

CHAPTER 302

(House Bill 473)

AN ACT concerning

Corporations – Investment Companies

FOR the purpose of providing that under certain circumstances certain debts, liabilities, obligations, and expenses existing with respect to a particular class or series of stock of an investment company are enforceable only against the assets associated with that class or series; exempting transfers of assets by open-end investment companies from requirements for stockholder approval and articles of transfer under certain circumstances; and generally relating to Maryland investment companies.

BY adding to

Article – Corporations and Associations

Section 2-208.2

Annotated Code of Maryland

(1999 Replacement Volume and 2002 Supplement)

BY repealing and reenacting, with amendments,

Article – Corporations and Associations

Section 3-104(a)

Annotated Code of Maryland

(1999 Replacement Volume and 2002 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Corporations and Associations

2-208.2.

IF THE CHARTER OF A CORPORATION REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940 CREATES ONE OR MORE CLASSES OR SERIES OF STOCK, AND IF SEPARATE AND DISTINCT RECORDS ARE MAINTAINED FOR THE CLASS OR SERIES AND THE ASSETS ASSOCIATED WITH THE CLASS OR SERIES ARE HELD AND ACCOUNTED FOR SEPARATELY FROM THE OTHER ASSETS OF THE CORPORATION, OR ASSETS ASSOCIATED WITH ANY OTHER CLASS OR SERIES:

(1) THE DEBTS, LIABILITIES, OBLIGATIONS, AND EXPENSES INCURRED, CONTRACTED FOR, OR OTHERWISE EXISTING WITH RESPECT TO A PARTICULAR CLASS OR SERIES ARE ENFORCEABLE AGAINST THE ASSETS ASSOCIATED WITH THAT CLASS OR SERIES ONLY, AND NOT AGAINST THE ASSETS OF THE CORPORATION GENERALLY OR ANY OTHER CLASS OR SERIES OF STOCK; AND