

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 397.

This bill would authorize voting trusts of stock to be extended for up to 10 additional years when various ownership conditions are met.

House Bill 359, which was passed by the General Assembly and signed by me on April 30, 1991, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 397.

Sincerely,
William Donald Schaefer
Governor

Senate Bill No. 397

AN ACT concerning

Voting Trusts - Extension of Duration

FOR the purpose of permitting a voting trust of stock to be extended for a certain period of time under certain circumstances; requiring stock in a voting trust under this Act to be stock in a single corporation and to represent a certain interest in that corporation; requiring stock in a voting trust under this Act to be held by a testamentary or inter vivos trust that meets certain criteria; requiring the recipients of a certain percentage of the income and principal of a testamentary or inter vivos trust under this Act to be certain charitable or educational institutions; and generally relating to the extension of certain voting trust agreements.

BY repealing and reenacting, with amendments,
Article - Corporations and Associations
Section 2-510
Annotated Code of Maryland
(1985 Replacement Volume and 1990 Supplement)

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

Article - Corporations and Associations

2-510.

(A) One or more stockholders of a corporation may confer the right to vote or otherwise represent their stock to a trustee for a period not exceeding ten years by:

(1) Entering into a written voting trust agreement which specifies the terms and conditions of the voting trust;