

3-105.

(a) A consolidation, merger, share exchange, or transfer of assets shall be approved in the manner provided by this section, except that:

(1) A merger of a 90 percent or more owned subsidiary with or into its parent need be approved only in accordance with the provisions of § 3-106 of this subtitle;

(2) A share exchange need be approved by a Maryland successor only by its board of directors and by any other action required by its charter;

(3) A transfer of assets need be approved by a Maryland transferee corporation only by its board of directors and by any other action required by its charter;

(4) A foreign corporation party to the transaction shall have the transaction advised, authorized, and approved in the manner and by the vote required by its charter and the laws of the place where it is organized;

(5) A merger need be approved by a Maryland successor corporation only by a majority of its entire board of directors if:

(i) The merger does not reclassify or change its outstanding stock or otherwise amend its charter and the number of its shares of stock to be issued or delivered in the merger is not more than 20 percent of the number of its shares of the same class or series outstanding immediately before the merger becomes effective; or

(ii) There is no stock outstanding or subscribed for and entitled to be voted on the merger; and

(6) A business trust party to a merger shall have the merger advised, authorized, and approved in the manner and by the vote required by its declaration of trust and the laws of the place where it is organized.

(b) The board of directors of each corporation proposing to consolidate, merge, transfer its assets, or have its stock acquired in a share exchange shall:

(1) Adopt a resolution which declares that the proposed transaction is advisable on substantially the terms and conditions set forth or referred to in the resolution; and

(2) Direct that the proposed transaction be submitted for consideration at either an annual or a special meeting of the stockholders.

(c) Notice which states that a purpose of the meeting will be to act on the proposed consolidation, merger, share exchange, or transfer of assets shall be given by each corporation in the manner required by Title 2 of this article to:

(1) Each of its stockholders entitled to vote on the proposed transaction; and