

been paid and discharged and all of its remaining property and assets distributed to its shareholders, or in case its property and assets are not sufficient to satisfy and discharge the costs, expenses, debts and obligations, all the property and assets have been applied so far as they will go to their payment, the court shall enter a decree dissolving the corporation, whereupon the existence of the corporation shall cease.

History: 1953 Comp., § 51-29-21, enacted by Laws 1967, ch. 81, § 99.

Compiler's notes. — This section is derived from Section 102 of the ABA Model Business Corporation Act.

Action to liquidate or dissolve. — A derivative action is authorized by 53-16-16 NMSA 1978 and the court is authorized to discontinue the liquidation or to

dissolve the corporation under 53-16-20 NMSA 1978 and this section as is necessary to do justice to all involved. *Prager v. Prager*, 80 N.M. 773, 461 P.2d 906 (1969).

Am. Jur. 2d, A.L.R. and C.J.S. references. — 19 Am. Jur. 2d Corporations §§ 2827, 2879.
19 C.J.S. Corporations § 849.

53-16-22. Filing of decree of dissolution.

In case the court enters a decree dissolving a corporation, the clerk of the court shall cause a certified copy of the decree to be filed with the commission. No fee shall be charged by the commission for the filing.

History: 1953 Comp., § 51-29-22, enacted by Laws 1967, ch. 81, § 100.

Compiler's notes. — This section is derived from

Section 103 of the ABA Model Business Corporation Act.

53-16-23. Deposit with state treasurer of amount due certain shareholders.

Upon the voluntary or involuntary dissolution of a corporation, the portion of the assets distributable to a creditor or shareholder who is unknown or cannot be found, or who is under disability and there is no person legally competent to receive the distributive portion, shall be reduced to cash and deposited with the state treasurer and shall be paid over to the creditor or shareholder or to his legal representative upon proof satisfactory to the state treasurer of his right thereto.

History: 1953 Comp., § 51-29-23, enacted by Laws 1967, ch. 81, § 101.

Compiler's notes. — This section is derived from

Section 105 of the ABA Model Business Corporation Act.

53-16-24. Survival of remedy after dissolution.

The dissolution of a corporation does not take away or impair any remedy available to or against the corporation, its directors, officers or shareholders, for any right or claim existing, or any liability incurred, prior to the dissolution and any such action or proceeding by or against the corporation may be prosecuted or defended by the corporation in its corporate name. The shareholders, directors and officers may take such corporate or other action as appropriate to protect the remedy, right or claim.

History: 1953 Comp., § 51-29-24, enacted by Laws 1967, ch. 81, § 102.

Compiler's notes. — This section is derived from Section 104 of the ABA Model Business Corporation Act.

Where corporate lessor covenanted to repay lessee for improvements on leased premises if lessee vacated premises, and lessor conveyed premises to stockholders who owned all but one share of stock, there was sufficient privity between parties to contract for repayment of improvements to bind stock-

holders and make them liable for repayment when lessee vacated premises. *Heyde v. State Sec., Inc.*, 63 N.M. 395, 320 P.2d 747 (1958) (decided under former law).

Am. Jur. 2d, A.L.R. and C.J.S. references. — 19 Am. Jur. 2d Corporations §§ 2838 to 2846.

Availability of and time for bringing action against former director, officer, or stockholder in dissolved corporation for personal injuries incurred after final dissolution, 20 A.L.R.4th 414.

19 C.J.S. Corporations §§ 861 to 882.