**§1003. Amendment by board of directors and shareholders**

If a corporation has issued shares, an amendment to the articles of incorporation must be adopted in accordance with the following. [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]

**1. Amendment adopted by board of directors.**  The proposed amendment must be adopted by the board of directors.

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

**2. Approval by shareholders.**  Except as provided in sections 1005, 1007 and 1008, after adopting the proposed amendment the corporation's board of directors shall submit the amendment to the shareholders for their approval. The board of directors shall also transmit to the shareholders a recommendation that the shareholders approve the amendment, unless:

A. The board of directors makes a determination that because of conflicts of interest or other special circumstances the board of directors should not make such a recommendation; or [PL 2011, c. 274, §48 (NEW).]

B. Section 827 applies. [PL 2011, c. 274, §48 (NEW).]

If paragraph A or B applies, the board of directors shall transmit to the shareholders the basis for so proceeding.

[PL 2011, c. 274, §48 (RPR).]

**3. Condition of submission.**  The board of directors may condition its submission of the amendment to the shareholders on any basis.

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

**4. Notice of meeting.**  If the amendment is required to be approved by the shareholders and the approval is to be given at a meeting, the corporation must notify each shareholder, whether or not entitled to vote, of the meeting of shareholders at which the amendment is to be submitted for approval. The notice must state that the purpose, or one of the purposes, of the meeting is to consider the amendment and must contain or be accompanied by a copy of the amendment.

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

**5. Approval by majority.**  Unless the articles of incorporation or the board of directors, acting pursuant to subsection 3, requires a greater vote, approval of the amendment requires the approval of the shareholders by a majority of all the votes entitled to be cast on the amendment by the shareholders and, if any class or series is entitled to vote as a separate voting group on the amendment, except as provided in section 1004, subsection 3, the amendment requires the approval of each separate voting group by a majority of all the votes entitled to be cast on the amendment by that voting group. The articles of incorporation may provide that an amendment may be approved by a lesser vote of each voting group entitled to vote on the amendment, but in no case less than a majority of the votes cast by that voting group at a meeting at which there exists, for each such voting group, a quorum consisting of at least a majority of the votes entitled to be cast on the amendment by each voting group entitled to vote on the amendment.

[PL 2003, c. 344, Pt. B, §92 (AMD).]

**6. Consent of shareholders.**  An amendment to the articles of incorporation may be approved by written consent of shareholders entitled to vote, as provided in section 704. If the amendment is approved by written consent of all shareholders, whether or not entitled to vote, a resolution of the board of directors proposing the amendment is not necessary.

[PL 2003, c. 344, Pt. B, §92 (AMD).]

SECTION HISTORY

PL 2001, c. 640, §A2 (NEW). PL 2001, c. 640, §B7 (AFF). PL 2003, c. 344, §B92 (AMD). PL 2011, c. 274, §48 (AMD).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

*All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the First Regular and First Special Session of the 131st Maine Legislature and is current through November 1. 2023
 . The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.*

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.