

The classification of any applicant for retirement or disability pension shall be determined as follows:

(1) If the applicant has held the position he holds, at the time of making the application, continuously for one year or more prior thereto, pension shall be granted as of the classification into which such position falls.

(2) If the applicant has not held such position continuously for one year or more, pension shall be granted as of the classification into which the last preceding position which he held continuously for one year or more falls, whether such classification is higher or lower than the classification of the position held by applicant at the time of making the application.

[No application to become a beneficiary of the fund shall be filed or accepted until thirty days after the effective date of this act. It is further provided that any member making such application, who thereafter withdraws the same, shall not be permitted to file a new application until one year after the date of the first application.]

Section 3. The increases in pension payments provided by this amending act shall be deemed cost-of-living increases and shall not be construed as a permanent and binding obligation of the pension fund which will in perpetuity entitle present and future pensioners to secure pensions predicated upon such increases. Such increased pension schedule shall be subject to revision by the General Assembly in the event of a decline or a rise in the cost of living: Provided, That in no event shall any decrease in living costs result in decreasing the schedule of pension payments in effect prior to the passage of this amending act.

Intent and construction of act.

Proviso.

Section 4. The provisions of this act shall become effective immediately upon final enactment.

Act effective immediately.

APPROVED—The 22d day of May, A. D. 1951.

JOHN S. FINE

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No. 72

AN ACT

To amend section 704 of the act, approved the fifth day of May, one thousand nine hundred thirty-three (Pamphlet Laws 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," by changing and clarifying the provisions with respect to payment of dividends from paid-in surplus.

"Business Corporation Law."

Section 704, act of May 5, 1933, P. L. 364, amended.

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

Section 1. Section 704 of the act, approved the fifth day of May, one thousand nine hundred thirty-three (Pamphlet Laws 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," is hereby amended to read as follows:

Section 704. Dividends Payable Out of Paid-in Surplus.—Dividends *in shares of the corporation may be paid out of paid-in surplus. Dividends in cash* may be paid out of paid-in surplus only upon shares having a preferential right to receive dividends, provided, that *in each such case* the source of such dividends shall be disclosed to the shareholders entitled thereto, prior to or concurrently with the payment of such dividends.

Section 2. This act shall become effective immediately upon final enactment.

APPROVED—The 22d day of May, A. D. 1951.

JOHN S. FINE

Act effective immediately.