
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No.

221

Session of

1961

INTRODUCED BY MESSRS. McCREESH AND MAHADY,
FEBRUARY 14, 1961.

REFERRED TO COMMITTEE ON BANKING,
FEBRUARY 14, 1961.

AN ACT

Amending the act of June 8 1911 (P L 710) entitled "An act to regulate the doing of business in this Commonwealth by foreign corporations the registration thereof and service of process thereon and providing punishment and penalties for the violation of its provisions and repealing previous legislation on the subject" prohibiting certain foreign corporations from engaging in certain financial transactions

EXPLANATION—CAPITAL LETTERS indicate new matter added to bill. Matter ~~stricken through~~ is to be omitted from bill. Underscoring indicates new matter added to existing law. [Brackets] indicate matter ~~stricken~~ from existing law.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows

1 Section 1 Section 2 act of June 8 1911 (P L 710) entitled "An
2 act to regulate the doing of business in this Commonwealth by foreign
3 corporations the registration thereof and service of process thereon
4 and providing punishment and penalties for the violation of its pro-
5 visions and repealing previous legislation on the subject" is amended
6 by adding at the end thereof a new paragraph to read

7 Section 2 * * *

8 The provisions of this act shall not be construed to authorize the
9 filing of a power of attorney and statement for any corporation when
10 the only transactions or business of such corporation conducted in
11 Pennsylvania consist of acquiring holding or receiving income from
12 obligations secured by mortgage or deed of trust on real property used
13 for residential purposes situate in Pennsylvania unless such mortgages
14 or deeds of trust are originated through and are serviced by a corpora-
15 tion organized under the laws of the United States or the laws of
16 Pennsylvania or the laws of any other state and which is qualified to
17 do business in Pennsylvania Any such corporation engaged in such
18 transactions or business shall be deemed to be doing business in viola-

1 tion of this act whether or not a power of attorney and statement
2 has been filed for it either before or after the effective date of this
3 amending act

4 Section 2 Section 4 of the act amended April 22 1915 (P L 170)
5 is amended to read

6 Section 4 Any person or persons agents officer or employe of any
7 such foreign corporation who shall transact any business within this
8 Commonwealth for any such foreign corporation [without the provisions
9 of this act being complied with] in violation of the provisions of this
10 act shall be guilty of a misdemeanor and upon conviction thereof shall
11 be punished by imprisonment not exceeding thirty days and by a fine
12 not exceeding one thousand dollars or either at the discretion of the
13 court trying the same Provided That the failure of any such corporation
14 to file the power of attorney and statement aforesaid with the Secretary
15 of the Commonwealth shall not impair or affect the validity of any con-
16 tract with such corporation and actions or proceedings at law or in
17 equity may be instituted and maintained on any such contract but no
18 such action shall be instituted or recovery had by any such corporation
19 on any such contract either expressed or implied in any of the courts
20 of this Commonwealth or before any justice of the peace or magistrate

229—Printer's No.

4

1 thereof until such corporation complies with the provisions of this act
2 And provided further Before any such corporation can institute any
3 action in any of the courts of this Commonwealth or before any justice
4 of the peace or magistrate thereof on any cause of action arising prior
5 to the filing of the power of attorney and statement provided for in
6 section two of this act it shall pay to the Secretary of the Common-
7 wealth for the use of the Commonwealth a license fee or fine of two
8 hundred fifty dollars (\$250.00) Provided further however That this
9 act shall not extend or be construed to give validity to any contracts
10 entered into by corporations prior to the passage of this act nor to
11 give to foreign corporations any right to enforce such contracts if such
12 right did not exist at the time such contracts were entered into

13 Section 3 The provisions of this amending act shall not affect any
14 obligations secured by mortgage or deed of trust in existence on the
15 effective date of this amending act nor the rights of any corporation with
16 respect to such obligations

We certify that this bill has passed the Senate and the House of Representatives.

.....
Chief Clerk, Senate

.....
President pro tempore, Senate

.....
Speaker, House of Representatives

Approved The day of A. D. 1961.

.....
Governor