

(8) Notwithstanding any provision of this section, any such corporation which is organized for the purpose of, and substantially all the business of which consists of, holding, investing or reinvesting in stock or securities may, if so provided in its charter, redeem or purchase from its stockholders shares of its own stock for not exceeding their proportionate interests in the properties of the corporation, or for not exceeding the cash equivalent of such proportionate interests.

(9) Nothing in this Section shall be taken or construed as limiting or affecting the liability of stockholders in banking, safe deposit, trust or loan corporations.

Purchase by Md. corporation of its own shares held to be valid when there was no impairment of capital at time of purchase. *McQuillen v. Nat. Cash Register Co.*, 27 F. Supp. 639.

Cited in *McQuillen v. Nat. Cash Register Co.* (Judge Coleman, U. S. Dist. Ct. of Md.), Daily Record, May 9, 1939.

This section makes lawful what theretofore was unlawful. On demurrer it will be presumed, in absence of showing to contrary, that conditions precedent to making of valid contract were complied with. *R. & F. Products Corp. v. Rosenthal*, 153 Md. 514.

See sec. 21.

Uniform Stock Transfer.

An. Code, 1924, sec. 51. 1912, sec. 38. 1910, ch. 73, sec. 37A (p. 67). 1927, ch. 376, sec. 51.

55.¹ Title to a certificate and to the shares represented thereby can be transferred only:

(a) By delivery of the certificates indorsed either in blank or to a specified person by the person appearing by the certificate to be the owner of the shares represented thereby; or

(b) By delivery of the certificate and a separate document containing a written assignment of the certificates or a power of attorney to sell, assign or transfer the same or the shares represented thereby, signed by the person appearing by the certificate to be the owner of the shares represented thereby. Such assignment or power of attorney may be either in blank or to a specified person.

The provisions of this section shall be applicable, although the charter or articles of incorporation, or code of regulations, or by-laws of the corporation issuing the certificate and the certificate itself, provide that the shares represented thereby shall be transferable only on the books of the corporation, or shall be registered by a registrar, or transferred by a transfer agent.

Secs. 55-77 referred to in construing Emergency Bank Act (1933, Ch. 46). *Hospelhorn v. Poe*, 174 Md. 273.

This section, *et seq.*, held not to preclude Alien Property Custodian from compelling issuance to him of seized stock certificates, though old certificates not surrendered. War power of Congress. *Hicks v. Balto. & Ohio R. Co.*, 10 Fed. (2nd), (D. Ct. Md.), 606 (decided prior to act 1927, ch. 376).

See notes to sec. 61.

Assignment of corporate stock, on separate paper, by which in terms one sells and transfers in blank a named number of shares standing in his name and irrevocably appoints attorney to transfer same with full power of substitution, is sufficient to pass an apparently clear title and right to pledge. *Mylander v. Page*, 162 Md. 265.

Sec. 76, 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

¹ In *Baltimore Brick Co. v. Mali*, 65 Md. 96, the court of appeals held under sec. 71 of Code of 1904 (repealed by act of 1916, ch. 596) that it was only when the transfer was consummated upon the books of a corporation (if that be the requirement) that relation of membership between corporation and old stockholder was destroyed and a new relation created, and that a gift of stock *inter vivos* was not valid unless stock was actually transferred on books of corporation during life of donor.