

INSTRUCTIONS ON COMPLETING THIS ELECTRONIC FORM

I have read and understand these instructions

1. Under “File” on the toolbar, click on “Save As” to FIRST save this form to your computer.
2. The input fields can be navigated FORWARD by tabbing, using the right or down arrows on the keyboard, or by left clicking on the field. Should you wish to move BACK in the form, use the left or up arrows, or left click on the field.
3. Should a box need to be checked, such as for a “Yes” or “No” answer, left click on the appropriate box. An “X” should appear. To remove the “X”, click it again.
4. **Before completing this application, please read through the entire form.**
5. Once the entire form has been completed, save it a final time and then print it out in its entirety. Sign and date where required.
6. When additional pages are necessary to answer an item, or if attachments are required, include them under the appropriate section TAB or reference them accordingly by identifying the section and number of the item being answered.
7. Mail the application materials to the Maryland Higher Education Commission, 6 N. Liberty Street, 10th Floor, Baltimore, Maryland 21201, attention Collegiate Unit. Label the package “CHANGE OF OWNERSHIP APPLICATION”.
8. Should you have any questions, feel free to contact the Director of Academic Affairs, Dr. Shawna Acker-Ball.

INTRODUCTION TO THE APPLICATION FOR A CHANGE OF OWNERSHIP

The following is the application for approval of a change of ownership of a private collegiate institution in Maryland. A change of ownership means any action by which a person or corporation obtains new authority to control the actions of the institution. That action may include, but is not limited to the following:

- Sale and purchase of an institution.
- Transfer of the controlling interest of stock of the institution or its parent corporation.
- Merger of two or more institutions.
- Division of one institution into two or more.
- Transfer of controlling interest of stock or assets of the institution to its parent corporation.
- Transfer of the liabilities of an institution to its parent corporation.

The institution and its prospective transferees, if applicable, shall apply for approval of a change of ownership before the transfer or change of control is finalized. In accordance with COMAR 13B.02.02.13(I), governing collegiate institutions in Maryland:

If an approved institution is sold, pledged, or otherwise transferred without the approval of the Secretary, the initial approval may be revoked.

If the approval of an institution were thus revoked, the institution would be required to discontinue its operation in Maryland.

The change of ownership application is reviewed to assure the Secretary that the institution will operate on a sound educational and financial basis under the new ownership.

Approval for a change of ownership is granted with the assumption that with the proposed change, the institution will be operated at the same facility and under the administrative and educational conditions that were approved and in effect under the previous ownership or control. Therefore, any change in facility or modification of programs or policies should be proposed separately, preferably before or after the change of ownership application and approval.



Department of Academic Affairs

**APPLICATION FOR APPROVAL OF A CHANGE OF OWNERSHIP
OF A PRIVATE COLLEGIATE INSTITUTION**

1. Name of Institution: _____

2. Proposed Institution Name
If Different From Above: _____

3. Address: _____
Street *City* *State* *Zip*

4. Telephone #: _____ 5. Fax #: _____

6. E-mail: _____ 7. Website: _____

8. Contact Information:
8a. Primary person to contact about Application:

8b. Title:

8c. Mailing address if other than above:

8d. Telephone number if other than above:

The information provided in this application is true and correct to the best of my knowledge:

SIGNATURE _____
DATE

TITLE

In order for an application to be processed, complete responses to all the items must be provided. If additional sheets are necessary to complete a response, please clearly identify on those sheets the item in the application that is being addressed, i.e., I or II.

I. OWNERSHIP AND ORGANIZATION

- A. Identify the type of ownership of the institution after the change.
1. Corporation
 2. Limited liability company
 3. Sole proprietorship
 4. Other (please specify: _____)
- B. If the institution will be owned by a corporation, attach the following:
1. Copy of articles of incorporation or other incorporation papers.
 2. Documentation of good standing with the Maryland State Department of Assessment and Taxation.
 3. List of corporate officers and directors.
 4. List of the stockholders who own 10% or more of the voting stock, and the percentage of ownership for each.
- C. If the institution will be owned by a limited liability company, attach the following:
1. Corporation Copy of operating agreement or other formative papers.
 2. Documentation of good standing with the Maryland State Department of Assessment and Taxation.
 3. List of officers, if any.
 4. List of members with an interest of greater than 10%, and the percentage of interest for each.
- D. If the institution will be established as a solely owned subsidiary or will otherwise be related to another corporation or limited liability company, attach:
1. Documents identified above in item # 2 for the related entity.
 2. Description of the structure and mission of the other entity(ies) and include an organization chart and a brief narrative that clearly define the relationship between the proposed institution and the related entity(ies).
- E. If the institution will not be owned by a corporation or limited liability company, identify who will own and control the institution and provide information on the nature and structure of any other legal entity that will own and control the institution:
- _____
- F. Describe the organization of the institution after the change. Attach an organization chart.
- _____
- G. Provide documentation that the institution trade name has been filed and updated with the Maryland Department of Assessments and Taxation.

II. DOCUMENTATION OF CHANGE OF OWNERSHIP

Complete Section (A) or (B) below, according to the type of ownership change that applies.

A. SALE AND PURCHASE:

Attach relevant and supporting documentation concerning the sale and purchase of the institution. The documentation should include material on all financial arrangements related to the transaction. The sale and purchase agreement must clearly address the responsibility for the liabilities of the institution being purchased. **THIS INFORMATION MUST BE SUBMITTED FOR REVIEW AND APPROVAL BEFORE THE TRANSACTION IS FINALIZED.**

B. CHANGE OF CONTROL (other than sale and purchase)

A change in ownership resulting from a change of control, other than a sale and purchase, means any action by which a person or corporation obtains new authority to control the actions of the institution. That action would include but would not be limited to the following:

1. The transfer of the controlling interest of stock in the institution or its parent corporation.
2. The merger of two or more approved institutions.
3. The division of one institution into two or more institutions.
4. The transfer of the controlling interest of stock or assets of the institution to its parent corporation.
5. The transfer of the liabilities of an institution to its parent corporation.

On an **attached** sheet, explain in detail the proposed change of control of the institution. **Attach** copies of all pertinent documentation.