

Reference to Rule 106 has been substituted for the reference to §6-307 of the Courts Article. This is done since Rule 106 covers service of process on a corporation while §6-307 of the Courts Article only prescribes the actions to be taken by the Department when process is served on it. The original reference in Art. 23, §127C was to Art. 75, §75B, but its provisions, except those contained in §6-307 of Courts, were repealed by Ch. 2, Acts of 1973, first Special Session.

The only other changes are in style.

1-402. FINANCIAL ACCOUNTS OF MARYLAND CORPORATION PRESUMED PROPER.

A DETERMINATION REQUIRED OR PERMITTED TO BE MADE UNDER ANY PROVISION OF THIS ARTICLE RELATING TO STATED CAPITAL, SURPLUS, CAPITAL SURPLUS, EARNED SURPLUS, OR ANY OTHER ACCOUNT OR MATTER RELATING TO THE FINANCIAL POSITION OR RESULTS OF OPERATIONS OF A MARYLAND CORPORATION IS PRIMA FACIE PROPER AND IN ACCORDANCE WITH THIS ARTICLE IF:

(1) SPECIFIC PROVISIONS OF THIS ARTICLE DO NOT REQUIRE OTHERWISE; AND

(2) IT IS MADE IN GOOD FAITH IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRACTICES AND PRINCIPLES.

REVISOR'S NOTE: This section presently appears as Art. 23, §49(c).

The only changes are in style.

1-403. DEFENSE OF ULTRA VIRES.

(A) GENERAL RULE.

UNLESS A LACK OF POWER OR CAPACITY IS ASSERTED IN A PROCEEDING DESCRIBED IN THIS SECTION, AN ACT OF A CORPORATION OR A TRANSFER OF REAL OR PERSONAL PROPERTY BY OR TO THE CORPORATION IS NOT INVALID OR UNENFORCEABLE SOLELY BECAUSE THE CORPORATION LACKED THE POWER OR CAPACITY TO TAKE THE ACTION.

(B) INJUNCTION BY STOCKHOLDER.

(1) LACK OF CORPORATE POWER OR CAPACITY MAY BE ASSERTED BY A STOCKHOLDER IN A PROCEEDING TO ENJOIN THE CORPORATION FROM DOING AN ACT OR FROM TRANSFERRING OR ACQUIRING REAL OR PERSONAL PROPERTY.