

ings of the stockholders and not of the directors. *Conowingo Land Co. v. McGaw*, 124 Md. 654.

See notes to this section in volume 1 of the Annotated Code.

1916, ch. 596, sec. 36.

**36.** Any officer or director of such corporation wilfully and knowingly authorizing or consenting to the issuance of stock except in compliance with Section 35 of this Article, so far as it may be applicable, or wilfully and knowingly making or consenting to any false statement required thereby to be filed with the State Tax Commission or in the entries thereby required to be made in the books of the corporation shall be deemed guilty of a misdemeanor, and upon conviction shall be fined not less than one hundred dollars or more than five thousand dollars or be imprisoned for not less than one month or more than two years, or both fined and imprisoned, in the discretion of the Court. Provided, however, that the valuation placed by the board of directors upon services or property, as provided in Section 35 of this Article, and the judgment of the board of directors as to the propriety of the corporation's accepting the same and issuing the agreed number of shares therefor, shall in the absence of actual fraud be conclusive against and binding upon any and all creditors of the corporation.

See notes to this section in volume 1 of the Annotated Code.

1918, ch. 466, sec. 36A.

**36A.** Every ordinary business corporation of the State of Maryland as defined by Section 88B of this Article, upon resolution adopted by a majority of the shares (or, if two or more classes of shares have been issued, by a majority of each class) outstanding and entitled to vote, shall have the right to purchase or acquire by gift or otherwise and hold, sell and transfer or retire by a reduction of its capital stock by amendment of its charter in the manner provided in this Article, shares of its own capital stock; provided that said stock, while held by the corporation shall not be voted, nor shall it participate in dividends nor be taken nor considered as issued and outstanding stock, and provided further that any purchase or acquisition so made must be made by the corporation in good faith and without prejudice to the then existing creditors of the corporation.

See section 18.

**37.** Repealed. (Act 1916, ch. 596.)

### Uniform Stock Transfer.

**38.**

Section 59, referred to in connection with the contention that the endorsement of certificates of stock where the endorser retains possession of such certificates, transfers the equitable title under this section; where after such endorsement by a man's wife certificates are delivered to her, with the intention and for the purpose of consummating a gift of such stock to her, the endorsements cannot defeat that intention, since what-