

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 360

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “repealing” in line 5 down through the semicolon in line 7; in line 9, after the semicolon insert “clarifying that a certain merger need be approved by a certain Maryland corporation only by a majority of its entire board under certain circumstances;”; and in line 23, after “3-101(b) and (e)”, insert “, 3-105(a)(5)”.

AMENDMENT NO. 2

On page 4, in lines 8 and 9, strike “PERMITTED BY § 2-105(A)(12)” and substitute “BY THE BOARD OF DIRECTORS IN ACCORDANCE WITH § 2-105(A)(12) AND (C)”.

On page 5, in lines 25 and 26, strike “permitted by § 2-605 of this subtitle OR BY § 2-105(A)(12)” and substitute “AUTHORIZED BY § 2-105(A)(12) AND (C) AND 2-605”; and after line 36, insert:

“3-105.

(a) A consolidation, merger, share exchange, or transfer of assets shall be approved in the manner provided by this section, except that:

(5) A merger need be approved by a Maryland successor corporation only by a majority of its entire board of directors if:

(i) The merger does not reclassify or change THE TERMS OF ANY CLASS OR SERIES OF its [outstanding stock] STOCK THAT IS OUTSTANDING IMMEDIATELY BEFORE THE MERGER BECOMES EFFECTIVE or otherwise amend its charter and the number of its shares of stock to be issued or delivered in the merger is not more than 20 percent of the number of its shares of the [same] class or series OF STOCK THAT IS outstanding immediately

(Over)

before the merger becomes effective; or

(ii) There is no stock outstanding or subscribed for and entitled to be voted on the merger; and".

On page 6, in line 10, strike "PARENT CORPORATION" and substitute "OTHER CORPORATION PARTICIPATING IN THE MERGER".

On page 9, in line 12, strike "PURSUANT TO" and substitute "IN ACCORDANCE WITH".