§ 55-10-04. Voting on amendments by voting groups.

(a) Except as provided in subsection (e) of this section, the holders of the outstanding shares of a class are entitled to vote as a separate voting group, if shareholder voting is otherwise required by this Chapter, on a proposed amendment if the amendment would do any of the following:

(1) Increase or decrease the aggregate number of authorized shares of the class.

(2) Effect an exchange or reclassification of all or part of the shares of the class into shares of another class.

(3) Effect an exchange or reclassification, or create the right of exchange, of all or part of the shares of another class into shares of the class.

(4) Change the designation, rights, preferences, or limitations of all or part of the shares of the class.

(5) Change the shares of all or part of the class into a different number of shares of the same class.

(6) Create a new class of shares having rights or preferences with respect to distributions or to dissolution that are prior, superior, or substantially equal to the shares of the class.

(7) Increase the rights, preferences, or number of authorized shares of any class that, after giving effect to the amendment, have rights or preferences with respect to distributions or to dissolution that are prior, superior, or substantially equal to the shares of the class.

(8) Limit or deny an existing preemptive right of all or part of the shares of the class.

(9) Cancel or otherwise affect rights to distributions or dividends that have accumulated but not yet been declared on all or part of the shares of the class.

(10) Change the corporation into a nonprofit corporation or a cooperative organization.

(b) Except as provided in subsection (e) of this section, if a proposed amendment would affect a series of a class of shares in one or more of the ways described in subsection (a), the shares of that series are entitled to vote as a separate voting group on the proposed amendment.

(c) If a proposed amendment that entitles two or more series of shares to vote as separate voting groups under this section would affect those two or more series in the same or a substantially similar way, the shares of all the series so affected must vote together as a single voting group on the proposed amendment.

(d) A class or series of shares is entitled to the voting rights granted by this section although the articles of incorporation provide that the shares are nonvoting shares.

(e) The right of a class or series to vote as a separate voting group under subdivision (6) or (7) of subsection (a) of this section may be restricted in whole or in part if so provided in the original articles of incorporation or by an amendment to the articles of incorporation that is adopted prior to the issuance of any shares of the class or series or that is approved by a majority of the votes of the class or series entitled to be cast on the amendment. (1955, c. 1371, s. 1; 1959, c. 1316, ss. 30, 31; 1969, c. 751, s. 36; 1989, c. 265, s. 1; 2023-130, s. 4(a).)