

§809. Removal of directors by judicial proceeding

1. Removal by Superior Court. The Superior Court of the county where a corporation's principal office or, if there is no principal office in this State, of Kennebec County may remove a director of the corporation from office in a proceeding commenced by or in the right of the corporation if the court finds that:

A. The director engaged in fraudulent conduct with respect to the corporation or its shareholders, grossly abused the position of director or intentionally inflicted harm on the corporation; and [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]

B. Considering the director's course of conduct and the inadequacy of other available remedies, removal would be in the best interest of the corporation. [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]

[PL 2007, c. 323, Pt. C, §14 (AMD); PL 2007, c. 323, Pt. G, §4 (AFF).]

2. Comply with requirements. A shareholder proceeding on behalf of the corporation under subsection 1 shall comply with all of the requirements of chapter 7, subchapter IV, except section 752, subsection 1.

[PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]

3. Bar from reelection. The court, in addition to removing the director, may bar the director from reelection for a period prescribed by the court.

[PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]

4. Other relief. This section does not limit the equitable powers of the court to order other relief. [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]

SECTION HISTORY

PL 2001, c. 640, §A2 (NEW). PL 2001, c. 640, §B7 (AFF). PL 2007, c. 323, Pt. C, §14 (AMD). PL 2007, c. 323, Pt. G, §4 (AFF).

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