

Acts done before
recording chart-
ers validated.

of any property been made, to or by any corporation created, or intended to be created, by virtue of the provisions of the act of Assembly approved April twenty-ninth, one thousand eight hundred and seventy-four, or its supplements, in good faith, after the issuing of letters patent and before the actual recording of the certificate, such acts, transfers, and conveyances shall, after said certificate has been duly recorded as provided in the said act, be deemed and taken to be valid and effectual for all purposes: Provided, This act shall not affect any proceeding now pending.

APPROVED—The 22d day of March, A. D. 1927.

JOHN S. FISHER

No. 33

AN ACT

To validate certain borough warrants, authorized and issued for valid municipal indebtedness and countersigned by borough controllers, where no appropriation or no sufficient appropriation of money was made for the payment of such borough warrants, prior to the issuance thereof, and providing for the appropriation of money to pay such borough warrants.

Boroughs.

Warrants for in-
debtedness vali-
dated.

Section 1. Be it enacted, &c., That wherever heretofore any borough warrant or warrants have been authorized and issued by the proper authorities of any borough in this Commonwealth, for any valid existing indebtedness of such borough, and countersigned by the borough controller of such borough, and no appropriation or no sufficient appropriation of money had been made for the payment of such borough warrant or warrants prior to the issuance thereof, any and all such borough warrant or warrants, and the act of such borough controller in countersigning the same, are hereby ratified, confirmed and validated, in all cases where the proper authorities of such borough, after the countersigning of such borough warrant or warrants, has made or shall, within six months after the approval of this act, make an appropriation of a sufficient sum of money to pay the principal of and interest on such borough warrant or warrants.

Application of act.

Section 2. That this act shall not apply to any proceeding or suit involving any such borough warrant or warrants, wherein a final order, decree or judgment of any court of record had already been made or entered.

APPROVED—The 22d day of March, A. D. 1927.

JOHN S. FISHER

by reason of the fact that, after the petition to sell had been presented to the proper court and allowed, the guardian never gave bonds for the security of the purchase money as directed by the order of court authorizing the sale, never made a return of sale to the court authorizing the same, or had said sale confirmed, where the purchaser has paid the amount mentioned in the guardian's petition asking for leave to sell, has gone into possession of the premises, and the purchaser and his grantees have been in possession of said lands for a period of more than fifteen years, if the guardian filed his account in the proper court, showing that he has properly accounted according to law for the money received from the real estate for which he petitioned court for leave to sell, and has paid over to the foreign guardian the balance of the funds in his hands, that all of said minors are and have been sui juris for more than five years, and no proceeding or litigation has been instituted by any person interested to take advantage of said irregularities or contest the title of the purchaser at said guardian's sale or his grantees, then in that case said sale, notwithstanding such informalities and omissions, shall vest in the purchaser the same title as would have been transferred to him had the regular statutory requirements been followed.

Failure to file bond.

Failure to make return.

Guardian's account.

Confirmation of title.

APPROVED—The 29th day of March, A. D. 1927.

JOHN S. FISHER

No. 52

AN ACT

Relating to the effect of the negotiation, under certain conditions, of security receipts and equipment trust certificates as therein defined.

Section 1. Be it enacted, &c.—Definitions.—That for the purpose of this act:

(a) The term "security receipt" means any writing in and by which the signer sets forth that the person named therein, or the bearer, is entitled to receive a specified principal amount, par value, or number, of bonds, notes, debentures, shares of stock, equipment trust certificates, voting trust certificates of shares of stock, scrip, or other security or securities of any kind or character identified or described therein, absolutely, or when, as, and if received by the signer, or upon any other contingency stated or referred to therein.

Security receipts and equipment trust certificates.

"Security receipt."

(b) The term "equipment trust certificate" means any writing in and by which the signer sets forth that

"Equipment trust certificate."

the person named therein, or the bearer, is entitled to an interest, or a share of, a specified principal amount or par value in money, or the payment of any money, under an identified trust indenture pursuant to the terms of which the title to rolling stock, vehicles, or equipment for use by or on the lines or routes of carriers, or to vessels or other maritime equipment, is held by trustees for the ratable benefit of all the holders of the interests or shares. The term "equipment trust certificate" shall include the dividend warrants or the coupons attached to such writing.

