



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

January 17, 2018

Randy W. Fickel  
T. Rowe Price Group, Inc.  
randy\_fickel@troweprice.com

Re: T. Rowe Price Group, Inc.  
Incoming letter dated December 22, 2017

Dear Mr. Fickel:

This letter is in response to your correspondence dated December 22, 2017 concerning the shareholder proposal (the "Proposal") submitted to T. Rowe Price Group, Inc. (the "Company") by James McRitchie (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Copies of all of the correspondence on which this response is based will be made available on our website at <http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml>. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Matt S. McNair  
Senior Special Counsel

Enclosure

cc: John Chevedden  
\*\*\*

January 17, 2018

**Response of the Office of Chief Counsel**  
**Division of Corporation Finance**

Re: T. Rowe Price Group, Inc.  
Incoming letter dated December 22, 2017

The Proposal requests that the board take each step necessary so that each voting requirement in the Company's charter and bylaws that calls for a greater than simple majority vote be eliminated, and replaced by a requirement for a majority of the votes cast for and against applicable proposals, or a simple majority in compliance with applicable laws. This means the closest standard to a majority of the votes cast for and against such proposals consistent with applicable laws.

There appears to be some basis for your view that the Company may exclude the Proposal under rule 14a-8(i)(10). In this regard, we note your representation that the Company will provide shareholders at its 2018 annual meeting with an opportunity to approve amendments to its charter that, if approved, will remove the only supermajority voting requirement in the Company's charter and bylaws. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on rule 14a-8(i)(10).

Sincerely,

M. Hughes Bates  
Special Counsel

**DIVISION OF CORPORATION FINANCE**  
**INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS**

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.



**LEGAL DEPARTMENT**

December 22, 2017

**VIA E-MAIL ([shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov))**

Office of Chief Counsel  
Division of Corporation Finance  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

**Re:** T. Rowe Price Group, Inc.  
Shareholder Proposal of John Chevedden

Dear Ladies and Gentlemen:

T. Rowe Price Group, Inc., a Maryland corporation (the “Company”), hereby requests confirmation that the staff of the Division of Corporate Finance (the “Staff”) of the U.S. Securities and Exchange Commission (the “Commission”) will not recommend enforcement action to the Commission if, in reliance on Rule 14a-8(i)(10) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), the Company omits the enclosed shareholder proposal (the “Proposal”) and statements in support thereof received from John Chevedden, on behalf of James McRitchie (the “Proponent”), from the Company’s proxy materials (the “2018 Proxy Materials”) for its 2018 Annual Meeting of shareholders (the “2018 Annual Meeting of Shareholders”).

In accordance with Staff Legal Bulletin No. 14D (November 7, 2008) (“SLB No. 14D”), this submission is being delivered by email to [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov). Pursuant to Rule 14a-8(j), we have submitted this letter to the Commission no later than 80 calendar days before the Company intends to file its definitive 2018 Proxy Materials with the Commission and concurrently sent a copy of this submission to the Proponent, through his designated agent. Rule 14a-8(k) and SLB No 14D provide that a shareholder proponent is required to send to the company a copy of any correspondence that the proponent elects to submit to the Commission or the Staff. Accordingly, we hereby inform the Proponent that, if he elects to submit additional correspondence to the Commission or the Staff relating to the Proposal, the Proponent should concurrently furnish a copy of that correspondence to the undersigned.

**I. THE PROPOSAL**

On November 15, 2017, the Company received a letter from the Proponent, submitting the Proposal for inclusion in the 2018 Proxy Materials. The Proposal, as submitted, reads as follows:

**Proposal [4\*] – Simple Majority Vote**

RESOLVED, T. Rowe Price Group, Inc. shareholders request that our board take each step necessary so that each voting requirement in our charter and bylaws that calls for a greater than simple majority vote be eliminated, and replaced by a requirement for a majority of the votes cast for and against applicable proposals, or a simple majority in compliance with applicable laws. This means the closest standard to a majority of the votes cast for and against such proposals consistent with applicable laws. It is also

important that our company take each step necessary to avoid a failed vote on this proposal topic.

The letter submitting the Proposal and its related attachments are attached as Exhibit A.

