

Article - Corporations and Associations  
Section 2-402(a)  
Annotated Code of Maryland  
(1975 Volume and 1984 Supplement)

BY repealing and reenacting, with amendments,

Article - Corporations and Associations  
Section 2-408  
Annotated Code of Maryland  
(1975 Volume and 1984 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Corporations and Associations

2-402.

(a) Each corporation shall have at least three directors at all times, provided that:

(i) If there is no stock outstanding the number of directors may be less than three but not less than one; and

(ii) If there is stock outstanding and so long as there are less than three stockholders, the number of directors may be less than three but not less than the number of stockholders.

2-408.

(a) Unless this article or the charter or bylaws of the corporation require a greater proportion, the action of a majority of the directors present at a meeting at which a quorum is present is the action of the board of directors.

(b) (1) Unless the bylaws of the corporation provide otherwise, a majority of the entire board of directors constitutes a quorum for the transaction of business.

[(2) Notwithstanding any provision of the bylaws to the contrary, a quorum may not be less than:

(i) One third of the entire board of directors;  
or

(ii) Two directors.]

(2) THE BYLAWS MAY PROVIDE THAT LESS THAN A MAJORITY, BUT NOT LESS THAN ONE-THIRD OF THE ENTIRE BOARD OF DIRECTORS, MAY CONSTITUTE A QUORUM UNLESS: