

*in common, and (2) by either husband or wife alone, or as a tenant by the entireties, a joint tenant, or as a tenant in common to the other spouse alone, or to the husband and wife as tenants by the entireties, as joint tenants, or as tenants in common. All conveyances described in this subsection, whether made before or after the effective date hereof, are ratified, confirmed, and declared valid.*

SEC. 2. *And be it further enacted, That this Act shall take effect July 1, 1970.*

Approved April 28, 1970

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CHAPTER 493

(House Bill 973)

AN ACT to repeal and re-enact, with amendments, Section 161EE(a) of Article 23 of the Annotated Code of Maryland (1969 Supplement) title "Corporations," subtitle "III. Particular Classes of Corporations," subheading "Building or Homestead Associations," to provide that the board BOARD may, on a showing of cause and with such safeguard as it may deem proper, waive the reserve fund requirements when an association has a minimum of six per cent (6%) in its general reserve fund.

SECTION 1. *Be it enacted by the General Assembly of Maryland, That Section 161EE(a) of Article 23 of the Annotated Code of Maryland (1969 Supplement), title "Corporations," subtitle "III. Particular Classes of Corporations," subheading "Building or Homestead Associations," be and it is hereby repealed and re-enacted, with amendments, to read as follows:*

161EE.

(a) Minimum allocation.—Each association shall maintain a general reserve fund which shall be used solely for the purpose of absorbing losses and to which the board of directors shall allocate such portion of the association's profits as the board may determine; whenever the total amount of such reserve is less than six percent (6%) of the aggregate withdrawal value of the association's free share accounts, the allocation to such reserve upon each apportionment of profits shall be such percentage of the profits being apportioned as the Board may by regulation prescribe, from time to time, but in any event shall not be less than five percent (5%) of the profits being apportioned, or such lesser portion as will increase such reserve to the required total amount. Whenever an association has a general reserve fund totaling at least six percent (6%) of the aggregate withdrawal value of the free share accounts of the association, but the total of the general reserve fund, surplus, and undivided profits of the association is less than ten percent (10%) of the aggregate withdrawal value of its free share accounts, the allocation to the general reserve fund upon each apportionment of profits shall be such percentage of the profits being apportioned as the Board may by regulation prescribe, from time to time, but in any event shall not be