

(1) IF THERE IS NO PROVISION TO ACCOMPLISH THE ACQUISITION AND IF THE ACQUISITION IS NOT ACCOMPLISHED WITHIN THE 120-DAY PERIOD, THE CORPORATION SHALL PURCHASE AND REDEEM ALL OF THE STOCK OF THE DECEASED OR DISQUALIFIED STOCKHOLDER AT BOOK VALUE.

(2) BOOK VALUE SHALL BE DETERMINED FROM THE BOOKS AND RECORDS OF THE CORPORATION AS OF THE END OF THE MONTH PRECEDING THE DEATH OR DISQUALIFICATION OF THE STOCKHOLDER, IN ACCORDANCE WITH THE REGULAR METHODS OF ACCOUNTING USED BY THE CORPORATION TO DETERMINE NET TAXABLE INCOME FOR FEDERAL INCOME TAX PURPOSES. ANY SUBSEQUENT ADJUSTMENT OF THIS INCOME WILL NOT ALTER THE REDEMPTION PRICE.

(C) OTHER PROVISIONS FOR TRANSFER OF STOCK AUTHORIZED.

THIS SECTION DOES NOT PROHIBIT THE PARTIES INVOLVED FROM MAKING A CONTRACT OR OTHER ARRANGEMENT OR PROVISION IN THE CHARTER OR BYLAWS OF THE CORPORATION TO TRANSFER THE STOCK OF A DECEASED OR DISQUALIFIED STOCKHOLDER TO THE CORPORATION OR ANOTHER INDIVIDUAL QUALIFIED TO OWN IT. THESE ARRANGEMENTS OR PROVISIONS MAY BE MADE BEFORE OR AFTER THE DEATH OR DISQUALIFICATION OF THE STOCKHOLDER, SUBJECT TO THE REQUIREMENT THAT ALL STOCK INVOLVED BE TRANSFERRED WITHIN 120 DAYS AFTER THE DEATH OR DISQUALIFICATION OCCURS.

REVISOR'S NOTE: This section presently appears as Art. 23, §441(c).

In subsection (b) (2) of this section, the phrase "whether by the corporation itself...which has become final shall," which refers to adjustments of net taxable income, is deleted as unnecessary.

The only other changes are in style.

5-117. FAILURE OF ALL STOCKHOLDERS TO REMAIN LICENSED.

IF ALL STOCKHOLDERS OF A PROFESSIONAL CORPORATION FAIL AT ONE TIME TO BE LICENSED IN THE PROFESSIONAL SERVICE FOR WHICH THE CORPORATION IS ORGANIZED, THE CORPORATION MAY NO LONGER OPERATE OR BE TREATED AS A PROFESSIONAL CORPORATION, BUT IS TO OPERATE AND BE TREATED AS A CORPORATION UNDER THE GENERAL CORPORATION LAWS OF THIS ARTICLE.

REVISOR'S NOTE: This section presently appears as Art. 23, §441(b).

The only changes are in style.