We hereby request that the Staff concur in our view that the Proposal may be excluded for the 2018 Proxy Materials pursuant to Rule 14a-8(i)(10) because, as explained below, the board of directors of the Company (the "Board"), has approved the Charter Amendments (as defined below) and approved submitting the Charter Amendments for shareholder approval at the 2018 Annual Meeting of Shareholders. These actions substantially implement the Proposal.

## II. BACKGROUND

The Charter of T. Rowe Price Group, Inc., as amended by Articles of Amendment Dated April 10, 2008 (the "Charter") and the T. Rowe Price Group, Inc. Amended and Restated By-Laws, As Amended as of December 10, 2015 (the "Bylaws") only include one provision that calls for "a greater than simple majority vote" that is not otherwise required by applicable law.<sup>1</sup> Specifically, Article EIGHTH, Section (3)(b) of the Charter (the "15% Shareholder Provision") provides, in relevant part, that:

A person or Group that is the Beneficial Owner of more than 15% of any class of Voting Stock shall have the right to vote not more than 15% of the shares of such class, and the remaining shares Beneficially Owned by such person or Group shall be deducted from the total number of shares of Voting Stock of such class for purposes of determining the proportion of Voting Stock required to approve a matter submitted for shareholder approval. In the case of a Group, the votes of individual members of a Group shall be reduced on a pro rata basis for purposes of determining which shares of such class of Voting Stock shall be voted so that the Group shall have in the aggregate the right to vote not more than 15% of the shares of such class of Voting Stock. A person that is a member of more than one Group shall vote the least number of shares of a class of voting stock that he may vote as a member of any such Group.

Article EIGHTH, Section (5) of the Charter, provides that:

Notwithstanding any provision of law requiring the authorization of any action by a greater proportion than a majority of the total number of shares of all classes of capital stock, such action shall be valid and effective if authorized by the affirmative vote of the holders of a majority of the total number of shares of all classes outstanding and entitled to vote thereon, ***except that the affirmative vote of the holders of two-thirds of the total number of shares of all classes outstanding and entitled to vote thereon shall be required to amend, repeal, or adopt any provision inconsistent with Article EIGHTH, Section (3).***

---

<sup>1</sup> Article EIGHTH, Section (5) of the Charter includes a requirement that certain actions, including charter amendments and mergers, must be approved by the affirmative vote of the holders of a majority of the total number of shares of all classes outstanding and entitled to vote thereon; however, this "greater than simple majority vote" is required by Maryland General Corporation Law ("MGCL"). See, MGCL §2-604(e), §3-105(e), and §2-104(b)(5). It is the Company's position that notwithstanding the fact that this provision requires, as described in the Proposal, "greater than simple majority vote" it complies with the requirement of the Proposal that the Company adopt the "closest standard to a majority of the votes cast for and against such proposals *consistent with applicable laws.*" Emphasis added.

Emphasis added.

The Nominating and Governance Committee of the Board (the "Nominating Committee") and the Board have, from time to time, considered the continued utility of the 15% Shareholder Provision. At meetings held on December 6, 2016, the Nominating Committee recommended, and the Board authorized eliminating the 15% Shareholder Provision in conjunction with certain other governance changes as part of its ongoing review of the Company's corporate governance practices and policies. The Board unanimously approved amendments to the Charter (the "Charter Amendments") that would remove the 15% Shareholder Provision of Article EIGHTH, Section (3) and as a result of the removal of the 15% Shareholder Provision, the related supermajority voting provision contained in Article EIGHTH, Section (5), highlighted above.

Exhibit B attached hereto contains the Charter with the proposed changes related to the removal of the 15% Shareholder Provision in Article EIGHTH, Section (3) and the supermajority voting provision in Article EIGHTH, Section (5) of the Charter.

The amendment to the Charter to eliminate the 15% Shareholder Provision requires shareholder approval. Accordingly, at the December 6, 2018 Board meeting, the Board also approved submitting the Charter Amendments for shareholder approval at the 2018 Annual Meeting of Shareholders with a recommendation from the Board that the shareholders approve the Charter Amendments. If the Charter Amendments receive the requisite shareholder approval (i.e., two-thirds of the total number of shares of all classes outstanding and entitled to vote thereon), then the 15% Shareholder Provision and the related supermajority voting requirement would be eliminated from the Charter and, as a result, there would be no supermajority voting provision in either the Charter or the Bylaws.

