. 98. Personal representatives not liable. R. S. c. 51, § 93. Persons holding stock as executors, administrators, guardians, or trustees, shall not be personally subject to any liabilities as stockholders; but the estates and funds in their hands shall be liable in like manner and to the same extent as the testator, intestate, ward, or person interested in such trust funds would be if they were respectively living and competent to act and hold the stock in their own names.

104 Me. 155.

Sec. 99. Pledgee of stock not liable as a stockholder. R. S. c. 51, § 94. A pledgee for value, holding a certificate of stock of a corporation for security merely, shall not, while he so holds such stock, be subject to any of the liabilities of a stockholder, unless he appears on the books of the corporation as the absolute owner of such stock.

Sec. 100. Stockholders not liable beyond amount of stock; exception. R. S. c. 51, § 95. No stockholder in any corporation, except in banks, trust and banking companies, and when otherwise provided by the act of incorporation shall be liable for the debts of or claims against such corporation beyond any amounts withdrawn or not paid in, as provided in the two following sections; but neither this section nor the four following, affect past or future liabilities of any officer of any corporation.

See c. 57, § 93; 75 Me. 521; 86 Me. 66; 89 Me. 127; 92 Me. 444.

Sec. 101. Capital stock subscribed is for security of creditors; payment of subscription to be bona fide. R. S. c. 51, § 96. The capital stock subscribed for any corporation is declared to be and stands for the security of all creditors thereof, and no payment upon any subscription to or agreement for the capital stock of any corporation, shall be deemed a payment within the purview of this chapter, unless bona fide made in cash, or in some other matter or thing at a bona fide and fair valuation thereof.

64 Me. 382; 78 Me. 178; 82 Me. 403, 511; 86 Me. 66; 92 Me. 451; *93 Me. 163.

Sec. 102. Withdrawal of capital stock, void as against judgment creditor, receivers, or trustees. R. S. c. 51, § 97. No dividend declared by any corporation from its capital stock or in violation of law, no withdrawal of any portion of such stock, directly or indirectly, no cancelation or surrender of any stock, and no transfer thereof in any form to the corporation which issued it, is valid as against any person who has a lawful and bona fide judgment against said corporation, based upon any claim in tort or contract or for any penalty, or as against any receivers, trustees, or other persons appointed to close up the affairs of an insolvent corporation.

64 Me. 382; 78 Me. 178; 82 Me. 402; 86 Me. 66; 93 Me. 163; 111 Me. 475.

Sec. 103. Proceedings may be by action on the case, or bill in equity; stockholder not liable unless debt was contracted during ownership of stock, nor for mortgage debt. R. S. c. 51, § 98. Any person having such judgment, or

any such trustees, receivers, or other persons appointed to close up the affairs of an insolvent corporation, may, within two years after their right of action herein given accrues, commence an action on the case or bill in equity, without demand or other previous formalities, against any persons, if a bill in equity, jointly or severally, otherwise severally, who have subscribed for or agreed to take stock in said corporation and have not paid for the same; or who have received dividends declared from the capital stock, or in violation of law; or who have withdrawn any portion of the capital stock, or canceled and surrendered any of their stock, and received any valuable consideration therefor from the corporation, except its own stock or obligation therefor; or who have transferred any of their stock to the corporation as collateral security or otherwise, and received any valuable consideration therefor as aforesaid; and in such action they may recover the amount of the capital stock so remaining unpaid or withdrawn, not exceeding the amounts of said judgments or the deficiency of the assets of such insolvent corporation. But no stockholder is liable for the debts of the corporation not contracted during his ownership of such unpaid stock, nor for any mortgage debt of said corporation; and no action for the recovery of the amounts hereinbefore mentioned shall be maintained against a stockholder unless proceedings to obtain judgment against the corporation are commenced during the ownership of such stock, or within one year after its transfer by such stockholder is recorded on the corporation books.

*64 Me. 382; 78 Me. 178; 82 Me. 402; 83 Me. 323; 84 Me. 75; 86 Me. 66, 75, 492; 88 Me. 612; 92 Me. 451; 93 Me. 163; 111 Me. 475; 113 Me. 87.

