

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

Article - Financial Institutions

3-202.

(c) The articles of incorporation may include [any]:

(1) ANY provision that requires for any purpose the concurrence of a greater proportion of the votes of all classes or of any class of capital stock than the proportion required by this article for that purpose; AND

(2) ANY PROVISION THAT DEFINES, LIMITS, OR DENIES THE PREEMPTIVE RIGHTS OF STOCKHOLDERS TO ACQUIRE ADDITIONAL STOCK OF THE STATE BANK OR TRUST COMPANY.

3-316.

(A) UNLESS THE CHARTER PROVIDES OTHERWISE, A STOCKHOLDER DOES NOT HAVE ANY PREEMPTIVE RIGHTS WITH RESPECT TO:

(1) STOCK ISSUED TO OBTAIN ANY OF THE CAPITAL REQUIRED TO INITIATE THE ENTERPRISE OF THE STATE BANK OR TRUST COMPANY;

(2) STOCK ISSUED FOR AT LEAST ITS FAIR VALUE IN EXCHANGE FOR CONSIDERATION OTHER THAN MONEY;

(3) STOCK REMAINING UNSUBSCRIBED FOR AFTER BEING OFFERED TO STOCKHOLDERS;

(4) TREASURY STOCK SOLD FOR AT LEAST ITS FAIR VALUE;

(5) STOCK ISSUED OR ISSUABLE UNDER AN AGREEMENT OF MERGER;

(6) STOCK WHICH IS NOT PRESENTLY ENTITLED TO BE VOTED IN THE ELECTION OF DIRECTORS ISSUED FOR AT LEAST ITS FAIR VALUE;

(7) STOCK, INCLUDING TREASURY STOCK, ISSUED TO AN OFFICER OR OTHER EMPLOYEE OF THE STATE BANK OR TRUST COMPANY OR ITS SUBSIDIARY ON TERMS AND CONDITIONS APPROVED BY THE STOCKHOLDERS BY THE AFFIRMATIVE VOTE OF TWO-THIRDS OF ALL THE VOTES ENTITLED TO BE CAST ON THE MATTER; AND

(8) ANY OTHER ISSUANCE OF SHARES IF THE APPLICABILITY OF PREEMPTIVE RIGHTS IS IMPRACTICABLE.

(B) IN THE ABSENCE OF ACTUAL FRAUD OR GROSS DISPARITY IN THE DETERMINATION, THE FAIR VALUE OF STOCK DETERMINED BY THE