### **III. The Proposal May Be Excluded As Substantially Implemented Under Rule 14a-8(i)(10)**

#### **A. Rule 14a-8(i)(10) In General**

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal from its proxy materials if the company has substantially implemented the proposal. Interpreting the predecessor to Rule 14a-8(i)(10), the Commission stated that the rule was "designed to avoid the possibility of shareholders having to consider matters which have already been favorably acted upon by the management." *Exchange Act Release No. 12598* (July 7, 1976). To be excluded, the proposal does not need to be implemented in full or exactly as presented by the proponent. Instead, the standard for exclusion is substantial implementation. See *Exchange Act Release No. 40018* (May 21, 1998, n. 30 and accompanying text); see also *Exchange Act Release No. 20091* (August 16, 1983).

#### **B. Substantial Implementation of the Essential Objective of a Proposal is Sufficient for Omitting the Proposal Under 14a-8(i)(10)**

##### **1. In General**

In determining whether a shareholder proposal has been substantially implemented, the Staff has stated that it will consider whether a company's particular policies, practices, and procedures "compare favorably with the guidelines of the proposal," and not where those policies, practices and

procedures are embodied. *Texaco, Inc.* (March 28, 1991). See also, e.g., *NetApp, Inc.* (June 10, 2015); *Medtronic, Inc.* (June 13, 2013) (both relating to proposals seeking to remove supermajority voting provisions). Accordingly, the Staff has provided no-action relief under Rule 14a-8(i)(10) when a company has satisfied the essential objective of the proposal, even if the company (i) did not take the exact action requested by the proponent, (ii) did not implement the proposal in every detail, or (iii) exercised discretion in determining how to implement the proposal. See, e.g., *Exxon Mobil Corporation* (March 17, 2015; recon. denied March 25, 2015); *Exelon Corp.* (February 26, 2010); *Chevron Corp.* (Feb. 19, 2008). In each of these cases, the Staff agreed with the company's determination that even though the company had taken actions that were different from what was directly contemplated by the proposal, including circumstances when the company had policies and procedures in place relating to the subject matter of the proposal, the proposal was substantially implemented in accordance with Rule 14a-8(i)(10) or the company had otherwise implemented the essential objective of the proposal. As explained below, the actions taken by the Company substantially implement the objective of the Proposal.

## 2. What Constitutes Substantial Implementation of the Essential Objective

The Staff has taken the position with respect to proposals similar to the Proposal that actions taken by companies that are substantially similar to those taken by the Company constitute substantial implementation of the proposal permitting its omission from the proxy statement under Rule 14a-8(i)(10). See, e.g., *Qualcomm Inc.* (December 8, 2017); *Korn/Ferry International* (Jul. 6, 2017); *The Southern Company* (February 24, 2017); *Windstream Holdings* (Feb. 14, 2017); *Brocade Communications Systems, Inc.* (December 19, 2016); *PPG Industries, Inc.* (January 21, 2015); *McKesson Corporation* (April 8, 2011); *Express Scripts, Inc.* (January 28, 2010); *Time Warner Inc.* (February 29, 2008).

Specifically, the Staff has agreed that a proposal that seeks to eliminate supermajority voting provisions could be substantially implemented by a board's authorizing an amendment to the certificate of incorporation that seeks to delete in its entirety the article containing supermajority voting requirements. For instance, in *Becton, Dickinson and Co.* (Nov. 27, 2012), the proponent requested that the board take the steps necessary so that each shareholder voting requirement in the charter and bylaws that calls for a greater than simple majority vote be changed to require a majority of the votes cast for and against such proposals. The company's board of directors authorized an amendment to the company's certificate of incorporation to remove in its entirety the "fair price" article that contained supermajority provisions from the company's certificate of incorporation and committed to submitting such amendment to a vote of the company's shareholders at the subsequent annual meeting. The Staff agreed with the proposal's exclusion under Rule 14a-8(i)(10) stating that "it appears that [the company's] policies, practices, and procedures compare favorably with the guidelines of the proposal and that [the company] has, therefore substantially implemented the proposal." See also, *McKesson Corp* (Apr. 8, 2011) (removal of "fair price" provision substantially implemented shareholder proposal seeking removal of supermajority voting provisions); *The Home Depot, Inc.* (Jan. 8, 2008) and *The Home Depot, Inc.* (Mar. 28, 2002) (in both instances concurring with exclusion of proposals seeking simple majority vote requirements when the board authorized and submitted for shareholder approval an amendment to the company's certificate deleting the "fair price" provision from the certificate, which contained the only supermajority voting requirement).

