

This section referred to in upholding sale under order of orphans' court—see notes to art. 93, sec. 292. *Knapp v. Knapp*, 149 Md. 220.

Cited but not construed in *Tyler v. Receivers of Furniture Co.*, 160 Md. 338.
See notes to sec. 82.

An. Code, 1924, sec. 76. 1912, sec. 63. 1904, sec. 74. 1888, sec. 66. 1868, ch. 471, sec. 61. 1908, ch. 240, sec. 40. 1937, ch. 504, sec. 76.

81. Except in the case of any class of corporations for which special provision is made by law and except as in this Article otherwise provided, no stockholder in any corporation of this State shall be liable for the debts thereof; and in no case shall any person holding stock in any corporation of this State which shall be entered on the books thereof in his name as executor, administrator, guardian, committee, trustee, receiver or pledgee, be individually subject to any liability as stockholder, but the person pledging the stock, and the estates and funds in the hands of such executor, administrator, guardian, committee, receiver or trustee, shall be subject to the liability, if any, imposed upon the holders of the shares.¹

Cited in *Ghingher v. Bachtell*, 169 Md. 685.

See notes to sec. 82; see also sec. 51.

An. Code, 1924, sec. 77. 1912, sec. 66. 1904, sec. 72. 1888, sec. 64. 1868, ch. 471, sec. 59. 1872, ch. 325. 1908, ch. 240, sec. 41. 1916, ch. 596, sec. 66.

82. Every stockholder of every corporation of this State shall be liable for the benefit of the creditors of said corporation for the amount of his subscription to the stock of said corporation, less the amount which he shall already have paid thereon, until he shall have paid said subscription, according to the terms thereof, in good faith; and in the event of the insolvency of the corporation, such liability shall be considered as an asset of the corporation and may be enforced by the receiver, trustee or other person winding up the affairs of the corporation, notwithstanding any release, agreement or arrangement short of actual payment which may have been made between the corporation and said stockholder. Nothing in this section shall be taken or construed as limiting or affecting the liability of stockholders in banking, safe deposit, trust and loan corporations.

¹ The following cases dealt with secs. 64 and 65 of An. Code, 1912 (repealed by act of 1920, ch. 545):

64. Where subscription to stock of a loan company provides for payment in weekly installments, it was held that fact that time for such payment was extended beyond period of two years prescribed by act of 1868, ch. 471, sec. 59, was not a bar to action to recover unpaid installments. The cause of dissolution mentioned in said act cannot be taken advantage of collaterally, but only in a direct proceeding by State against corporation. *Frank v. Morrison*, 55 Md. 406; *Musgrave v. Morrison*, 54 Md. 166; *Booth v. Campbell*, 37 Md. 528.

The portion of sec. 72 of Code of 1904, relative to dissolution of corporation whose stock was not paid in in four years, cited but not construed in *Glymont Co. v. Toler*, 80 Md. 287.

65. The portion of this section changing creditor's remedy against stockholders and providing for abatement of pending suits, is not invalid under federal Constitution, the remedy provided by this section being more effective than that provided by prior law. Suits to enforce rights existing on June 1, 1908, held in view of sec. 135, not to be affected by act of 1908, ch. 240. *Pittsburg Steel Co. v. Baltimore Equitable Society*, 113 Md. 79 (affirmed in 226 U. S. 457); *Bettendorf Axle Co. v. Field*, 114 Md. 487; *Hall v. Hughes*, 119 Md. 493; *Pittsburg Forge Co. v. Safe Dep., etc., Co.*, 116 Md. 697.

In a suit brought two weeks after the passage of a law, the validity of portion of law making it applicable to suits instituted before its passage, cannot be raised. Act of 1908, ch. 305, is constitutional, since, though legislature may not impair contracts, it may alter remedies, provided such change does not substantially impair contract. The construction given a statute by courts of state prior to time when persons became stockholders and creditors, is binding on them. Nature of stockholder's liability. *Republic Iron, etc., Co. v. Carlton*, 189 Fed. 126.

This section dealt with enforcement of rights of creditors as they then existed under Code of 1904, and was effective until June 1, 1908, when act of 1908, ch. 240, became operative. *Hughes v. Hall*, 117 Md. 551. And see *Hall v. Hughes*, 119 Md. 492.