

Article - Corporations and Associations
Section 3-105(a)
Annotated Code of Maryland
(1975 Volume and 1978 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article - Corporations and Associations

3-105.

(a) A consolidation, merger, share exchange, or transfer of assets shall be approved in the manner provided by this section, except that:

(1) A merger of a 90 percent or more owned subsidiary into its parent need be approved only in accordance with the provisions of § 3-106 of this subtitle;

(2) A share exchange need be approved by a Maryland successor only by its board of directors and by any other action required by its charter;

(3) A transfer of assets need be approved by a Maryland transferee corporation only by its board of directors and by any other action required by its charter;

(4) A foreign corporation party to the transaction shall have the transaction advised, authorized, and approved in the manner and by the vote required by its charter and the laws of the place where it is organized;

(5) A merger need be approved by a Maryland successor corporation only by a majority of its entire board of directors if:

(i) The merger does not reclassify or change its outstanding stock or otherwise amend its charter; ~~and~~ [and]

~~(ii) The AND THE~~ number of its shares of stock to be issued or delivered in the merger is not more than 15 percent of the number of its shares of the same class or series outstanding immediately before the merger becomes effective; ~~and~~ OR

~~(iii) (II)~~ THERE IS NO STOCK OUTSTANDING OR SUBSCRIBED FOR AND ENTITLED TO BE VOTED ON THE MERGER.

(6) A business trust party to a merger shall have the merger advised, authorized, and approved in the manner and by the vote required by its declaration of trust and the laws of the place where it is organized.