

Chapter 652

(House Bill 1444)

AN ACT concerning

Mary Byrd Wyman Memorial Association of Baltimore City

FOR the purpose of altering the incorporation of the Mary Byrd Wyman Memorial Association of Baltimore City; altering the purpose of the Association; stating the principal address of and the name and address of the resident agent of the Association; prohibiting the Association from issuing capital stock; providing that the business and affairs of the Association is managed by the Board of Trustees; providing for the Board of Trustees; limiting the use of the earnings of the Association and the activities of the Association; providing for the distribution of the Association's income during certain periods; stating certain prohibited acts of the Association; providing for the distribution of the assets of the Association in the event of dissolution of the Association; providing for the perpetual existence of the Association; providing for the limited liability of a Trustee of the Association under certain circumstances; providing that a Trustee is personally liable to the Association under certain circumstances; providing for the amendment or repeal of the charter of the Association; and generally relating to the Mary Byrd Wyman Memorial Association of Baltimore City.

BY repealing and reenacting, with amendments,
Chapter 262 of the Acts of the General Assembly of 1884
Section 1

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

Chapter 262 of the Acts of 1884

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That [William W. Taylor, William Keyser, Skipwith Wilmer, H. Irvine Keyser and Charles F. Taylor, be and they are]:

(A) **THERE IS** hereby constituted a body corporate, under the name of "The Mary Byrd Wyman Memorial Association of Baltimore [city," for the purpose of receiving, holding and dispensing a fund for the assistance, education or maintenance of such persons as the said corporation may select as recipients of the benefits thereof; and the said body corporate is hereby] **CITY"**.

(B) (1) **THE PURPOSE OF THE ASSOCIATION IS TO ASSIST IN MAKING IT POSSIBLE FOR CHILDREN OF ELEMENTARY AND SECONDARY SCHOOL AGE TO RECEIVE AN EDUCATION THAT THEY MIGHT OTHERWISE BE UNABLE TO AFFORD.**

(2) THE ASSOCIATION IS ORGANIZED EXCLUSIVELY FOR CHARITABLE, RELIGIOUS, EDUCATIONAL, AND SCIENTIFIC PURPOSES, INCLUDING, FOR THOSE PURPOSES, THE MAKING OF DISTRIBUTIONS TO ORGANIZATIONS THAT QUALIFY AS EXEMPT ORGANIZATIONS UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE, OR THE CORRESPONDING SECTION OF ANY FUTURE TAX CODE.

(C) THE ASSOCIATION IS authorized [and empowered] to take, hold, transmit and convey, the property described and granted in a deed dated the fifth day of March, in the year eighteen hundred and eighty-three, and recorded among the land records of Baltimore city, in liber R. J. A., number nine hundred and seventy-three, folio nine, etc., from Samuel G. Wyman to the said William W. Taylor, William Keyser, Skipwith Wilmer, H. Irvine Keyser and Charles F. Taylor; and also any other real or personal estate which it may purchase or otherwise acquire for the purposes of its incorporation, and to make any contract in reference thereto; to sue and be sued, plead and be impleaded, in all courts and places whatsoever, and in all manner of suits and actions; to have a common seal, and to alter and change the same at pleasure[; to appoint such officers and employ such agents as it may require for the conduct of its affairs and the management of its property, and to adopt such by-laws and rules as may be needful for its government; to provide for and regulate the succession of its members, and to perpetuate its existence.].

(D) (1) THE ADDRESS OF THE PRINCIPAL OFFICE OF THE ASSOCIATION IN MARYLAND IS 601 E. SEMINARY AVENUE, BALTIMORE, MARYLAND 21286.

(2) THE NAME AND ADDRESS OF THE RESIDENT AGENT OF THE ASSOCIATION IS DOUGLAS G. OBER, 601 E. SEMINARY AVENUE, BALTIMORE, MARYLAND 21286.

(E) THE ASSOCIATION HAS NO AUTHORITY TO ISSUE CAPITAL STOCK.

(F) (1) THE BUSINESS AND AFFAIRS OF THE ASSOCIATION SHALL BE MANAGED BY THE BOARD OF TRUSTEES.

(2) THERE ARE THREE TRUSTEES.

(3) THE NUMBER OF TRUSTEES MAY BE ALTERED IN ACCORDANCE WITH THE ASSOCIATION'S BYLAWS, BUT MAY NOT BE REDUCED TO LESS THAN THREE.

