

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1982.

Approved June 1, 1982.

CHAPTER 802

(Senate Bill 457)

AN ACT concerning

EPA Professional Service Corporation
Corporations - Transfer of Stock to Trust

FOR the purpose of providing that on the death or disqualification of a stockholder in a ~~certified public accountants~~¹ professional service corporation, the deceased or disqualified stockholder's stock may be held in trust for 2 years before it is transferred to and acquired by the professional service corporation or an individual who is qualified to own the stock; and clarifying language.

BY repealing and reenacting, with amendments,

Article - Corporations and Associations
Section 5-116(a)-and-(e)
Annotated Code of Maryland
(1975 Volume and 1981 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland read(s) as follows:

Article - Corporations and Associations

5-116.

(a) [Within] EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, WITHIN 120 days after the death of a stockholder or [his] A disqualification to perform the professional service, [his] THE stock shall be transferred to and acquired by the corporation or an individual qualified to own the stock.

(b) (1) IF THERE IS NO STOCK TRANSFER AS PROVIDED IN SUBSECTION (C)(2) OF THIS SECTION, [if there is] no provision to accomplish the acquisition, and [if] the acquisition is not accomplished within the 120 day period, the corporation shall purchase and redeem all of the stock of the deceased or disqualified stockholder at book value.