The Staff has also consistently granted no-action relief in situations where the board lacks unilateral authority to adopt amendments but has taken all of the steps within its power to eliminate

supermajority voting requirements and submitted the issue for shareholder approval. For instance, in *Visa Inc.* (Nov. 14, 2014) and *McKesson*, discussed above, the companies' boards approved amendments to eliminate supermajority voting provisions, but the amendments would only become effective on shareholder approval. The companies argued, and the Staff agreed, that no-action relief was appropriate based on the actions taken by the board and the anticipated actions of the companies' shareholders. See also *AECOM* (Nov. 1, 2016); *The Brink's Co.* (Feb. 5, 2015); *Visa Inc.* (Nov. 14, 2014); *McKesson Corp* (Apr. 8, 2011); *Applied Materials, Inc.* (Dec. 19, 2008); *Sun Microsystems, Inc.* (Aug. 28, 2008); *HJ Heinz Co.* (Mar. 10, 2008) (each granting no-action relief for a proposal similar to the Proposal based on board action and anticipated submission for shareholder consideration).

### **C. The Company's Actions Constitute Substantial Implementation of the Essential Objective of the Proposal Permitting its Omission Under 14(a)-8(i)(10)**

The essential objective of the Proposal is for the board to "take each step necessary" for the removal of "each voting requirement in our charter and bylaws that calls for a greater than simple majority vote." The Company has achieved the Proposal's objective, because the Board has, similar to the proponent in *Becton, Dickinson and Co.*, discussed above, approved and authorized placing before its shareholders the Charter Amendments that eliminate the 15% Shareholder Provision, which would result in the removal of the related supermajority voting provision. The Board lacks unilateral authority to adopt the amendments to eliminate the 15% Shareholder Provision, but has taken all steps within its power to eliminate the provision and its related supermajority voting provision, and has, similar to the boards in *AECOM*, *The Brinks Co.*, *Visa*, *McKesson Corp*, *Applied Materials*, *Sun Microsystems* and *HJ Heinz Co.*, determined to submit the Charter Amendments for shareholder approval at the 2018 Annual Meeting of Shareholders. The Charter Amendments would eliminate the only supermajority voting standard in the Charter.

Given that the Bylaws do not contain any supermajority voting provisions and the Charter Amendments would, if approved by shareholders at the 2018 Annual Meeting of Shareholders, eliminate the only supermajority provision in the Charter, the Company has substantially implemented the essential objective of the Proposal (i.e., that the "board take each step necessary so that each voting requirement in our charter and bylaws that calls for a greater than simple majority vote be eliminated, and replaced by a requirement for a majority of the votes cast for and against applicable proposals, or a simple majority in compliance with applicable laws.")

The Proposal also notes that "[i]t is important that our company take each step necessary to avoid a failed vote on this proposal topic." The Board has approved recommending that shareholders vote "for" the Certificate Amendments. This recommendation will be included in the 2018 Proxy Materials that are distributed to the Company's shareholders.

Accordingly, the Proposal may properly be excluded from the 2018 Proxy Materials pursuant to Rule 14a-8(i)(10) because the Company has substantially implemented the Proposal.

