

deposits made upon the sale of cooperative interests in residences to be held in escrow in a certain manner; providing for consumer protection standards and enforcement; providing that a cooperative interest is not a security or investment security; providing that economic activity organized under this Act shall not be deemed to be in restraint of trade; providing for the applicability of general corporate law to all cooperative housing corporations; providing that a cooperative interest is personal property; providing for the perfection of a security interest in a cooperative interest; providing that each unit shall have one vote under certain circumstances; prohibiting a merger or consolidation under certain circumstances; providing that the provisions of this Act are statewide in their effect; providing for the applicability of zoning and building regulations; providing for the applicability of this Act; and generally relating to cooperative housing corporations.

BY adding to

Article - Corporations and Associations

Section 5-6B-01 through 5-6B-20 to be under the new subtitle
"Subtitle 6B. Maryland Cooperative Housing
Corporation Act"

Annotated Code of Maryland

(1985 Replacement Volume and 1985 Supplement)

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

Article - Corporations and Associations
SUBTITLE 6B.

MARYLAND COOPERATIVE HOUSING CORPORATION ACT

5-6B-01.

(A) IN THIS SUBTITLE THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.

(B) "ARTICLES OF INCORPORATION" MEANS THE CHARTER BY WHICH A COOPERATIVE HOUSING CORPORATION BECOMES INCORPORATED UNDER THIS ARTICLE.

(C) "BLANKET ENCUMBRANCE" MEANS ANY CONTRACT BINDING ON A COOPERATIVE HOUSING CORPORATION AND CREATING A LIEN OR SECURITY INTEREST OR OTHER ENCUMBRANCE OR IMPOSING RESTRICTIONS ON ANY REAL OR PERSONAL PROPERTY OWNED BY THE COOPERATIVE HOUSING CORPORATION.

(D) "BYLAWS" MEANS THE DOCUMENT WHICH DETAILS AND GOVERNS THE INTERNAL ORGANIZATION AND OPERATION OF THE COOPERATIVE HOUSING CORPORATION.