Shall include coupons.

"Value."

(c) The term "value" means any consideration sufficient to support a simple contract. An antecedent or preexisting debt constitutes value where a security receipt or equipment trust certificate is taken either in satisfaction thereof or as security therefor.

"Holder."

(d) The term "holder" means the person in possession, howsoever such possession may have been acquired, of any security receipt or equipment trust certificate,

1. Which by its terms entitles such person in possession to the benefits thereof; or

2. Which by its terms entitles a person named therein to the benefits thereof and which has been specifically endorsed to such person in possession;

3. Which by its terms entitles a person named therein to the benefits thereof and which has been endorsed in blank;

4. Which by its terms entitles the bearer to the benefits thereof.

Person.

(e) The term "person" includes individuals, partnerships, corporations, and other associations.

Inclusion of other provisions.

(f) For the purposes of this act, the character of any such security receipt or equipment trust certificate is not affected by the inclusion therein of other provisions not limiting the right of transfer or the negotiable quality thereof as in this act provided.

Section 2. Negotiability.

When bearer entitled to benefits.

(a) Any security receipt or equipment trust certificate, which by its terms entitles the bearer to the benefits thereof, may be negotiated by delivery thereof by the holder.

When endorsed in blank.

(b) Any security receipt or equipment trust certificate, which by its terms entitles the person named therein to the benefits thereof, and which has been endorsed in blank, may be negotiated by delivery thereof by the holder, unless it contains an express provision limiting the right of transfer or the negotiable quality thereof.

When negotiable by endorsement and delivery.

(c) Any security receipt or equipment trust certificate, which by its terms entitles the person named therein to the benefits thereof and which has not been endorsed in blank, may be negotiated by endorsement

and delivery thereof by the holder, unless it contains therein an express provision limiting the right of transfer or the negotiable quality thereof.

(d) A person to whom any security receipt or equipment trust certificate shall have been negotiated as in this section provided, and who shall have taken any such instrument from any person for value and without notice of prior defenses or equities or claims of ownership enforceable against such other person, shall have absolute title thereto, free of any defenses, or equities, or claims of ownership of or enforceable against the signer or any prior holder.

Holder for value and without notice of prior claims.

(e) Any holder of any such security receipt or equipment trust certificate shall be deemed prima facie to have title thereto as aforesaid; but, when it is shown that the title of any person who has negotiated such instrument was defective, the burden is on the holder to prove that he, or some person under whom he claims, acquired the title as a holder for value and without notice as aforesaid.

Prima facie title.

Burden of proof.

(f) The endorsement of a security receipt or equipment trust certificate shall not make the endorser liable for any failure on the part of the signer of the instrument to fulfill such signer's obligation.

Liability of endorser.

Application.

Section 3. Application of Act.

(a) This act shall not be construed to limit or impair the negotiability or quasi-negotiability, by agreement or otherwise, of any instrument, whether or not defined herein.

(b) The provisions of this act shall apply only in respect of instruments issued after the date of the taking effect thereof.

(c) This act shall take effect immediately.

Section 4. Repeal.—All acts or parts of acts inconsistent herewith are hereby repealed.

Repeal.

APPROVED—The 29th day of March, A. D. 1927.

JOHN S. FISHER

No. 53

AN ACT

To further amend section one thousand four hundred eighteen of an act, approved the eighteenth day of May, one thousand nine hundred eleven (Pamphlet Laws, three hundred and nine), entitled "An act to establish a public school system in the Commonwealth of Pennsylvania, together with the provisions by which it shall be administered, and prescribing penalties for the violation thereof; providing revenue to establish and maintain the same, and the method of collecting such revenue; and repealing all laws, general, special, or local, or any parts thereof, that are or may be inconsistent therewith."

Section 1. Be it enacted, &c., That section one thousand four hundred and eighteen of an act, approved

Public schools.