

The only other changes are in style.

3-304. SALE OF PROPERTY OR FRANCHISE UNDER COURT ORDER.

(A) SUCCESSOR MAY BE ORGANIZED.

IF THE PROPERTY AND FRANCHISES OF A MARYLAND CORPORATION ARE SOLD UNDER A COURT ORDER OR UNDER A MORTGAGE OR DEED OF TRUST, A MARYLAND CORPORATION ORGANIZED FOR THE PURPOSE OF CONTINUING THE OPERATIONS OF THE ORIGINAL CORPORATION MAY ACQUIRE THE PROPERTY OR FRANCHISES.

(B) POWER OF PURCHASING CORPORATION.

WITH RESPECT TO THIS PROPERTY, THE PURCHASING CORPORATION HAS THE SAME RIGHTS, PRIVILEGES, AND FRANCHISES AND IS SUBJECT TO THE SAME LIMITATIONS, RESTRICTIONS, AND LIABILITIES WITH RESPECT TO THE EXERCISE OF THESE RIGHTS, PRIVILEGES, OR FRANCHISES AS THE ORIGINAL CORPORATION.

REVISOR'S NOTE: This section is new language derived without substantive change from Art. 23, § 127.

The language of present §127 is somewhat ambiguous as to whether the new corporation must be "organized... for the purpose of continuing the business and operations of the original corporation" or merely "organized under the laws of this State." However, the language of its predecessor statute - §132 of the 1939 Code - clearly required the former, and the Reporter's Notes to the 1951 Revision, which enacted this section as presently worded, stated that no change in the law was intended.

As used in this section, the term "franchise" refers to corporate rights, including the rights to exist and do business, granted by the State. It does not refer to a "franchising agreement" where, by private contract, one party grants another the right to do business under a trade name, trade mark, etc.

SUBTITLE 4. DISSOLUTION.

3-401. GENERAL RULE.

A CORPORATION HAVING CAPITAL STOCK MAY BE DISSOLVED AS PROVIDED IN THIS SUBTITLE.