

§1105. Dissolution pursuant to court order

Courts of equity have full power to decree the dissolution of, and to liquidate the assets and affairs of, a corporation: [PL 2001, c. 550, Pt. C, §24 (AMD); PL 2001, c. 550, Pt. C, §29 (AFF).]

1. Action by member or director. In an action by a member or director when it is made to appear:

A. That the directors are deadlocked in the management of the corporate affairs and that irreparable injury to the corporation is being suffered or is threatened by reason of the deadlock, and either that the members are unable to break the deadlock or there are no members having voting rights; [PL 2001, c. 550, Pt. C, §24 (AMD); PL 2001, c. 550, Pt. C, §29 (AFF).]

B. That the acts of the directors or those in control of the corporation are illegal or fraudulent; [PL 1977, c. 525, §13 (NEW).]

C. That the members entitled to vote in the election of directors are deadlocked in voting power and have failed for at least 2 years to elect successors to directors whose terms have expired or would have expired upon the election of their successors; [PL 1977, c. 525, §13 (NEW).]

D. That the corporate assets are being misapplied or wasted; or [PL 1977, c. 525, §13 (NEW).]

E. That the corporation is unable to carry out its purposes; [PL 1977, c. 525, §13 (NEW).]
[PL 2001, c. 550, Pt. C, §24 (AMD); PL 2001, c. 550, Pt. C, §29 (AFF).]

2. Action by creditor of corporation. In an action by a creditor of the corporation:

A. When the claim of the creditor has been reduced to judgment and an execution thereon has been returned unsatisfied and it is established that the corporation is insolvent; or [PL 1977, c. 525, §13 (NEW).]

B. When the corporation has admitted in writing that the claim of the creditor is due and owing and it is established that the corporation is insolvent; [PL 1977, c. 525, §13 (NEW).]
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2-A. Action by Attorney General regarding public benefit corporation. In an action brought to court by the Attorney General relating to a public benefit corporation, if it is established that:

A. The corporation obtained its articles of incorporation through fraud; [PL 2001, c. 550, Pt. C, §24 (NEW); PL 2001, c. 550, Pt. C, §29 (AFF).]

B. The corporation has exceeded or abused the authority conferred upon it by law; [PL 2001, c. 550, Pt. C, §24 (NEW); PL 2001, c. 550, Pt. C, §29 (AFF).]

C. The assets of the corporation are being misapplied or wasted; or [PL 2001, c. 550, Pt. C, §24 (NEW); PL 2001, c. 550, Pt. C, §29 (AFF).]

D. The corporation is no longer able to carry out its purposes; [PL 2001, c. 550, Pt. C, §24 (NEW); PL 2001, c. 550, Pt. C, §29 (AFF).]
[PL 2001, c. 550, Pt. C, §24 (NEW); PL 2001, c. 550, Pt. C, §29 (AFF).]

3. Complaint. Upon complaint by a corporation to have its dissolution continued under the supervision of the court; and
[PL 2001, c. 550, Pt. C, §24 (AMD); PL 2001, c. 550, Pt. C, §29 (AFF).]

4. Liquidation of affairs precedes entry of decree. When an action has been filed by the Attorney General to dissolve a corporation and it is established that liquidation of its affairs should precede the entry of a decree of dissolution.

[PL 2001, c. 550, Pt. C, §24 (AMD); PL 2001, c. 550, Pt. C, §29 (AFF).]

5. Proceedings brought in county where registered.

[PL 2001, c. 550, Pt. C, §24 (RP); PL 2001, c. 550, Pt. C, §29 (AFF).]

A proceeding under this section must be brought in the county in which the registered office or the principal office of the corporation is situated. It is not necessary to make directors or members parties to such an action or proceeding unless relief is sought against them personally. [PL 2001, c. 550, Pt. C, §24 (NEW); PL 2001, c. 550, Pt. C, §29 (AFF).]

SECTION HISTORY

PL 1977, c. 525, §13 (NEW). PL 2001, c. 550, §C24 (AMD). PL 2001, c. 550, §C29 (AFF).

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