

(D) ON TERMINATION OF AN INCOME INTEREST, THE INCOME BENEFICIARY WHOSE INTEREST IS TERMINATED, OR HIS ESTATE, IS ENTITLED TO:

(1) INCOME UNDISTRIBUTED ON THE DATE OF TERMINATION;

(2) INCOME DUE BUT NOT PAID TO THE TRUSTEE ON THE DATE OF TERMINATION;

(3) INCOME IN THE FORM OF PERIODIC PAYMENTS (OTHER THAN CORPORATE DISTRIBUTIONS TO STOCKHOLDERS), INCLUDING RENT, GROUND RENTS, INTEREST, OR ANNUITIES, NOT DUE ON THE DATE OF TERMINATION, ACCRUED TO DATE OF TERMINATION OF SUCH INCOME INTEREST.

(E) WHEN PERIODIC PAYMENTS OF INCOME ARE PAYABLE IN ADVANCE WITH RESPECT TO THE PERIOD FOR WHICH THEY ARE PAYABLE, THE APPORTIONMENT HEREOF SHALL BE AS IF THE PERIODIC PAYMENT IN QUESTION HAD BEEN PAYABLE AT THE END OF SUCH PERIOD.

(F) CORPORATE DISTRIBUTIONS TO STOCKHOLDERS SHALL BE TREATED AS DUE ON THE DAY FIXED BY THE CORPORATION FOR DETERMINATION OF STOCKHOLDERS OF RECORD ENTITLED TO DISTRIBUTION OR, IF NO DATE IS FIXED, ON THE DATE OF DECLARATION OF THE DISTRIBUTION BY THE CORPORATION.

14-205. ALLOCATION OF DISTRIBUTIONS BY CORPORATIONS, REGULATED INVESTMENT COMPANIES AND CERTAIN TRUSTS.

(A) CORPORATE DISTRIBUTIONS OF SHARES OF THE DISTRIBUTING CORPORATION (WHETHER OR NOT OF THE SAME CLASS), INCLUDING DISTRIBUTIONS IN THE FORM OF A STOCK SPLIT OR STOCK DIVIDEND, ARE PRINCIPAL BUT THE PROVISIONS OF THIS SUBSECTION SHALL NOT APPLY TO SUCCESSIVE ESTATES OR INTERESTS IN EXISTENCE PRIOR TO JUNE 1, 1965, IN WHICH THE LIFE TENANT IS ENTITLED TO STOCK DIVIDENDS REPRESENTING EARNINGS DURING THE LIFE TENANCY. A RIGHT TO SUBSCRIBE TO SHARES OR OTHER SECURITIES ISSUED BY THE DISTRIBUTING CORPORATION ACCRUING TO STOCKHOLDERS ON ACCOUNT OF THEIR STOCK OWNERSHIP AND THE PROCEEDS OF ANY SALE OF THE RIGHT ARE PRINCIPAL.

(B) EXCEPT TO THE EXTENT THAT THE CORPORATION INDICATES THAT SOME PART OF A CORPORATE DISTRIBUTION IS A SETTLEMENT OF PREFERRED OR GUARANTEED DIVIDENDS ACCRUED SINCE THE TRUSTEE BECAME A STOCKHOLDER OR IS IN LIEU OF AN ORDINARY CASH DIVIDEND, A CORPORATE DISTRIBUTION IS PRINCIPAL OF THE DISTRIBUTION IS PURSUANT TO:

(1) A CALL OF SHARES;

(2) A MERGER, CONSOLIDATION, REORGANIZATION,