
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. **309**

Session of
1961

MESSRS. WADE, VAN SANT, McCREESH AND MURRAY,
IN PLACE, FEBRUARY 27, 1961.

MR. McCREESH, COMMITTEE ON INSURANCE, AS
AMENDED, MARCH 21, 1961.

AN ACT

Amending the act of May 17 1921 (P L 682) entitled "An act relating to insurance amending revising and consolidating the law providing for the incorporation of insurance companies and the regulation supervision and protection of home and foreign insurance companies Lloyds associations reciprocal and inter-insurance exchanges and fire insurance rating bureaus and the regulation and supervision of insurance carried by such companies associations and exchanges including insurance carried by the State Workmen's

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.

Insurance Fund providing penalties and repealing existing laws”
providing for the merger or consolidation of domestic and foreign
life insurance companies

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

- 1 Section 1 Section 337 act of May 17 1921 (P L 682) known as
- 2 “The Insurance Company Law of 1921” added June 23 1931 (P L 915)
- 3 is amended to read
- 4 Section 337 Merger of Domestic and Foreign Life Fire and Marine
- 5 Insurance Companies and/or Casualty and/or Surety Companies Any
- 6 life fire or marine insurance company or casualty or surety company or
- 7 companies organized under the laws of this Commonwealth and authorized
- 8 to do the business specified in this act are hereby authorized to merge or
- 9 consolidate in the manner herein provided with a company or companies
- 10 organized under the laws of another state or states or territory or terri-
- 11 tories of the United States [duly admitted to this State and authorized
- 12 to transact therein the business above specified] if such merger or con-
- 13 solidation is authorized by the laws or approved by the insurance super-
- 14 vising officials of the state or states or territory or territories in which
- 15 such foreign company or companies are incorporated Such domestic

1 company or companies shall comply with all the requirements as to the
2 terms and conditions of the merger or consolidation agreement and the
3 steps to be taken and acts to be performed for the adoption execution
4 and approval of the merger of two or more domestic companies Such
5 foreign company or companies shall comply with all of the requirements
6 of the laws or of the supervising insurance officials of the state or states
7 or territory or territories under which it is or they are incorporated regu-
8 lating the terms and conditions of such merger or consolidation agreement
9 and the steps to be taken and acts to be performed for the execution
10 adoption and approval thereof which agreement must first be approved
11 by the Insurance Commissioner of this Commonwealth The domicile of
12 the surviving or new company formed by or resulting from such merger
13 or consolidation shall be located in this Commonwealth unless the
14 Insurance Commissioner of this Commonwealth shall consent in writing
15 endorsed on the merger or consolidation agreement that such merged
16 or consolidated company may be domiciled in some other state or terri-
17 tory of the United States No such merged or consolidated company
18 domiciling in another state or territory shall have any authority to
19 transact business within this Commonwealth unless such company shall
20 otherwise comply with the law of the Commonwealth as respects its

1 admission to transact business herein and in any case such merged or
2 consolidated company shall in writing designate the Secretary of the
3 Commonwealth INSURANCE COMMISSIONER and his successor in
4 office as the true and lawful attorney of such corporation on whom may
5 be served all lawful process in any action or proceeding against it for
6 enforcement against it of any obligation of any corporation participating
7 in such merger or consolidation or any obligation arising from the
8 merger of consolidation proceedings or any action or proceeding to
9 determine and enforce the rights of any stockholder or member under
10 the provisions of section 336 of this act and an agreement that service
11 or process on the Secretary of the Commonwealth INSURANCE COM-
12 MISSIONER shall be of the same legal force and validity as if served
13 upon such corporation and that the authority for such service of process
14 shall continue in force as long as any of the aforesaid obligations and
15 rights remain outstanding in this Commonwealth

16 Upon filing such agreement with such certificate of the secretaries
17 and approval of the Insurance Commissioner endorsed thereon in the
18 office of the Insurance Commissioner and a duplicate or certified copy
19 thereof in the office of the recorder of deeds of the county where the

1 office of any domestic merged or consolidated company is located the
2 details of such agreement may be carried into effect as provided therein
3 [The] IF THE MERGER OR CONSOLIDATION INVOLVES A
4 STOCK COMPANY THE surviving or new company so formed by or
5 resulting from such merger or consolidation agreement may require the
6 return of the original certificates of stock held by each stockholder in
7 each of the companies to be merged or consolidated and issue in lieu
8 thereof new certificates for such number of shares of its own stock as
9 such stockholders may be entitled to receive Upon such merger or con-
10 solidation all the rights franchises and interests of the companies so
11 merging or consolidating in and to every species of property and things
12 in action belonging to them or either of them shall be deemed to be
13 transferred to and vested in the surviving or new company without any
14 other deed or transfer and the surviving or new company shall hold and
15 enjoy the same to the same extent as if the old companies or either of
16 them should have continued to retain their titles The surviving or new
17 company shall succeed to all the obligations and liabilities of the old com-
18 panies or any of them and shall be held liable to pay and discharge all
19 such debts and liabilities in the same manner as if they had been in-
20 curred or contracted by it The stockholders OR MEMBERS of the old

1 companies shall continue subject to all the liabilities claims and demands
2 existing against them or either of them at or before such merger or
3 consolidation No action or proceeding pending at the time of merger
4 or consolidation in which any or all of the old companies may be a party
5 shall abate or discontinue by reason of the merger or consolidation but
6 the same may be prosecuted to final judgment in the same manner as if
7 the merger or consolidation had not taken place or the surviving or new
8 company may be substituted in place of any company so merged or con-
9 solidated by order of the court in which the action or proceeding may
10 be pending So far as they may be applicable the provisions of this section
11 shall apply to all companies heretofore merged or consolidated

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

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Chief Clerk, Senate

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President pro tempore, Senate

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Speaker, House of Representatives

Approved The day of A. D. 1961.

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Governor