

mental agency, or any banking publication of state-wide or national scope, last preceding the date of the filing of the \*application to establish a branch.

D. With the prior written approval of the department, an institution, pursuant to a resolution of its board of directors, its trustees or in the case of a private bank, its owners or board of managers, may discontinue the operation of any branch if public notice thereof is given in such manner as the department directs at least ninety days before the date of discontinuance.

E. Upon the failure of an institution to open and operate a branch within six months after the approval of its application, the right of an institution to establish such branch will terminate unless the department, for good cause on written application made prior to the expiration of the six months period, shall extend for additional periods not in excess of six months each the time within which the branch may be opened.

F. Upon the opening or discontinuance of any branch the institution shall certify such fact to the department in such form as the department shall prescribe. Upon receipt and approval by the department of the certificate, the \*\*department shall send a copy of the certificate to the Department of State for filing with the corporate records of the institution.

Section 4. This act shall take effect immediately.

Act effective  
immediately.

APPROVED—The 30th day of December, A. D. 1955.

GEORGE M. LEADER

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No. 285

AN ACT

Amending the act of May five, one thousand nine hundred thirty-three (Pamphlet Laws 457), entitled "An act relating to the business of building and loan associations; providing for the organization and voluntary dissolution of such associations; defining the rights, powers, duties, liabilities, and immunities of such associations, and of their officers, directors, shareholders, solicitors, and other employes; prohibiting the transaction of business in this Commonwealth by foreign building and loan associations; conferring powers and imposing duties upon the courts, recorders of deeds, and certain State departments, com-

\* "application" in original.

\*\* "department" in original.

missions, and officers; establishing limitations of actions; imposing penalties; and repealing certain acts and parts of acts." regulating the establishment of places of business and changes in the places of business and the establishment and maintenance of branches.

Building and  
Loan Code.

Sections 203 and  
204, act of May  
5, 1933, P. L.  
457, and their  
amendments,  
repealed.

Act of May 5,  
1933, P. L. 457,  
amended by  
adding new  
sections 203  
and 204.

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

Section 1. Sections two hundred three and two hundred four, act of May five, one thousand nine hundred thirty-three (Pamphlet Laws 457), known as the "Building and Loan Code" and their amendments are repealed.

Section 2. The act is amended by adding, after section two hundred two, two new sections to read:

*Section 203. Place of Business; Change of Place of Business; Collection Agencies.—A. Except as otherwise provided in this section, an association shall not transact any of its business, except at (1) the place heretofore designated in its by-laws as its principal office, (2) such other places heretofore designated in its articles as branches, (3) such other places as are hereafter approved as branches in the manner provided in this act. Within the meaning of this section, shareholders meetings shall not be construed to be the transaction of business.*

*B. An association, with the prior written approval of the department, and thereafter, by an amendment to its by-laws, may change its principal place of business within the same city, borough or township in which its principal place of business is located. With the prior approval of the department and the Building and Loan Board, and thereafter, by an amendment to its articles in the regular manner provided by this act, it may also change its principal place of business to any city, borough or township in the same county of its principal place of business or in a county contiguous to the county of its principal place of business.*

*C. In the event a place of business designated in the by-laws becomes unavailable, an association, with the prior written approval and for a period fixed by the department, may temporarily change its place of business to another place specified by the board of directors within the same city, borough or township.*

*D. Any association which prior to January one, one thousand nine hundred fifty-four, had authorized any corporation or person to collect dues, interest, premiums and fines in any city, borough or township in the Commonwealth, other than a place of business of the association permitted by the act which this act amends, and in the case of merger or consolidation, a surviving association, may continue to collect dues, interest, premiums*

and fines in any such communities through any such corporations or persons and may appoint successors in their stead in any city, borough or township in the Commonwealth.

A Federal savings and loan association which hereafter converts into an association in accordance with this act, may continue to operate such collection agencies which it had in lawful operation on the date of its conversion.

Section 204. Branches.—A. Any association may continue to maintain and operate any branch heretofore lawfully established by such association.

If an association is hereafter merged or consolidated with another association or Federal savings and loan association the surviving association, in case of merger, or the newly consolidated association, with the approval of the department, with respect to any such associations or Federal savings and loan associations, may retain and operate as branches any of their principal places of business and branches which may have been in lawful operation in the same county or in a county contiguous to the county in which the principal place of business of the association resulting from the merger or consolidation is located on the effective date of such merger or consolidation. If any Federal savings and loan association shall convert into an association, all of its branches in operation in the same county or in a county contiguous to the county in which the principal place of business of the association resulting from the conversion is located on the date of such conversion, with the approval of the department, may be continued in lawful operation.