### **CONCLUSION**

Based upon the foregoing analysis, we believe that the Proposal has been substantially implemented by the Charter Amendments that have been approved by the Board and is therefore excludable under Rule 14a-8(i)(10). If the Proposal were to be included in the 2018 Proxy Materials, shareholders would be voting on a matter that has already been favorably acted upon by



Office of Chief Counsel  
Division of Corporate Finance  
U.S. Securities and Exchange Commission  
December 18, 2017  
Page 6 of 6

management. In short, there is no reason to ask shareholders to vote on a proposal to urge the Board to take action that the Board has already taken. We respectfully request that the Staff concur with the Company's view and confirm that it will not recommend enforcement action to the Commission if the Company excludes the Proposal from its 2018 Proxy Materials.

If you have any questions or need additional information, please feel free to contact me at (410) 577-4922.

Sincerely,



Randy W. Fickel  
Vice President, Senior Counsel

\*\*\*

cc: John Chevedden  
David Oestreicher, T. Rowe Price Group, Inc. ([David.Oestreicher@troweprice.com](mailto:David.Oestreicher@troweprice.com))  
Pamela Conover, T. Rowe Price Group, Inc. ([Pamela.Conover@troweprice.com](mailto:Pamela.Conover@troweprice.com))  
Robert W. Smith, Jr., DLA Piper ([jay.smith@dlapiper.com](mailto:jay.smith@dlapiper.com))  
Sanjay Shirodkar, DLA Piper ([sanjay.shirodkar@dlapiper.com](mailto:sanjay.shirodkar@dlapiper.com))

**EXHIBIT A**

James McRitchie  
\*\*\*

T. Rowe Price Group, Inc.  
Mr. David Oestreicher  
c/o Chief Legal Officer and Corporate Secretary  
100 East Pratt Street, Mail Code BA-1360  
Baltimore, MD 21202  
Phone: 410-345-2000  
Fax: 410-345-6575  
David\_Oestreicher@troweprice.com)

Dear Corporate Secretary,

As a long-time shareholder of the T. Rowe Price Group, I believe our company has unrealized potential that can be unlocked by adopting the attached proposal, Simple Majority Vote.

My proposal is for the next annual shareholder meeting. I will meet Rule 14a-8 requirements including the continuous ownership of the required stock value until after the date of the respective shareholder meeting. My submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication.

This is my delegation to John Chevedden and/or his designee to forward this Rule 14a-8 proposal to the company and to act as my agent regarding this Rule 14a-8 proposal, negotiations and/or modification, and presentation of it for the forthcoming shareholder meeting.

Please direct all future communications regarding my rule 14a-8 proposal to John Chevedden  
\*\*\*

to facilitate prompt and verifiable communications. Please identify me exclusively as the lead filer of the proposal.

This letter does not cover proposals that are not rule 14a-8 proposals. This letter does not grant the power to vote. Your consideration and the consideration of the Board of Directors is appreciated in support of the long-term performance of our company. Please acknowledge receipt of my proposal promptly by email to  
\*\*\*

Sincerely,



James McRitchie

November 15, 2017

Date

cc: Pamela Conover, T. Rowe Price Group, Inc. (Pamela\_Conover@troweprice.com)

[TROW: Rule 14a-8 Proposal, November 15, 2017]  
[This line and any line above it – *Not* for publication.]

**Proposal [4\*] – Simple Majority Vote**

RESOLVED, T. Rowe Price Group, Inc. shareholders request that our board take each step necessary so that each voting requirement in our charter and bylaws that calls for a greater than simple majority vote be eliminated, and replaced by a requirement for a majority of the votes cast for and against applicable proposals, or a simple majority in compliance with applicable laws. This means the closest standard to a majority of the votes cast for and against such proposals consistent with applicable laws. It is also important that our company take each step necessary to avoid a failed vote on this proposal topic.

Supporting Statement: Shareowners are willing to pay a premium for shares of companies that have excellent corporate governance. Supermajority voting requirements have been found to be one of 6 entrenching mechanisms that are negatively related to company performance according to “What Matters in Corporate Governance” by Lucien Bebchuk, Alma Cohen and Allen Ferrell of the Harvard Law School ([https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=593423](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=593423)).

Supermajority requirements are used to block initiatives supported by most shareowners but opposed by a status quo management. The majority of S&P 500 and S&P 1500 companies have no supermajority voting requirements.

