

CHAPTER 671.

AN ACT to add a new section to Article 23 of the Annotated Code of Maryland, title "Corporations," sub-title "Uniform Stock Transfer," and to be known as Section 73 $\frac{1}{2}$, relating to the transfer of shares of capital stock, rights to subscribe to capital stock, and/or registered obligations for the payment of money issued by any corporation of this State.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That a new section be and the same is hereby added to Article 23 of the Annotated Code of Maryland, title "Corporations," sub-title "Uniform Stock Transfer," said new section to be known as Section 73 $\frac{1}{2}$, and to follow immediately after Section 73 of the said Article, and to read as follows:

73 $\frac{1}{2}$. Assignments or powers of attorney executed by trustees, executors, administrators, guardians, life tenants, joint tenants, tenants by the entireties, tenants in common, minors and persons incompetent to contract, directing the transfer of shares of capital stock, rights to subscribe to capital stock, and/or registered obligations for the payment of money issued by any corporation of this State, when accompanied by the certificate or obligation, shall be sufficient authority to the corporation for making such transfers, and protect it against liability of any kind in the following cases:

1. If a duly certified copy of an order of any Court of Record (including therein Orphans' and Probate Courts) directing or authorizing the transfer of such shares, subscription rights, and/or obligations, is delivered to such corporation.

2. If such shares, subscription rights and/or obligations are registered in the name of one or more persons, firms or corporations as trustee or trustees, without any reference to or description of the trust, unless the corporation has actual knowledge that there is a breach of fiduciary obligation on the part of the trustee or trustees in making the transfer, or has actual knowledge of such facts that its action in registering the transfer amounts to bad faith.

3. If such shares, subscription rights and/or obligations are registered in the name or names of a life tenant, life tenants, joint tenants, tenants by the entireties, or in common, without reference to any instrument creating the tenancy, and the proposed transfer is authorized by language on the face of the stock certificate, subscription right and/or obligation.