

sixty days from said April 6, 1908, become a party or parties to a bill in equity of the character mentioned in this section, then, as regards the operation of the statute of limitations upon the claims so sued on, the time elapsed between the institution of said abated suits and the time of such plaintiff or plaintiffs becoming a party or parties to said bill in equity, shall be included in ascertaining the period within which suits are required to be brought by the said statute of limitations, the costs taxable to any plaintiff or plaintiffs in any action at law which shall be abated under the provisions of this section, the plaintiff or plaintiffs in which action shall become a party or parties to a bill in equity under the provisions of this section, shall become a part of the costs taxable in the proceedings in said equity case.*

The portion of this section changing the creditor's remedy against stockholders and providing for the abatement of pending suits, is not invalid under the federal constitution, the remedy provided by this section being more effective than that provided by the prior law. Suits to enforce rights existing on June 1, 1908, held, in view of section 104, not to be affected by the act of 1908, ch. 240 (the new corporation law). *Pittsburg Steel Co. v. Baltimore Equitable Society*, 113 Md. 79 (pending on appeal in the United States supreme court); *Bettendorf Axle Co. v. Field*, 114 Md. 487.

See notes to sec. 117.

1904, art. 23, sec. 72. 1888, art. 23, sec. 64. 1868, ch. 471, sec. 59. 1872, ch. 325. 1908, ch. 240, sec. 41.

66. Every stockholder of any corporation of this State, in case of a reduction of its capital stock, as provided for in section 27 of this article, shall be liable to the corporation or its receiver for the payment of its liabilities existing at the time of such reduction, to the extent of the amount withdrawn and paid to such stockholder, and (except stockholders in banking corporations and those classes of corporations for which special provision is hereinafter made in this article) every stockholder of any corporation in this State shall remain liable for the benefit of its creditors for the amount of the face value of his stock, or of his subscription in case the stock has not been issued, less the amount he shall already have paid thereon, until he shall have paid said amount 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 said corporation, notwithstanding any release, agreement or arrangement short of actual payment which may have been made between said corporations and said stockholder.

Trust fund.

Unpaid subscriptions to the stock of a corporation constitute a trust fund for the benefit of general creditors of the corporation, which cannot be defeated or impaired by any device short of actual payment in good faith. *Crawford v. Rohrer*, 59 Md. 604. And see *Md. Trust Co. v. Mechanics' Bank*, 102 Md. 625; *Basshor v. Dressel*, 34 Md. 508.

If property, in payment for which stock is issued under section 35, is taken at a grossly exaggerated valuation, it may not protect the holder against liability under this section. *Tompkins v. Sperry, etc., Co.*, 96 Md. 580; *Basshor v. Dressel*, 34 Md. 508.

*See foot-note, p. 560.