

3717.

APPROVAL, BONDS OF AVON VILLAGE SCHOOL DISTRICT, LORAIN COUNTY, \$5,000, IMPROVEMENT OF SCHOOL PROPERTY.

COLUMBUS, OHIO, November 14, 1922.

Department of Industrial Relations, Industrial Commission of Ohio, Columbus, Ohio.

3718.

ARTICLES OF INCORPORATION—AN AMENDMENT CONTAINING PROVISIONS RESPECTING PREFERRED STOCK AS SET FORTH IN THIS OPINION MAY BE ACCEPTED AND FILED BY SECRETARY OF STATE.

An amendment to the articles of incorporation of a domestic corporation subject to the general corporation laws, containing provisions respecting preferred stock substantially in the form set forth in the opinion, may be accepted and filed by the Secretary of State. Sections 8668 and 8669 G. C. considered.

COLUMBUS, OHIO, November 14, 1922.

Hon. Harvey C. Smith, Secretary of State, Columbus, Ohio.

DEAR SIR:—Your letter of recent date inquiring whether or not your department should accept a certificate of amendment to the articles of incorporation of an Ohio corporation containing, among other preferred stock clauses, provisions such as these hereinafter referred to, was duly received.

The facts as I understand them, are as follows:

The A. B. Company, a corporation under the laws of Ohio, intends to take steps to amend its charter so as to provide for an authorization of new preferred stock. It is proposed to apply to stockholders for authority to make the authorization greater than the amount intended to be immediately issued. In order that the dividend rate and redemption price may be adaptable to the financial market conditions at the dates of the later issues within the authorization, it is proposed to insert in the preferred stock clauses of charter amendment, substantially the following provisions applying to dividend rates and redemption price:

“All the preferred stock herein authorized as and when issued is of equal priority and validity, and on a parity, except as to rate of dividend and redemption price, and possesses the following rights, powers and privileges, and is subject to the limitations and restrictions as follows:

Dividends

The holders of the preferred stock of the company shall be entitled to