

(II) ONE-THIRD OR MORE, BUT LESS THAN A MAJORITY OF ALL VOTING POWER; OR

(III) A MAJORITY OR MORE OF ALL VOTING POWER.

(2) "CONTROL SHARES" INCLUDES SHARES OF STOCK OF A CORPORATION ONLY TO THE EXTENT THAT THE ACQUIRING PERSON, FOLLOWING THE ACQUISITION OF THE SHARES, IS ENTITLED, DIRECTLY OR INDIRECTLY, TO EXERCISE OR DIRECT THE EXERCISE OF VOTING POWER WITHIN ANY LEVEL OF VOTING POWER SET FORTH IN THIS SECTION FOR WHICH APPROVAL HAS NOT BEEN OBTAINED PREVIOUSLY UNDER § 3-702 OF THIS SUBTITLE.

(E) (1) "CONTROL SHARE ACQUISITION" MEANS THE ACQUISITION, DIRECTLY OR INDIRECTLY, BY ANY PERSON, OF OWNERSHIP OF, OR THE POWER TO DIRECT THE EXERCISE OF VOTING POWER WITH RESPECT TO, ISSUED AND OUTSTANDING CONTROL SHARES.

(2) "CONTROL SHARE ACQUISITION" DOES NOT INCLUDE THE ACQUISITION OF SHARES:

(I) BEFORE NOVEMBER 4, 1988;

(II) UNDER A CONTRACT MADE BEFORE NOVEMBER 4, 1988;

(III) UNDER THE LAWS OF DESCENT AND DISTRIBUTION;

(IV) UNDER THE SATISFACTION OF A PLEDGE OR OTHER SECURITY INTEREST CREATED IN GOOD FAITH AND NOT FOR THE PURPOSE OF CIRCUMVENTING THIS SUBTITLE; OR

(V) UNDER A MERGER, CONSOLIDATION, OR SHARE EXCHANGE EFFECTED UNDER SUBTITLE 1 OF THIS TITLE IF THE CORPORATION IS A PARTY TO THE MERGER, CONSOLIDATION, OR SHARE EXCHANGE.

(3) UNLESS THE ACQUISITION ENTITLES ANY PERSON, DIRECTLY OR INDIRECTLY, TO EXERCISE OR DIRECT THE EXERCISE OF VOTING POWER IN THE ELECTION OF DIRECTORS IN EXCESS OF THE RANGE OF VOTING POWER PREVIOUSLY AUTHORIZED OR ATTAINED UNDER AN ACQUISITION THAT IS EXEMPT UNDER PARAGRAPH (2) OF THIS SUBSECTION, "CONTROL SHARE ACQUISITION" DOES NOT INCLUDE THE ACQUISITION OF SHARES OF A CORPORATION IN GOOD FAITH AND NOT FOR THE PURPOSE OF CIRCUMVENTING THIS SUBTITLE BY OR FROM:

(I) ANY PERSON WHOSE VOTING RIGHTS HAVE PREVIOUSLY BEEN AUTHORIZED BY STOCKHOLDERS IN COMPLIANCE WITH THIS SUBTITLE; OR

(II) ANY PERSON WHOSE PREVIOUS ACQUISITION OF SHARES OF STOCK OF THE CORPORATION WOULD HAVE CONSTITUTED A