

§1406. Effect of dissolution

1. Extension of corporate existence. A dissolved corporation continues its corporate existence but may not carry on any business except that which is appropriate to wind up and liquidate its business and affairs, including:

- A. Collecting the corporation's assets; [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]
 - B. Disposing of properties that will not be distributed in kind to shareholders; [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]
 - C. Discharging or making provision for discharging its liabilities; [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]
 - D. Distributing remaining property among shareholders according to their interests; and [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]
 - E. Doing every other act necessary to wind up and liquidate its business and affairs. [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]
- [PL 2007, c. 289, §42 (AMD).]

2. Dissolution; exclusions. Dissolution of a corporation does not:

- A. Transfer title to the corporation's property; [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]
 - B. Prevent transfer of its shares or securities, although the authorization to dissolve may provide for closing the corporation's share transfer records; [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]
 - C. Subject the corporation's directors or officers to standards of conduct different from those prescribed in chapter 8; [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]
 - D. Change quorum or voting requirements for the board of directors or shareholders; change provisions for selection, resignation or removal of the directors or officers or both; or change provisions for amending its bylaws; [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]
 - E. Prevent commencement of a proceeding by or against the corporation in its corporate name; [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]
 - F. Abate or suspend a proceeding pending by or against the corporation on the effective date of dissolution; or [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]
 - G. Terminate the authority of the clerk of the corporation. [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]
- [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]

3. Abatement of action.
[PL 2007, c. 289, §42 (RP).]

4. Transfer of property. Those shareholders of the corporation and their successors in interest who, collectively, represent a majority of the voting power of the corporation are empowered to act as liquidating trustees to take all actions necessary or appropriate to distribute or dispose of any undistributed property of the corporation if:

- A. There are no officers authorized to act on a matter for a dissolved corporation; [PL 2007, c. 289, §42 (NEW).]
- B. There are no directors of the corporation; or [PL 2007, c. 289, §42 (NEW).]

C. The directors are unable to act on the matter on behalf of the corporation. [PL 2007, c. 289, §42 (NEW).]

[PL 2007, c. 289, §42 (NEW).]

SECTION HISTORY

PL 2001, c. 640, §A2 (NEW). PL 2001, c. 640, §B7 (AFF). PL 2007, c. 289, §42 (AMD).

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