

No. 256

AN ACT

Amending the act of May 5, 1933 (P. L. 364), entitled "An act relating to business corporations; defining and providing for the organization, merger, consolidation, reorganization, winding up and dissolution of such corporations; conferring certain rights, powers, duties and immunities upon them and their officers and shareholders; prescribing the conditions on which such corporations may exercise their powers; providing for the inclusion of certain existing corporations of the second class within the provisions of this act; prescribing the terms and conditions upon which foreign business corporations may be admitted, or may continue, to do business within the Commonwealth; conferring powers and imposing duties on the courts of common pleas, and certain State departments, commissions, and officers; authorizing certain State departments, boards, commissions, or officers to collect fees for services required to be rendered by this act; imposing penalties; and repealing certain acts and parts of acts relating to corporations," increasing the amount that cemetery and burial corporations must set apart for perpetual care and preservation of the grounds and buildings.

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

Business Corporation Law.

Section 1. Section 209, act of May 5, 1933 (P. L. 364), known as the "Business Corporation Law," reenacted July 11, 1957 (P. L. 711), is amended to read:

Section 209, act of May 5, 1933, P. L. 364, reenacted July 11, 1957, P. L. 711, amended.

Section 209. Cemetery and Burial Corporations.—In the case of the incorporation of a cemetery or burial corporation as a business corporation, the articles shall, in addition to the information heretofore required by this article, contain a provision (1) that a sum equal to at least [one-tenth] *fifteen per centum (15%)* of the gross amount of the funds arising from the sale of lots in the burial ground or cemetery of the corporation, *or a sum equal to at least forty cents (\$.40) per square foot of all land sold for burial lots, whichever is greater*, shall be set apart for the perpetual care and preservation of the grounds and the repair and renewal of the buildings and property of such corporation; that such sum shall be invested by the board of directors in securities which are legal investments for trustees under the laws of this Commonwealth; and that the income arising therefrom shall be applied by the board of directors to the foregoing purposes; (2) that a permanent lot care fund shall be established prior to the disposal or sale of any burial lots as required by section 209.1; and (3) that a sum equal to at least [one-tenth] *fifteen per centum (15%)* of the gross sales price of each lot sold, *or a sum equal to at least forty cents (\$.40) per square foot of each burial lot sold, whichever is greater*, shall be deposited in the permanent lot care fund: Provided, however, That any such cemetery or burial corporation may,

by appropriate action of its stockholders and board of directors and with the approval of the orphans' court of the county in which the cemetery or burial grounds are situated, transfer any of such funds to one or more bank and trust companies, trust companies or national banking associations having fiduciary powers, as *trustee, and with like investment restrictions, said transfer to be either revocable, or absolute and irrevocable, and upon the transfer of any such funds, the cemetery or burial corporation shall be relieved of all liability for the investment and reinvestment thereof. The corporate trustee shall pay, semi-annually, the net income from the said funds to the cemetery or burial corporation for the purposes above expressed, and shall file accounts in the orphans' court of the county in which the cemetery grounds are situated, which accounts shall be filed triennially and at such other times as the said court may direct, and which accounts shall be audited, adjudicated and confirmed by said court, upon such notice to the parties in interest as the said court may determine.

Section 209.1,
act of May 5,
1933, P. L. 364,
added January
19, 1952, P. L.
2167, amended.

Section 2. Section 209.1 of the act, added January 19, 1952 (P. L. 2167), is amended to read:

Section 209.1. Cemetery and Burial Corporations Permanent Lot Care Fund.—In addition to the requirements of section 209, the incorporators of any cemetery or burial corporation hereafter organized as a business corporation, before disposing of any burial lot or making any sale thereof, shall cause to be deposited in a bank and trust company, trust company or national banking association having fiduciary powers a sum of not less than twenty-five thousand dollars (\$25,000) as a permanent lot care fund for the maintenance of burial lots and shall designate such banking institution as trustee of such fund. Whenever burial lots are from time to time sold by the corporation, it shall add to the permanent lot care fund a sum equal to at least [one-tenth] *fifteen per centum (15%)* of the gross sales price of each lot sold, *or a sum equal to at least forty cents (\$.40) per square foot of each burial lot sold, whichever is greater.* The permanent lot care fund so established shall be invested in securities which are legal investments for trustees under the laws of this Commonwealth, and the corporate trustee shall pay semi-annually the net income from the fund to the cemetery or burial corporation for the purposes herein set forth.

Every such cemetery or burial corporation shall, before disposing of any burial lot or making any sale thereof, cause to be filed with the Department of State an affidavit signed by at least a majority of the board of directors

* "trustees" in original.

stating that it has caused to be deposited at least twenty-five thousand dollars (\$25,000) as a permanent lot care fund as hereinbefore provided, to which affidavit shall be attached an acceptance by the banking institution designated as trustee thereof, acknowledging its acceptance of the trusteeship.

Whenever the cemetery or burial corporation shall have deposited in the fund required to be established by the provisions of clause (1) of section two hundred nine a sum equal to the amount of money required to be originally deposited in the fund required to be established by this section, it shall submit proof of such fact to the corporate trustee; and it shall be the duty of the corporate trustee to thereupon pay over to the cemetery or burial corporation the amount so originally deposited by it in the permanent lot care fund free and clear of the restrictions and limitations of this section.

APPROVED—The 14th day of August, A. D. 1959.

DAVID L. LAWRENCE

No. 257

AN ACT

Amending the act of May 28, 1915 (P. L. 596), entitled "An act requiring cities of the second class to establish a pension fund for employes of said cities, and regulating the administration and the payment of such pensions," further regulating pension rights.

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

Section 1. Subsection (a) of section 4, act of May 28, 1915 (P. L. 596), entitled "An act requiring cities of the second class to establish a pension fund for employes of said cities, and regulating the administration and the payment of such pensions," reenacted and amended February 1, 1956 (P. L. 983), is amended to read:

Section 4. (a) During the lifetime of the person, he or she shall be entitled to receive a pension from the fund set aside for the purpose, in the amount hereinafter provided. The pension shall be paid in monthly payments. If any pension be granted to a person who has not been a contributor to the pension fund as herein provided, during a period of twenty years, such person shall be required to pay unto the board of pensions monthly an amount equal to such amount as he or she would have been required to contribute had he or she

Cities of second class—pension fund.

Subsection (a), section 4, act of May 28, 1915, P. L. 596, reenacted and amended February 1, 1956, P. L. 983, further amended.

Amount of pension.

Time of payment.

Requirement of payment by certain contributors.