

No. 1978-265

AN ACT

HB 2397

Amending the act of November 30, 1965 (P.L.847, No.356), entitled "An act relating to and regulating the business of banking and the exercise by corporations of fiduciary powers; affecting persons engaged in the business of banking and corporations exercising fiduciary powers and affiliates of such persons; affecting the shareholders of such persons and the directors, trustees, officers, attorneys and employes of such persons and of the affiliates of such persons; affecting national banks located in the Commonwealth; affecting persons dealing with persons engaged in the business of banking, corporations exercising fiduciary powers and national banks; conferring powers and imposing duties on the Banking Board, on certain departments and officers of the Commonwealth and on courts, prothonotaries, clerks and recorders of deeds; providing penalties; and repealing certain acts and parts of acts," further providing for the maintenance and relocation of a branch office acquired from the receiver of a closed institution.

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

Section 1. The first paragraph of subsection (b) of section 904, act of November 30, 1965 (P.L.847, No.356), known as the "Banking Code of 1965," is amended to read:

Section 904. Authorization of New Branches

* * *

(b) Except as provided in subsection (a) of this section and in [section 907] sections 907 and 908, an institution may establish a branch after the effective date of this act only in the same county in which its principal place of business is located or in a county contiguous thereto, and only upon compliance with the following requirements:

* * *

Section 2. The act is amended by adding a section to read:

Section 908. Branches Acquired from the Receiver of a Closed Institution

Any institution or national bank whose principal place of business is located in Pennsylvania may maintain as a branch any office which it acquires from the secretary, or public body of the United States, as receiver, in conjunction with an assumption of deposit liabilities of a closed institution whether in connection with a purchase of assets, through a merger or consolidation or otherwise, without regard to the location of the principal place of business of the acquiring institution. A branch office so acquired may be relocated within the same county but shall not be moved to a new location in a contiguous county unless that county is also

contiguous to the county of the principal place of business of the acquiring institution.

Section 3. This act shall take effect immediately.

APPROVED—The 5th day of October, A. D. 1978.

MILTON J. SHAPP