

Article - Corporations and Associations

Section 3-202(c)

Annotated Code of Maryland

(1993 Replacement Volume)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

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3-202.

(c) Unless the transaction is governed by § 3-602 of this title or is exempted by § 3-603(b) of this title, a stockholder may not demand the fair value of his stock and is bound by the terms of the transaction if:

(1) The stock is listed on a national securities exchange OR IS DESIGNATED AS A NATIONAL MARKET SYSTEM SECURITY ON AN INTERDEALER QUOTATION SYSTEM BY THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.:

(i) With respect to a merger under § 3-106 of this title of a 90 percent or more owned subsidiary into its parent, on the date notice is given or waived under § 3-106; or

(ii) With respect to any other transaction, on the record date for determining stockholders entitled to vote on the transaction objected to;

(2) The stock is that of the successor in a merger, unless:

(i) The merger alters the contract rights of the stock as expressly set forth in the charter, and the charter does not reserve the right to do so; or

(ii) The stock is to be changed or converted in whole or in part in the merger into something other than either stock in the successor or cash, scrip, or other rights or interests arising out of provisions for the treatment of fractional shares of stock in the successor; or

(3) The stock is that of an open-end investment company registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and the value placed on the stock in the transaction is its net asset value.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1993.

Approved May 27, 1993.