

(A) SUBMISSION TO BROKERS BY ASSOCIATE BROKERS AND SALESPERSONS.

AN ASSOCIATE REAL ESTATE BROKER OR A REAL ESTATE SALESPERSON WHO OBTAINS TRUST MONEY WHILE PROVIDING REAL ESTATE BROKERAGE SERVICES PROMPTLY SHALL SUBMIT THE TRUST MONEY TO THE REAL ESTATE BROKER ON WHOSE BEHALF THE ASSOCIATE REAL ESTATE BROKER OR THE REAL ESTATE SALESPERSON PROVIDED THE REAL ESTATE BROKERAGE SERVICES.

(B) DEPOSITS BY BROKERS; RESTRICTED USE.

(1) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (C) OF THIS SECTION, A REAL ESTATE BROKER PROMPTLY SHALL DEPOSIT TRUST MONEY IN AN ACCOUNT THAT IS MAINTAINED BY THE REAL ESTATE BROKER:

(I) SEPARATELY FROM THE REAL ESTATE BROKER'S OWN ACCOUNTS; AND

(II) SOLELY FOR TRUST MONEY.

(2) A REAL ESTATE BROKER MAY NOT USE TRUST MONEY FOR ANY PURPOSE OTHER THAN THAT FOR WHICH IT IS ENTRUSTED TO THE REAL ESTATE BROKER.

(C) EXCEPTION.

SUBSECTION (B)(1) OF THIS SECTION DOES NOT APPLY IF THE REAL ESTATE BROKER RECEIVES WRITTEN DIRECTIONS TO THE CONTRARY AS AUTHORIZED UNDER § 4-505(C) OF THIS SUBTITLE.

SUBCOMMITTEE COMMENT: Subsection (a) of this section is new language added on the recommendation of the Joint Subcommittee on the Business Occupations Article to state expressly the duty of an associate real estate broker or real estate salesperson to submit trust money promptly to the real estate broker for whom the associate real estate broker or real estate sales person acted.

Subsections (b) and (c) of this section are new language derived without substantive change from the third sentence of former Art. 56, § 227A(a) and the first sentence, except as that sentence related to deposits in financial institutions.

In this section and throughout this Part I of this subtitle, references to a "real estate broker", an "associate real estate broker", and a "real estate salesperson" are substituted for the former references to a "licensee", to clarify that the requirements of this Part I of this subtitle apply even to individuals