

**§ 55-6-02. Terms of class or series determined by board of directors.**

(a) If the articles of incorporation so provide, the board of directors may determine, in whole or part, the preferences, limitations, and relative rights (within the limits set forth in G.S. 55-6-01) of (1) any class of shares before the issuance of any shares of that class or (2) one or more series within a class before the issuance of any shares of that series.

(b) Before issuing any shares of a class or series created under this section, the corporation must deliver to the Secretary of State for filing articles of amendment, which are effective without shareholder action, that set forth:

- (1) The name of the corporation;
- (2) The text of the amendment determining the terms of the class or series of shares;
- (3) The date it was adopted; and
- (4) A statement that the amendment was duly adopted by the board of directors. (1901, c. 2, s. 19; 1903, c. 660, ss. 2, 3; Rev., s. 1159; C.S., s. 1156; 1923, c. 155; 1925, c. 118, ss. 2, 2a; 1939, c. 199; G.S., s. 55-61; 1953, c. 822, s. 1; 1955, c. 1371, s. 1; 1989, c. 265, s. 1.)