

THE AUTHORITY OF THE DIRECTOR-TRUSTEES TERMINATES WHEN A COURT APPOINTS A RECEIVER.

REVISOR'S NOTE: Subsections (a) and (b) of this section presently appear as Art. 23, §79.

Subsection (c) of this section is new language derived without substantive change from the clause in the first sentence of present § 78(b) which terminates the powers of director-trustees on appointment of a receiver.

The limited venue provision in present § 80A(a) is deleted since it is covered by CJ §6-201, which is somewhat broader.

Reference to "sound judicial discretion" is deleted since the word "may" is discretionary. A court of equity always has discretion which is presumed sound. Furthermore, Maryland Courts, unlike those of some other states, draw no distinction between "sound" discretion and "ordinary" discretion.

The only other changes are in style.

3-412. DISTRIBUTIONS TO STOCKHOLDERS IN VOLUNTARY DISSOLUTION.

(A) NOTICE TO STOCKHOLDERS TO PROVE INTEREST.

IF A MARYLAND CORPORATION IS VOLUNTARILY DISSOLVED AND ASSETS ARE AVAILABLE FOR DISTRIBUTION TO STOCKHOLDERS, THE DIRECTOR-TRUSTEES OR RECEIVER MAY NOTIFY THE STOCKHOLDERS TO PROVE THEIR INTERESTS WITHIN A SPECIFIED TIME AT LEAST 60 DAYS AFTER THE DATE OF THE NOTICE. THE NOTICE SHALL BE MAILED TO EACH STOCKHOLDER AT HIS ADDRESS AS IT APPEARS ON THE RECORDS OF THE CORPORATION AND PUBLISHED AT LEAST ONCE A WEEK FOR THREE SUCCESSIVE WEEKS IN A NEWSPAPER OF GENERAL CIRCULATION PUBLISHED IN THE COUNTY IN WHICH THE PRINCIPAL OFFICE OF THE CORPORATION IS LOCATED. THE DATE OF THE NOTICE IS THE LATER OF THE DATE OF MAILING OR THE DATE OF FIRST PUBLICATION.

(B) DISTRIBUTION OF PRO RATA SHARES.

AFTER THE EXPIRATION OF THE TIME SPECIFIED IN THE NOTICE, THE DIRECTORS-TRUSTEES OR RECEIVER MAY DISTRIBUTE TO EACH STOCKHOLDER WHO HAS PROVED HIS INTEREST HIS PROPORTIONATE SHARE OF THE ASSETS, RESERVING THE SHARES OF THOSE WHO HAVE NOT PROVED THEIR INTERESTS. THEREAFTER, THE DIRECTOR-TRUSTEES OR RECEIVER MAY INCUR