B. Any association, pursuant to a resolution of its board of directors, may establish and maintain branches with the prior approval of the department and the Building and Loan Board in any city, borough or township located in the same county or in a county contiguous to the county in which the principal place of business of the association proposing to take such action is located. No such branches shall be established unless the association or the resulting association after a merger, consolidation or conversion, has aggregate assets of at least one million dollars and aggregate reserves and undivided profits equal to at least five per centum thereof.

The request for the approval of the establishment and maintenance of the one or more new branches authorized by resolution of its board of directors, shall be set forth in an application in such form and containing such other information as the department may require and such application shall be accompanied by such reasonable fee as the department, with the approval of the Building and Loan Board, may prescribe.

*An association proposing to establish a branch within any city, borough or township either in the same county or in a county contiguous to the county in which the principal place of business is located shall file its application with the department and upon the filing thereof the association, where the proposed branch is to be located in a city, borough or township other than the city, borough or township where the principal place of business of the association proposing to establish such branch is located, shall immediately notify by registered mail, return receipt requested, each other association whose principal place of business is in the county in which the proposed branch is to be located. Within sixty days of the receipt of such application the department, if it finds upon investigation that there is a need for services or facilities such as are contemplated by the establishment of such branch and that all requirements of this section have been complied with, shall approve such application and forward it to the Building and Loan Board for review: Provided, That the department, in its sole discretion, may disapprove an application the effect of which is to establish a branch in a county contiguous to the county in which the principal place of business of the association proposing to establish such branch is located if an association having its principal place of business in the county in which the proposed branch is to be located has, in good faith, notified the department of its intention to establish a branch in the same city, borough or township in which such proposed branch is to be located. The Building and Loan Board, after such additional investigation or hearing as it may deem advisable, shall either approve or disapprove the action of the department and shall return the application to the department with notice of its decision and, in case of disapproval, with a statement of its reasons for doing so. The decision of the Building and Loan Board shall be binding upon the department.*

*Immediately upon receipt of the application from the Building and Loan Board, the Department of Banking, on the basis of the decision of the Building and Loan Board, shall either approve or disapprove the same. In case of approval the department shall issue a letter of authority to the applicant association. In case of disapproval the department shall so notify the applicant association.*

*C. With the prior written approval of the department, an association pursuant to a resolution of its board of directors, may discontinue the operation of any branch provided public notice thereof is given in such manner*

as the department directs at least ninety days before the date of discontinuance.

D. Upon the failure of an association to open and operate a branch within six months after the approval of its application, the right of an association to establish such branch will terminate unless the department for good cause on written application made prior to the expiration of the six months period, shall extend for additional periods not in excess of six months each the time within which the branch may be opened.

E. Upon the opening or discontinuance of any branch the association shall certify such fact to the department in such form as the department shall prescribe. Upon receipt and approval by the department of such certificate, the department shall send a copy of it to the Department of State for filing with the corporate records of the association.

APPROVED—The 30th day of December, A. D. 1955.

GEORGE M. LEADER

No. 286

### AN ACT

Amending the act, approved the ninth day of August, one thousand nine hundred fifty-five (Pamphlet Laws 323) (Act No. 130), entitled "An act relating to counties of the third, fourth, fifth, sixth, seventh and eighth classes, amending, revising, consolidating and changing the laws relating thereto," providing rooms for use of the American Gold Star Mothers, Inc., and for certain ladies' auxiliaries.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows: The County Code.

Section 1. Sections two thousand three hundred thirty-nine and two thousand three hundred sixty-two of the act, approved the ninth day of August, one thousand nine hundred fifty-five (Pamphlet Laws 323) (Act No. 130), entitled "An act relating to counties of the third, fourth, fifth, sixth, seventh and eighth classes; amending, revising, consolidating and changing the laws relating thereto," are hereby amended to read as follows:

Sections 2339 and 2362, act of August 9, 1955, P. L. 323, Act No. 130, amended.

Section 2339. Furnishing Rooms for Meetings of Veterans of Certain [Veterans] Wars and [of Sons of Veterans] Other Organizations.—The Board of Commissioners may, in their discretion, upon application \*therefor, furnish to each organization composed of veterans of the *Civil War*, *Veterans of the Spanish-American War*, veterans of [World War I and of

\* "thereof" in original.