

article, contain a provision that a sum equal to at least one-tenth of the gross amount of the funds arising from the sale of lots in the burial ground or cemetery of the corporation 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: *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 2. The provisions of this act shall become effective immediately upon its final enactment.

APPROVED—The 12th day of June, A. D. 1951.

JOHN S. FINE

No. 135.

AN ACT

To amend subsection C of section 315 of the act, approved the fifth day of May, one thousand nine hundred thirty-three (Pamphlet Laws 289), entitled "An act relating to nonprofit corporations; defining and providing for the organization, merger, consolidation, and dissolution of such corporations; conferring certain rights, powers, duties, and immunities upon them and their officers and members; prescribing the conditions on which such corporations may exercise their powers; providing for the inclusion of certain existing corporations of the first class within the provisions of this act; prescribing the terms and conditions upon which foreign nonprofit corporations may be admitted or

Act effective
immediately.

may continue to do business within the Commonwealth; conferring powers and imposing duties on the courts of common pleas, prothonotaries of such courts, recorders of deeds, and certain State departments, commissions, and officers; authorizing certain local public officers and State departments 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 authorizing cemetery and burial corporations to transfer trust funds to corporate fiduciaries with the approval of the orphans' court, and by providing for the filing of accounts by such fiduciaries and the audit and confirmation thereof by said court.

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

Section 1. Subsection C of section 315 of the act, approved the fifth day of May, one thousand nine hundred thirty-three (Pamphlet Laws 289), entitled "An act relating to nonprofit corporations; defining and providing for the organization, merger, consolidation, and dissolution of such corporations; conferring certain rights, powers, duties, and immunities upon them and their officers and members; prescribing the conditions on which such corporations may exercise their powers; providing for the inclusion of certain existing corporations of the first class within the provisions of this act; prescribing the terms and conditions upon which foreign nonprofit corporations may be admitted or may continue to do business within the Commonwealth; conferring powers and imposing duties on the courts of common pleas, prothonotaries of such courts, recorders of deeds, and certain State departments, commissions, and officers; authorizing certain local public officers and State departments 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:

"Nonprofit Corporation Law."

Subsection C of section 315, act of May 5, 1933, P. L. 289, amended.

Section 315. Burial and Cemetery Companies; Churches with Burial Grounds.—

* * * * *

C. The directors of any such corporation are hereby made trustees of any such funds so received or set aside, and neither such funds nor the income derived therefrom shall be used by such trustees for any purpose other than the purpose for which the same were set aside, donated, bequeathed, or otherwise acquired. It shall be the duty of the directors of such corporation to invest such funds in investments which are designated as legal investments for trustees under the laws of this Commonwealth, and to use the income derived from such investments for the purpose of caring for, preserving and maintaining such burial ground or cemetery, or any other purpose which may be specified by the grantor or donor. The directors of any such corporation shall cause

accurate accounts to be kept of such trust funds separate and apart from the other funds of the corporation, and shall make an annual report, signed by the treasurer, to the members of the corporation and other interested parties, concerning the investment of the trust funds and the use made of the income derived from such investments. The amount of such funds shown by such report to be in the hands of the directors shall be final and conclusive in favor of and against all parties in interest, unless appropriate action is brought in the proper courts of this Commonwealth against the trustees within fifteen days after the regular meeting of the corporation at which such report is submitted. The directors of any such corporation shall file annually, in the court of quarter sessions of the county where the charter of the corporation was granted, a bond, with surety or sureties to be approved by such court, in the full amount of any funds set aside or held in trust by such directors under authority of subsections A and B of this section, but the first bond filed by the directors covering funds set aside under subsection A of this section shall be filed one year after the date when the corporation came into existence. The court of quarter sessions of such county shall, upon petition of any person related by blood or marriage to any person who has donated or bequeathed funds to any such corporation for the care, preservation, or maintenance of the burial ground or cemetery, or to one who has purchased a lot therein for the burial of the dead or of the donors or purchasers themselves, shall have the right to compel the directors of the corporation to file any bond herein provided for, in the event of the failure of the directors to file the same on or before the first Monday of July of any year: *Provided, however, That any such cemetery or burial corporation may, by appropriate action of its members and board of directors or trustees 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 transfers 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*

* "the" deleted from original.

shall be audited, adjudicated and confirmed by said court, upon such notice to the parties in interest as the said court may determine.

Section 2. The provisions of this act shall become effective immediately upon final enactment.

Act effective immediately.

APPROVED—The 12th day of June, A. D. 1951.

JOHN S. FINE

No. 136.

AN ACT

To further amend section 620 of the act, approved the fifth day of May, 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, commissions, and officers; establishing limitations of actions; imposing penalties; and repealing certain acts and parts of acts," by increasing the maximum amount to be set aside as reserve for contingent losses.

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

"Building and Loan Code."

Section 1. Section 620 of the act, approved the fifth day of May, 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, commissions, and officers; establishing limitations of actions; imposing penalties; and repealing certain acts and parts of acts," as last amended by the act, approved the fifteenth day of May, one thousand nine hundred forty-five (Pamphlet Laws 485), is hereby further amended to read as follows:

Section 620, act of May 5, 1933, P. L. 457, as last amended by act of May 15, 1945, P. L. 485, further amended.

Section 620. Reserve for Contingent Losses.—Every association shall set aside each year not less than five per centum and not more than [twenty] *twenty-five* per centum of its net profits for such year, unless the department in writing approves the setting aside of a lesser