Sec. 104. Evidence in defense. R. S. c. 51, § 99. A defendant in such suit may prove that he has already in good faith paid by himself or through another person who has assumed his stock or subscription, to any person holding a bona fide judgment, or to any such trustee or receiver, or other person authorized to receive it, or to the corporation itself, the whole or any part of any amounts for which he would be liable under this chapter; or that he has already in good faith and without collusion been sued for, and is still in peril of being compelled to pay, such amounts in whole or in part, to some other person, in which latter case the suit may be continued to await, on payment of defendant's costs from term to term; or he may prove that the amounts illegally received by him from said corporation were received more than two years before the claim arose on which such judgment was obtained, or if the suit is by trustees, receivers, or other such person, more than two years before the commencement of the legal proceeding by virtue of which such corporation passed into the hands of trustees or receivers; or he may prove the invalidity of such judgment in any particular which could avail the corporation on a writ of error, or that said judgment was not bona fide; or he may prove that he has bona fide claims in contract or tort, several, or joint with other persons, against said corporation, absolute, or contingent, or which could be availed of by set-off in court or on execution, for the whole or any part of the amounts for which he would be liable under this chapter; or in case his stock was transferred to such corporation as collateral security or as payment, he may either prove that the same was so transferred in good faith as security or payment for, or of, an anterior liability incurred without any concurrent agreement for the transfer of such stock, and for which the corporation was unable to obtain other sufficient security or payment, or in such case he may prove that whatever sum was received thereon, has been in whole or part repaid to such corporation; and proof of any of such matters is a full or partial defense for such defendant.

*78 Me. 178; *84 Me. 73, 75, 76; 86 Me. 66; 89 Me. 488.

Sec. 105. Stockholders, paying for corporation, may recover contribution. R. S. c. 51, § 100. When members of a corporation are liable for its debts, or for 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 of such corporation by an action at law, or a bill in equity; and the court may make all necessary orders and decrees.

36 Me. 84.

Foreign Corporations.

Sec. 106. Foreign corporations, before doing business in the state to appoint an attorney; power of attorney and copy of vote to be filed; service of process. R. S. c. 51, § 107. 1929, c. 323. Every corporation established under laws other than those of this state, for any lawful purpose, other than as a bank, savings bank, trust company, surety company, safe deposit company, insurance company, or public service company, which has a usual place of business in this state or which is engaged in business in this state permanently or temporarily, without a usual place of business therein, and which is doing an intrastate business in this state, shall before doing business in this state, in writing appoint a resident of the state, having an office or place of business therein, to be its true and lawful attorney upon whom all lawful processes in any action or proceedings against it may be served; and in such writing, which shall set forth said attorney's place of residence, shall agree that any lawful process against it which is served on said attorney shall be of the same legal force and validity as if served on it, and that the authority shall continue in force so long as any liability remains outstanding against it in this state. The power of attorney and a copy of the vote authorizing its execution, duly certified and authenticated, shall be filed in the office of the secretary of state and copies certified by him shall be sufficient evidence thereof. Service of such process shall be made by leaving a copy of the process in the hands or in the office of the said attorney, and such service shall be sufficient service upon the corporation. Such appointment shall continue in force until revoked by an instrument in writing, designating in a like manner some other person upon whom such process may be served, which instrument shall be filed in the manner provided herein for the original appointment.

115 Me. 1, *387.

Sec. 107. Copy of charter and by-laws and certificate filed before transacting business; officers and directors subject to penalties; validity of contracts not affected. R. S. c. 51, § 108. Every such foreign corporation before transacting business in this state, shall file with the secretary of state a copy of its charter, articles or certificate of incorporation, certified under the seal of the state or country in which such corporation is incorporated by the secretary of state thereof or by the officer having charge of the original record therein, a true copy of its by-laws and a certificate in such form as the secretary of state may require, setting forth:

- (a) The name of the corporation;
- (b) The location of its principal office;
- (c) The names and addresses of its president, treasurer, clerk or secretary, and of the members of its board of directors;
- (d) The date of its annual meeting for the election of officers;
- (e) The amount of its capital stock, authorized and issued, the number and par value of its shares and the amount paid in thereon to its treasurer. Said certificates shall be subscribed and sworn to by its president, treasurer or clerk. The officers and directors of such corporation shall be subject to the same pen-

alties and liabilities for false and fraudulent statements and returns as officers and directors of a domestic corporation. Every officer of such a corporation which fails to comply with the requirements of this section and of sections one hundred six, and one hundred ten, and every agent thereof who transacts business as such in this state shall, for such failure, be liable to a fine of not more than five hundred dollars. Such failure shall not affect the validity of any contract with such corporation, but no action shall be maintained or recovery had in any of the courts of this state by any such foreign corporation so long as it fails to comply with the requirements of said sections.

*115 Me. 1, 387.

Sec. 108. Secretary of state may refuse to file papers or accept appointment as attorney. R. S. c. 51, § 109. The secretary of state shall refuse to accept or file the charter, certificate, or other papers of, or accept appointment as attorney for service for, any such corporation which does a business in this state, the transaction of which by domestic corporations is not then permitted by the laws of this state.

