

**Amendments After Organization.**

An. Code, sec. 24. 1904, secs. 55, 82, 83, 84, 85, 86. 1888, secs. 47, 74, 75, 76, 77, 78. 1868, ch. 471, secs. 42, 69, 70, 71, 72, 73. 1890, ch. 339. 1892, ch. 39. 1894, ch. 557. 1908, ch. 240, sec. 24. 1916, ch. 596, sec. 24. 1920, ch. 545, sec. 24. 1922, ch. 309, sec. 24.

28. Every corporation of this State, heretofore or hereafter incorporated, may from time to time and in the manner hereinafter provided, amend its charter and thereby accomplish any one or more of the following objects: The addition to or diminution of the corporate purposes and powers, or the substitution of other purposes and powers in whole or in part for those set forth in the charter; the changing of the corporate business; the changing of the corporate name; the changing of the location of the principal office; the increasing of the authorized capital stock by increasing the number of shares thereof and the classification, if desired, of such increase; the decreasing of the authorized but unissued capital stock by reducing the number of shares thereof; the changing of the number and/or par value of shares of the capital stock or of any class thereof, provided that the total amount of outstanding stock is not thereby increased; the classification or reclassification of all or any part of the capital stock; and the making of any other amendment of the charter that may be desired, provided that such amendment shall contain only such provisions as it would be lawful or proper to insert in an original certificate of incorporation made at the time of making such amendment. No amendment of the charter of a corporation shall be valid which changes the terms of any of the outstanding stock by classification, reclassification or otherwise, in the absence of a reservation in the charter of the right to make such amendment, unless such change in the terms thereof shall have been authorized by the holders of all of such stock at the time outstanding, by vote at a meeting or in writing with or without a meeting; and in the case of any such change of terms of outstanding stock, the articles of amendment shall, in addition, to other matters required by law, affirmatively set forth that the holders of such stock have duly authorized such change of terms. The word "terms" as used in this section in reference to stock is intended to mean only the contract rights of the holders thereof as expressed in the charter and shall be so construed.

Under secs. 82 to 87 of the Code of 1904, it was held that the expression of a particular mode for the decrease of capital stock excluded any different method. Hence, a trust company cannot purchase its own stock, and thus diminish its capital. *Md. Trust Co. v. Mechanics' Bank*, 102 Md. 617; *Burke v. Smith*, 111 Md. 626.

The distinction pointed out between meetings called under sec. 84 of the Code of 1904 and under sec. 6 of the same Code (see sec. 20). A meeting for the purpose of issuing preferred stock, held to have been properly called under the former section. *Heller v. Marine Bank*, 89 Md. 620.

The power of a corporation to change its articles of association under sec. 55 of the Code of 1904, applied in the case of the separation of a local lodge from a grand lodge. *Goodman v. Jeditjah Lodge*, 67 Md. 125.

Cases cited in first note to this section, distinguished. Where there is a conditional issue and sale of stock, it may be returned to the company upon the happening of the event specified in the contract. *Williams v. Md. Glass Corp.*, 134 Md. 330.

Cited but not construed in *Perkins v. LeViness*, 134 Md. 265.

Sec. 82 of the Code of 1904 referred to in construing sec. 72 of that Code—see notes to sec. 77. *Booth v. Campbell*, 37 Md. 529.

See sec. 422, and notes to secs. 29 and 31.