

of the Commonwealth and also in the office of the recorder of deeds in and for the county where the registered office of the association is situated, as set forth in the articles of association, and where it is different, then also in the office of the recorder of deeds in and for the county where the principal place of business is situated. Certified copies of the records thereof shall be competent evidence for all purposes in the courts of this Commonwealth.] *The Secretary of Agriculture shall, on or before April 1, 1962, and annually thereafter, furnish each existing association and make public and record with the Secretary of the Commonwealth a listing of the status of existing associations.*

Duty to furnish listing of status of existing associations.

Act effective immediately.

Section 2. This act shall take effect immediately.

APPROVED—The 27th day of April, A. D. 1961.

DAVID L. LAWRENCE

No. 44

AN ACT

Amending the act of June 12, 1919 (P. L. 466), entitled "An act to provide for the incorporation and regulation of cooperative agricultural associations not having a capital stock and not conducted for profit, and defining agriculture so as to include persons engaged in agriculture, dairying, livestock raising, poultry raising, beekeeping, and horticulture," further providing for the annulling, vacating and forfeiting of the articles of associations and letters patent issued to such associations, and imposing duties on the Secretary of Agriculture relative to the reporting of the status of existing associations.

Cooperative agricultural associations.

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

Section 18, act of June 12, 1919, P. L. 466, amended July 29, 1953, P. L. 1016 and September 27, 1955, P. L. 597, further amended.

Section 1. Section 18, act of June 12, 1919 (P. L. 466), entitled "An act to provide for the incorporation and regulation of cooperative agricultural associations not having a capital stock and not conducted for profit, and defining agriculture, so as to include persons engaged in agriculture, dairying, livestock raising, poultry raising, beekeeping, and horticulture," amended July 29, 1953 (P. L. 1016) and September 27, 1955 (P. L. 597), is amended to read:

Association to appoint auditing committee.

Section 18. Every association having a gross annual income not exceeding two thousand dollars (\$2,000) shall, from time to time, appoint an auditing committee of three persons, who shall not be directors, officers, agents or employes of the association, but who may or

may not be members of said association. Said committee shall, at the close of each fiscal year of such association, examine its records and property, and, within one month after such examination, report in writing the results thereof to the association. At the close of each fiscal year, in associations having a gross annual income exceeding two thousand dollars (\$2,000), a complete audit of the operations of the association shall be made by a qualified accountant or accountants employed by the board of directors, the written report of whom shall include statements of services rendered by the association, the balance sheet, the receipts and disbursements, and the assets and liabilities, the members admitted and withdrawn, the total number of members, and other proper information, and shall be submitted to the members at the next regular meeting. Within three months after the expiration of the fiscal year for which made, the secretary of said association shall file a summary of the statistical information contained in the report of audit with the Secretary of Agriculture of this Commonwealth and with the Dean of the College of Agriculture of the Pennsylvania State University, upon a form prescribed by the Secretary of Agriculture, with the approval of the Dean of the College of Agriculture.

No person shall without the consent of the association, except for official purposes, or in obedience to judicial process, make or permit any disclosure, whereby any information contained in said summary of audit may be identified as having been furnished by said association, and any person making or permitting any such disclosure as provided in this section shall be guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine of not more than three hundred dollars, or imprisonment for not more than six months, or both, at the discretion of the court. All associations organized and doing business under the provisions of this act shall be exempt from the payment of any State tax upon net income or measured by net income, and shall not be required to file with the Department of Revenue of this Commonwealth reports relative to such taxes.

Any association which, for three successive years, shall fail to file with the Secretary of Agriculture the summary of audits hereinbefore provided shall [be notified by registered mail by the Secretary of Agriculture that such summaries must be filed within thirty days from the date of mailing such registered notice, and that failure to so file will result in annulment, forfeiture and vacation of the articles and letters patent of such association. In the event such association fails to file the summaries of audit within the period of thirty days, the Secretary of Agriculture shall certify to the Governor that such association has failed to comply with the

Committee to make annual examination of records and property, and make written report to association.

Annual audit.

Contents of audit report.

Summary of statistical information in audit report to be filed.

Disclosure of information contained in summary of audits made unlawful.

Penalty.

Exemption from taxation.

Failure to file summary of audits forfeits articles.

terms of this section. The Governor shall thereupon by proclamation] *automatically* annul, vacate and forfeit the articles of such association and the letters patent issued to such association, whereupon the association shall cease and be determined, saving, however, the right of the creditors and members in and to any property, assets, claims or demands of or belonging to such association.

Unlawful to exercise powers, etc., under such articles thereafter.

Penalty.

Any person who shall exercise or attempt to exercise any powers, privileges or franchises under articles of association which have been annulled, vacated and forfeited hereunder shall be guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine of not more than three hundred dollars or undergo imprisonment for not more than six months, or both.

[The proclamation of the Governor annulling, vacating and forfeiting the articles of association of any association shall be recorded in the office of the Secretary of the Commonwealth and also in the office of the recorder of deeds in and for the county where the registered office of the association is situated, as set forth in the articles of association, and where it is different, then also in the office of the recorder of deeds in and for the county where the principal place of business is situated. Certified copies of the records thereof shall be competent evidence for all purposes in the courts of this Commonwealth.] *The Secretary of Agriculture shall, on or before April 1, 1962, and annually thereafter, furnish each existing association and make public and record with the Secretary of the Commonwealth a listing of the status of existing associations.*

Duty to furnish listing of status of existing corporations.

APPROVED—The 27th day of April, A. D. 1961.

DAVID L. LAWRENCE

No. 45

AN ACT

Amending the act of April 9, 1929 (P. L. 343), entitled "An act relating to the finances of the State government; providing for the settlement, assessment, collection, and lien of taxes, bonus, and all other accounts due the Commonwealth, the collection and recovery of fees and other money or property due or belonging to the Commonwealth, or any agency thereof, including escheated property and the proceeds of its sale, the custody and disbursement or other disposition of funds and securities belonging to or in the possession of the Commonwealth, and the settlement of claims against the Commonwealth, the resettlement of accounts and appeals to the courts, refunds of moneys erroneously paid to the Commonwealth, auditing the accounts of the Commonwealth and all agencies thereof, of all public officers collecting moneys payable to the