

(1) A DECLARATION OR PAYMENT OF A DIVIDEND;

(2) A PURCHASE, REDEMPTION, WHETHER OR NOT AT THE OPTION OF THE CORPORATION OR THE STOCKHOLDERS, OR OTHER ACQUISITION OF SHARES; OR

(3) AN ISSUANCE OF EVIDENCE OF INDEBTEDNESS; ~~OR~~

~~(4) -- OTHERWISE.~~

2-309.

(a) [If declared by its board of directors and unless contrary to a restriction contained in its charter, a corporation may pay dividends on its shares in cash, property, or its own stock, subject to the provisions of this section.] IF AUTHORIZED BY ITS BOARD OF DIRECTORS, A CORPORATION MAY MAKE DISTRIBUTIONS TO ITS STOCKHOLDERS, SUBJECT TO ANY RESTRICTION IN ITS CHARTER AND THE LIMITATIONS IN § 2-311 OF THIS SUBTITLE.

[(b) A dividend may not be declared or paid if:

(1) The corporation is insolvent or the payment would cause the corporation to become insolvent; or

(2) The corporation's stated capital is impaired or the payment would impair its stated capital.

(c) If a dividend is paid from any source other than earned surplus, the source of the dividend shall be disclosed not later than at the time of payment to the stockholders who receive it.

(d) Capital surplus paid with respect to a class of stock may not be used for the payment of dividends on any class of stock junior to it.

(e)] (B) (1) A [split-up or] division of issued shares into a greater number of shares of the same class without any change in the aggregate amount of stated capital is [not] A STOCK SPLIT, AND A DIVISION WITH A CHANGE IN THE AGGREGATE AMOUNT OF STATED CAPITAL IS a stock dividend within the meaning of this [section] SUBSECTION.

(2) IF AUTHORIZED BY ITS BOARD OF DIRECTORS AND UNLESS THE CHARTER PROVIDES OTHERWISE, SHARES MAY BE ISSUED BY A CORPORATION, WITHOUT CONSIDERATION TO THE HOLDERS OF 1 OR MORE CLASSES OR SERIES OF STOCK, AS A STOCK SPLIT OR A STOCK DIVIDEND.

[(2) (i)] (3) If a STOCK dividend is payable in a corporation's own stock with par value, the shares shall be issued at par value and, at the time the STOCK dividend is paid, the corporation shall transfer from surplus to stated capital an