

A further ambiguity exists as to the priorities between stock entitled to preferential treatment under items (3) and (4) of this section in a situation where the charter does not specify the priorities.

In item (4) of this section, present language requiring the distribution to be consistent with the subtitle is deleted as unnecessary in light of §3-301.

3-303. REORGANIZATION BY ORDER OF COURT.

(A) RATIFICATION BY STOCKHOLDERS OR DIRECTORS NOT REQUIRED.

IF THE FINAL ORDER OF A COURT MAKES A PLAN OF REORGANIZATION BINDING ON THE STOCKHOLDERS OF A CORPORATION, THE BOARD OF DIRECTORS, TRUSTEE, OR RECEIVER, AS THE CASE MAY BE, MAY TAKE ANY ACTION NECESSARY TO CARRY OUT THE PLAN WITHOUT ANY OTHER CORPORATE APPROVAL.

(B) CONTENTS OF CHARTER DOCUMENT.

IF A CHARTER DOCUMENT IS REQUIRED TO BE FILED WITH THE DEPARTMENT TO CARRY OUT A TRANSACTION UNDER SUBSECTION (A) OF THIS SECTION, IT SHALL STATE:

(1) THAT THE TRANSACTION WAS CARRIED OUT UNDER A PLAN OF REORGANIZATION PURSUANT TO A FINAL ORDER OF A COURT HAVING JURISDICTION;

(2) THE NAME OF THE COURT AND THE CAPTION AND DOCKET NUMBER OF THE PROCEEDINGS; AND

(3) THAT THE TRANSACTION WAS APPROVED BY THE BOARD OF DIRECTORS, TRUSTEE, OR RECEIVER, AS THE CASE MAY BE.

(C) EXECUTION OF DOCUMENT.

IF THE ACTION IS TAKEN BY A TRUSTEE OR RECEIVER, HE MAY SIGN AND ACKNOWLEDGE THE CHARTER DOCUMENT FOR THE CORPORATION, AND NO OTHER EXECUTION, ACKNOWLEDGMENT, OR AFFIDAVIT ON BEHALF OF THE CORPORATION IS REQUIRED.

REVISOR'S NOTE: This section presently appears as Art. 23, § 75.

For purposes of simplicity, the word "order" is substituted for "order or decree" when referring to an action taken by a court.