

(A) IN GENERAL.

IN THIS PART I OF THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

SUBCOMMITTEE COMMENT: This subsection is new language added as the standard introductory language to a definition section.

(B) BENEFICIAL OWNER.

"BENEFICIAL OWNER" MEANS A PERSON, OTHER THAN THE OWNER OF THE TRUST MONEY, FOR WHOSE BENEFIT A REAL ESTATE BROKER OR, ON BEHALF OF A REAL ESTATE BROKER, AN ASSOCIATE REAL ESTATE BROKER OR A REAL ESTATE SALESPERSON IS ENTRUSTED TO HOLD TRUST MONEY.

SUBCOMMITTEE COMMENT: This subsection is new language added to provide an express definition for the term "beneficial owner".

Defined terms: "Associate real estate broker" § 4-101
"Person" § 1-101 "Real estate broker" § 4-101
"Real estate salesperson" § 4-101
"Trust money" § 4-501

(C) TRUST MONEY.

"TRUST MONEY" MEANS A DEPOSIT, PAYMENT, OR OTHER MONEY THAT A PERSON ENTRUSTS TO A REAL ESTATE BROKER OR, ON BEHALF OF A REAL ESTATE BROKER, TO AN ASSOCIATE REAL ESTATE BROKER OR A REAL ESTATE SALESPERSON TO HOLD FOR:

(1) THE BENEFIT OF THE OWNER OR BENEFICIAL OWNER OF THE TRUST MONEY; AND

(2) A PURPOSE THAT RELATES TO A REAL ESTATE TRANSACTION INVOLVING REAL ESTATE IN THIS STATE.

SUBCOMMITTEE COMMENT: This subsection is new language derived without substantive change from the introductory phrase in the first sentence of former Art. 56, § 227A(a). It is restated to provide an express definition of the term "trust money".

Defined terms: "Associate real estate broker" § 4-101
"Beneficial owner" § 4-501
"Person" § 1-101 "Real estate" § 4-101
"Real estate broker" § 4-101
"Real estate salesperson" § 4-101

4-502. HANDLING OF TRUST MONEY.