(4) THE NAMES OF THE TRUSTEES AS OF JANUARY 1, 2016, ARE:

(I) DOUGLAS G. OBER;

(II) CHARLES M. OBER; AND

(III) CALVERT C. McCABE.

(G) (1) NO PART OF THE NET EARNINGS OF THE ASSOCIATION SHALL INURE TO THE BENEFIT OF, OR BE DISTRIBUTABLE TO ITS TRUSTEES, OFFICERS, OR OTHER PRIVATE PERSONS, EXCEPT THAT THE ASSOCIATION SHALL BE AUTHORIZED AND EMPOWERED TO PAY REASONABLE COMPENSATION FOR SERVICES RENDERED AND TO MAKE PAYMENTS AND DISTRIBUTIONS IN FURTHERANCE OF THE PURPOSE SET FORTH IN SUBSECTION (B) OF THIS SECTION. NO SUBSTANTIAL PART OF THE ACTIVITIES OF THE ASSOCIATION SHALL BE THE CARRYING ON OF PROPAGANDA, OR OTHERWISE ATTEMPTING TO INFLUENCE LEGISLATION, AND THE ASSOCIATION MAY NOT PARTICIPATE IN, OR INTERVENE IN (INCLUDING THE PUBLISHING OR DISTRIBUTION OF STATEMENTS) ANY POLITICAL CAMPAIGN ON BEHALF OF OR IN OPPOSITION TO ANY CANDIDATE FOR PUBLIC OFFICE. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, THE ASSOCIATION MAY NOT CARRY ON ANY OTHER ACTIVITIES NOT PERMITTED TO BE CARRIED ON:

(I) BY A CORPORATION EXEMPT FROM FEDERAL INCOME TAX UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE, OR THE CORRESPONDING SECTION OF ANY FUTURE FEDERAL TAX CODE; OR

(II) BY A CORPORATION, CONTRIBUTIONS TO WHICH ARE DEDUCTIBLE UNDER § 170(C)(2) OF THE INTERNAL REVENUE CODE, OR THE CORRESPONDING SECTION OF ANY FUTURE FEDERAL TAX CODE.

(2) DURING ANY PERIOD, OR PERIODS, OF TIME THAT THE ASSOCIATION IS TREATED AS A "PRIVATE FOUNDATION" PURSUANT TO § 509 OF THE INTERNAL REVENUE CODE, OR THE CORRESPONDING SECTION OF ANY FUTURE FEDERAL TAX CODE, THE TRUSTEES MUST DISTRIBUTE THE ASSOCIATION'S INCOME AT SUCH TIME AND IN SUCH MANNER SO AS NOT TO SUBJECT THE ASSOCIATION TO TAX ON UNDISTRIBUTED INCOME IMPOSED BY § 4942 OF THE INTERNAL REVENUE CODE, OR THE CORRESPONDING SECTION OF ANY FUTURE FEDERAL TAX CODE. THE ASSOCIATION IS PROHIBITED FROM ENGAGING IN ANY ACT OF SELF-DEALING (AS DEFINED IN § 4941(D) OF THE INTERNAL REVENUE CODE, OR THE CORRESPONDING SECTION OF ANY FUTURE FEDERAL TAX CODE), OR FROM RETAINING ANY EXCESS BUSINESS HOLDINGS (AS DEFINED IN § 4943(C) OF THE INTERNAL REVENUE CODE, OR THE CORRESPONDING SECTION OF ANY FUTURE FEDERAL TAX CODE) WHICH WOULD SUBJECT THE ASSOCIATION TO TAX UNDER § 4943 OF THE INTERNAL REVENUE CODE, OR THE CORRESPONDING SECTION OF ANY FUTURE FEDERAL TAX CODE. DURING SUCH PERIOD, THE ASSOCIATION IS PROHIBITED FROM MAKING ANY INVESTMENTS OR OTHERWISE ACQUIRING ASSETS IN SUCH A MANNER SO AS TO SUBJECT THE ASSOCIATION TO TAX UNDER § 4944 OF THE INTERNAL REVENUE

CODE, OR THE CORRESPONDING SECTION OF ANY FUTURE FEDERAL TAX CODE, FROM RETAINING ANY ASSETS WHICH WOULD SUBJECT THE ASSOCIATION TO TAX UNDER § 4944 OF THE INTERNAL REVENUE CODE, OR THE CORRESPONDING SECTION OF ANY FUTURE FEDERAL TAX CODE, IF THE TRUSTEES HAVE ACQUIRED SUCH ASSETS, AND FROM MAKING ANY TAXABLE EXPENDITURES (AS DEFINED IN § 4945(D) OF THE INTERNAL REVENUE CODE, OR THE CORRESPONDING SECTION OF ANY FUTURE FEDERAL TAX CODE).

