

HOUSE BILL 154

C1, N1
HB 1166/07 – ECM

8lr1485

By: **Delegate Feldman**

Introduced and read first time: January 18, 2008

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Real Estate Investment Trusts – Definition and Share Information**

3 FOR the purpose of altering the definition of “real estate investment trust” to clarify
4 that the term means an unincorporated “business” trust or association formed
5 under certain provisions of law; establishing that a real estate investment trust,
6 on request of the shareholder, shall send a written statement containing certain
7 information for shares issued without certificates without charge; and generally
8 relating to real estate investment trust law.

9 BY repealing and reenacting, with amendments,
10 Article – Corporations and Associations
11 Section 8–101 and 8–203(f)
12 Annotated Code of Maryland
13 (2007 Replacement Volume)

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

16 **Article – Corporations and Associations**

17 8–101.

18 (a) In this title the following words have the meanings indicated.

19 (b) “Real estate investment trust” means an unincorporated **BUSINESS** trust
20 or association formed under this title in which property is acquired, held, managed,
21 administered, controlled, invested, or disposed of for the benefit and profit of any
22 person who may become a shareholder.

23 (c) “Share” means a transferable unit of beneficial interest in a real estate
24 investment trust.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 8-203.

2 (f) Unless the declaration of trust provides otherwise, the trustees of a real
3 estate investment trust may authorize the issue of some or all of the shares of any or
4 all of its classes or series without certificates. The authorization does not affect shares
5 already represented by certificates until they are surrendered to the real estate
6 investment trust. [At the time of issuance or transfer of shares without certificates,]
7 **FOR SHARES ISSUED WITHOUT CERTIFICATES, ON REQUEST OF THE**
8 **SHAREHOLDER,** the real estate investment trust shall send **WITHOUT CHARGE TO**
9 the shareholder a written statement of the information required on certificates by
10 subsection (d) or (e) of this section.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 June 1, 2008.