This proposal topic won from 74% to 99% support at Weyerhaeuser, Alcoa, Waste Management, Goldman Sachs, FirstEnergy, McGraw-Hill, Macy’s, Ferro, Arconic, and Cognizant Technology Solutions. Currently a 1%-minority can frustrate the will of our 66%-shareholder majority. In other words a 1%-minority could have the power to prevent shareholders from improving our corporate governance.

Please vote to enhance shareholder value:

**Simple Majority Vote – Proposal [4\*]**  
[This line and any below are *not* for publication]  
Number 4\* to be assigned by TROW

\*\*\*

James McRitchie,

sponsors this proposal.

Notes:

This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004 including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(l)(3) in the following circumstances:

- the company objects to factual assertions because they are not supported;
- the company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
- the company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the company, its directors, or its officers; and/or
- the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

**We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.**

See also: Sun Microsystems, Inc. (July 21, 2005).

The stock supporting this proposal will be held until after the annual meeting and the proposal will be presented at the annual meeting. Please acknowledge this proposal promptly by email

\*\*\*

**EXHIBIT B**

**ARTICLES OF INCORPORATION, AS PROPOSED TO BE AMENDED AND RESTATED,  
OF  
T. ROWE PRICE GROUP, INC.**

**FIRST:** THE UNDERSIGNED, Robye Shaw Margolius, whose address is 6225 Smith Avenue, Baltimore, Maryland 21209, being at least eighteen years of age, acting as incorporator, does hereby form a corporation under the General Laws of the State of Maryland.

**SECOND:** The name of the corporation (which is hereinafter called the "Corporation") is:

T. Rowe Price Group, Inc.

**THIRD:** (a) The purposes for which and any of which the Corporation is formed and the business and objects to be carried on and promoted by it are:

(1) To engage in any one or more businesses or transactions, or to acquire all or any portion of any entity engaged in any one or more businesses or transactions which the Board of Directors may from time to time authorize or approve, whether or not related to the business described elsewhere in this Article or to any other business at the time or theretofore engaged in by the Corporation.

The foregoing enumerated purposes and objects shall be in no way limited or restricted by reference to, or inference from, the terms of any other clause of this or any other Article of the charter of the Corporation, and each shall be regarded as independent; and they are intended to be and shall be construed as powers as well as purposes and objects of the Corporation and shall be in addition to and not in limitation of the general powers of corporations under the General Laws of the State of Maryland.

**FOURTH:** The present address of the principal office of the Corporation is 100 East Pratt Street, Baltimore, Maryland 21202.

**FIFTH:** The name and address of the resident agent of the Corporation in this State are Barbara A. Van Horn, 100 East Pratt Street, Baltimore, Maryland 21202. Said resident agent is a citizen of the State of Maryland who resides there.

**SIXTH:** (a) The total number of shares of stock of all classes which the Corporation has authority to issue is 770,000,000 shares of capital stock (par value \$.20 per share) amounting in aggregate par value to \$154,000,000, of which 750,000,000 shares (par value \$.20 per share) amounting in aggregate par value to \$150,000,000 are classified as "Common Stock" and 20,000,000 shares (par value \$.20 per share) amounting in aggregate par value to \$4,000,000 are classified as "Preferred Stock."

(b) The following is a description of the preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions of redemption of the Common Stock and the Preferred Stock of the Corporation:

**COMMON STOCK**

(1) The Common Stock shall not be subject to classification or reclassification by the Board of Directors, and shall have the rights and terms hereinafter specified, subject to the terms of any other stock provided in the charter pursuant to classification or reclassification by the Board of Directors or otherwise in accordance with law.

(2) ~~Subject to the provisions of Article EIGHTH, Section (3) of the charter of the Corporation,~~ Each share of Common Stock shall have one vote, and, except as otherwise provided in respect of any Preferred Stock, the exclusive voting power for all purposes shall be vested in the holders of the Common Stock.

(3) Subject to the provisions of law and any preferences of any Preferred Stock, dividends, including dividends payable in shares of another class of the Corporation's stock, may be paid on the Common Stock of the Corporation at such time and in such amounts as the Board of Directors may deem advisable.

(4) In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or











