

providing for the application of certain provisions of this Act; defining a certain term; and generally relating to Maryland corporations.

BY repealing and reenacting, with amendments,

Article - Corporations and Associations

Section 2-212, 2-309, 2-505, 2-604, 3-410, 3-411, and 3-412

Annotated Code of Maryland

(1999 Replacement Volume and 2003 Supplement)

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

Article - Corporations and Associations

2-212.

(a) Each stock certificate shall be signed by the president, a vice president, [or] THE CHIEF EXECUTIVE OFFICER, THE CHIEF OPERATING OFFICER, THE CHIEF FINANCIAL OFFICER, the chairman of the board, OR THE VICE CHAIRMAN OF THE BOARD and countersigned by the secretary, an assistant secretary, the treasurer, or an assistant treasurer.

(b) Each certificate which represents any stock, bond, note, guaranty, obligation, or other corporate security:

(1) May be sealed with the actual corporate seal or a facsimile of it or in any other form; and

(2) The signatures may be either manual or facsimile signatures.

(c) A certificate described in this section is valid and may be issued whether or not an officer who signed it is still an officer when it is issued.

2-309.

(a) IN THIS SECTION, "REVERSE STOCK SPLIT" MEANS A COMBINATION OF OUTSTANDING SHARES OF STOCK OF A CORPORATION INTO A LESSEr NUMBER OF SHARES OF STOCK OF THE SAME CLASS WITHOUT ANY CHANGE IN THE AGGREGATE AMOUNT OF STATED CAPITAL OF THE CORPORATION, EXCEPT FOR A CHANGE RESULTING FROM THE ELIMINATION OF FRACTIONAL SHARES IN ACCORDANCE WITH § 2-214 OF THIS TITLE.

(B) If authorized by its board of directors, a corporation may make distributions to its stockholders, subject to any restriction in its charter and the limitations in § 2-311 of this subtitle.

[(b)](C) (1) A division of issued shares into a greater number of shares of the same class without any change in the aggregate amount of stated capital is a stock split, and a division with a change in the aggregate amount of stated capital is a stock dividend within the meaning of this subsection.