(3) IN THE EVENT OF DISSOLUTION OF THE ASSOCIATION, ASSETS SHALL BE DISTRIBUTED FOR ONE OR MORE EXEMPT PURPOSES WITHIN THE MEANING OF § 501(C)(3) OF THE INTERNAL REVENUE CODE, OR THE CORRESPONDING SECTION OF ANY FUTURE FEDERAL TAX CODE, OR SHALL BE DISTRIBUTED TO THE FEDERAL GOVERNMENT, OR TO A STATE OR LOCAL GOVERNMENT, FOR A PUBLIC PURPOSE. ANY SUCH ASSETS NOT SO DISPOSED OF SHALL BE DISPOSED OF BY A COURT OF COMPETENT JURISDICTION OF THE COUNTY IN WHICH THE PRINCIPAL OFFICE OF THE ASSOCIATION IS THEN LOCATED, EXCLUSIVELY FOR SUCH PURPOSES OR TO SUCH ORGANIZATION OR ORGANIZATIONS AS SAID COURT SHALL DETERMINE, WHICH ARE ORGANIZED AND OPERATED EXCLUSIVELY FOR SUCH PURPOSES. IN NO EVENT SHALL ANY OF SUCH ASSETS OR PROPERTY BE DISTRIBUTED TO ANY TRUSTEE OR OFFICER OR ANY PRIVATE INDIVIDUAL.

(H) THE DURATION OF THE EXISTENCE OF THE ASSOCIATION IS PERPETUAL.

(I) (1) A TRUSTEE OF THE ASSOCIATION SHALL NOT BE PERSONALLY LIABLE TO THE ASSOCIATION FOR MONETARY DAMAGES FOR ANY BREACH OF FIDUCIARY DUTY AS A TRUSTEE, EXCEPT FOR LIABILITY:

(I) FOR ANY BREACH OF THE TRUSTEE'S DUTY OF LOYALTY TO THE ASSOCIATION;

(II) FOR ACTS OR OMISSIONS NOT IN GOOD FAITH OR WHICH INVOLVE INTENTIONAL MISCONDUCT OR A KNOWING VIOLATION OF LAW; OR

(III) FOR ANY TRANSACTION FROM WHICH THE TRUSTEE DERIVED AN IMPROPER PERSONAL BENEFIT.

(2) NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION, RELIEF FROM LIABILITY FOR WHICH A TRUSTEE MAY BE PERSONALLY LIABLE TO THE ASSOCIATION MAY NOT APPLY IN ANY INSTANCE WHERE SUCH RELIEF IS INCONSISTENT WITH ANY PROVISION OF THE INTERNAL REVENUE CODE

APPLICABLE TO CORPORATIONS DESCRIBED IN § 501(C)(3) OF THE INTERNAL REVENUE CODE, OR THE CORRESPONDING SECTION OF ANY FUTURE FEDERAL TAX CODE.

(J) FROM TIME TO TIME, AND IN FURTHERANCE OF THE PURPOSES FOR WHICH THE ASSOCIATION EXISTS, ANY OF THE PROVISIONS OF THIS CHARTER MAY BE AMENDED, ALTERED, OR REPEALED, AND OTHER PROVISIONS AUTHORIZED BY THE LAWS OF THE STATE OF MARYLAND AT THE TIME IN FORCE MAY BE ADDED OR INSERTED BY A UNANIMOUS VOTE OF THE BOARD OF TRUSTEES, AND ALL RIGHTS AT ANY TIME CONFERRED ON THE TRUSTEES OF THE ASSOCIATION BY THIS CERTIFICATE OF INCORPORATION ARE GRANTED SUBJECT TO THE PROVISIONS OF THIS SUBSECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, May 19, 2016.