Sec. 109. Corporation to file certificate of increase or decrease of capital stock. R. S. c. 51, § 110. Every such foreign corporation shall, within thirty days after the payment in of an increase of capital stock, file in the office of the secretary of state a certificate of the amount of such increase and the fact of such payment, signed and sworn to by its president, treasurer, or clerk. Within thirty days after the vote of such corporation authorizing a reduction of its capital stock, a copy of such vote, signed and sworn to by the clerk of the corporation, shall be filed in the office of the secretary of state.

Sec. 110. Duty payable to state; notice of change in certificate of charter to be filed with secretary of state. R. S. c. 51, § 111. 1925, c. 196, § 4. Every such foreign corporation shall annually, on or before the first day of March, pay to the secretary of state for the use of the state a license fee of ten dollars. It shall also annually within thirty days after the date fixed for its annual meeting, or within thirty days after the final adjournment of said meeting, but not more than three months after the date fixed for said meeting, prepare and file in the office of the secretary of state, a certificate signed and sworn to by its president, treasurer, or clerk, showing the change or changes, if any, in the particulars included in the certificate required by section one hundred seven made since the filing of said certificate or of the last annual report. If no changes have occurred, a certificate to that effect shall be sufficient.

Sec. 111. Penalty for violation of § 110. R. S. c. 51, § 112. Any foreign corporation which omits to file the certificate required by section one hundred ten shall forfeit to the state not less than five dollars, nor more than ten dollars, for each day for fifteen days after the expiration of the period therein named, and not less than ten dollars, nor more than two hundred dollars, for each day thereafter, during which such omission continues.

Sec. 112. Secretary of state to notify corporation upon failure to file required certificate. R. S. c. 51, § 113. The secretary of state upon the failure of any such corporation to file the certificate required by section one hundred ten shall forthwith notify such corporation, and the notice shall contain a copy of this and the two preceding sections, but failure on the part of the secretary of state to so notify shall not relieve any corporation of any of the duties or liabilities imposed thereon.

Sec. 113. Liability of officers. R. S. c. 51, § 114. The officers of such foreign corporations shall be jointly and severally liable for all the debts and contracts of the corporation contracted or entered into while they are officers

thereof, if any statement or report, required by the provisions of the seven preceding sections, made by them, is false in any material representation and known to them to be false; but only the officers who sign such statement or report shall be so liable.

Sec. 114. Service of process on foreign corporation, trustee in mortgage by domestic corporation. R. S. c. 51, § 74. In case of the mortgage of franchises, lands, or other hereditaments by any domestic corporation to a foreign corporation as trustee, service of process may be made on any authorized agent of such foreign corporation in the state; or if no such agent can be found, such service may be made upon the bank commissioner, who shall immediately notify the corporation by mail. Service made in either of said methods shall be valid and binding upon the corporation in every respect.

Sec. 115. Foreign companies may sue and be sued here, and property attached; effect of agents' acts. R. S. c. 51, § 80. 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; and if they have property in this state it may be attached and appraised and set off on execution, as the property of non-resident individuals. The acts of their agents have the same effect as the acts of agents of foreign private persons, unless prohibited by law.

17 Me. 36; 29 Me. 467; 55 Me. 294.

Miscellaneous Provisions.

Sec. 116. Property of inhabitants of counties, towns, etc., may be taken for debts. R. S. c. 51, § 105. The property of the inhabitants of counties, towns, cities, 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.

See c. 98, §§ 30-32; 1 Me. 364; 47 Me. 141; *49 Me. 328; 68 Me. 507; 101 Me. 149; 111 Me. 99.

Sec. 117. Issue of bonds payable by instalments, authorized. R. S. c. 51, § 106. Any county, city, town, or water district, or corporation organized under the laws of this state, having occasion to issue bonds, may make them payable in instalments of uniform or increasing amounts extending over a period not exceeding fifty years. Provisions shall be made for the payment of not less than one per cent of the whole issue each year and, in case the time of payment extends over a period of fifty years, the instalments shall cover the whole issue. In case the time of payment extends over a period of less than fifty years, a portion of the issue greater than the regular instalment may be made payable at the end of the period. Limitations upon the time for which bonds may be issued, are modified in accordance herewith; provided, however, that this section shall not be construed to prevent any county, city, town, or water district, or municipal, private, or other corporation organized under the laws of this state, from issuing bonds and making them payable in the same manner as it might do, if this section were not enacted; and no bonds issued prior to the third day of July, nineteen hundred nine, if valid in other respects, shall be deemed invalid on account of any failure to comply with the provisions of this section.