

deposit or substitute bonds of a different kind in their place, as the board of public works may order, then the said company or companies shall be treated as being in default and shall be subject to all the penalties imposed on said companies for doing business in this State without depositing the proper securities with the said treasurer as now or hereafter provided by law.

See sec. 157.

1904, art. 23, sec. 107. 1904, ch. 251, sec. 85 n. 1908, ch. 240, sec. 107.

119. It shall be lawful for the stockholders of any life insurance, accident insurance, safe deposit, trust or fidelity company, created by general law or special act, in general meeting assembled, from time to time, to provide for calling in and cancelling the whole or any part of the capital stock, and issuing other stock instead thereof at such par value as they may decide on, to an amount not exceeding the true value of such stock, in such manner as to provide such contingent fund or surplus not represented by stock as they may decide to be necessary; provided that notice of every such meeting of stockholders shall be given in the manner required by sections 15 or 16 of this article, and the proceedings thereafter shall be similar to those prescribed in sections 26 to 28 (both inclusive) of this article.

Ibid. sec. 108. 1900, ch. 272, sec. 85 A.*

120. All corporations heretofore chartered under any of the laws of this State, except cemetery companies, companies created for purely benevolent or charitable purposes, railroad companies and building or homestead associations, which have not within two years from the date of the granting of their charters or certificates of incorporation actually organized and begun business, shall be conclusively presumed to have surrendered all corporate or charter rights, unless within six months from the first day of June, 1900, each of said corporations shall have paid to the treasurer of this State a franchise tax equal to one-eighth of one per cent. per annum, accounting from two years after the date of the granting of such charter or certificate of incorporation, upon the amount of capital stock required to be subscribed before it is authorized to begin business, and upon payment as aforesaid, and receiving the receipt of the comptroller therefor the said corporate or charter rights shall continue.

The forfeiture of the charter for the non-payment of the franchise tax is not a self-executing provision, but may only be enforced by the state. Such non-payment is no defense in an action by a creditor against a stockholder under section 116. The act of 1900, ch. 272, criticised. *Murphy v. Wheatley*, 102 Md. 503. And see *Frost v. Frostburg Coal Co.*, 24 How 278.

As to foreign corporations, see also, sec. 95, *et seq.*

As to the taxation of corporations, see art. 81.

*Should have been called 85 n.