

## 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," changing the law as to amendment of articles of incorporation in their entirety, the acquisition and cancellation of treasury shares, the reduction of authorized shares, the reporting of changes in stated capital, the characterization of earned surplus after quasi-reorganizations, the payment of dividends in certain cases, the effect of distributions of shares, financial reports to shareholders, the fixing of the date of shareholders' meetings, the production of lists of shareholders, the extension of voting trusts, the acquisition or transfer of corporate \*assets, the rights of dissenting shareholders sinking funds for preferred or special shares issued in series exchanges of shares, the merger or consolidation of parent and wholly-owned subsidiary corporations, service of process on foreign corporations, abolishing the doctrine of de facto mergers or consolidation and reversing the rules laid down by *Bloch v Baldwin Locomotive Works*, 75 D & C 24, and *Marks v The Autocar Co.*, 153 F. Supp. 768, eliminating the requirements that certain documents be acknowledged or verified and repealing certain acts and parts of acts relating to corporations.

**Business Corporation Law.**

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

Designated sections and parts of sections, act of May 5, 1933, P. L. 364, amended, added, reenacted or repealed.

Section 2, amended July 11, 1957, P. L. 711.

Section 1. The hereinafter designated sections and parts of sections of the act of May 5, 1933 (P. L. 364), known as the "Business Corporation Law," are amended, added, reenacted or repealed as follows:

Section 2, amended July 11, 1957 (P. L. 711).

Section 2. Definitions.—The following words or phrases, unless the context clearly indicates otherwise, shall have the meanings ascribed to them in this section:

"Articles" includes the original articles of incorporation, any or all amendments thereto, and articles of

\* "asset" in original.

merger, consolidation or domestication and also includes what have heretofore been designated by law as certificates of incorporation or charters. If an amendment made in the manner permitted by this act restates articles in their entirety, thenceforth the "articles" shall not include any prior documents *and the certificate of amendment issued by the Department of State shall so state.*

"Assets" includes all the property and rights of every kind of the corporation.

"Capital Surplus" means capital contributed for or assigned to shares in excess of the stated capital applicable thereto (whether as a result of original issue of shares at amounts in excess of their par or stated value, reduction in par or stated value after issuance, transactions by the corporation in its own shares, or otherwise) capital received other than for shares whether from shareholders or others, and amounts of surplus arising from revaluation of or unrealized appreciation in assets.

"Corporation for Profit" means a corporation organized for the direct or indirect pecuniary profit of its shareholders.

"Domestic Business Corporation" or "Business Corporation" means a corporation for profit organized or domesticated under this act, or heretofore organized under or by virtue of any other law of this Commonwealth, for any purpose or purposes for which a corporation may be organized under this act.

"Earned Surplus" means the entire surplus of a corporation other than its capital surplus, and includes *earned* surplus [acquired by merger or consolidation available for the payment of cash dividends on common shares under section 907 of this act] *carried forward under section 704 F of this act.*

"Foreign Business Corporation" means a corporation for profit, organized under or by virtue of any laws other than those of this Commonwealth, for any purpose or purposes for which a corporation may be formed under this act.

"Incorporator" means a signer of the original articles of incorporation.

"Insolvency" means inability of a corporation to pay its debts as they become due in the usual course of its business.

"Net Assets" means the amount by which the total assets of a corporation exceed the total liabilities of the corporation excluding stated capital and surplus.

"Open-end Investment Company" means a management investment company which is offering for sale or

has outstanding any security of which it is the issuer, which is redeemable at the option of the holder.

“Registered Office” means that office maintained by a domestic or foreign business corporation in this Commonwealth, the address of which is filed with the Department of State.

“Share Certificate” means a written instrument signed by the proper corporate officers, as required by this act, and evidencing the fact that the person or corporation therein named is the registered owner of the shares therein described, and also includes the term “Certificate of Stock” as used in existing laws.

“Shareholder” means a registered owner of shares in a business corporation.

“Shares” are the units into which the shareholders’ rights to participate in the control of a business corporation, in its surplus or profits, or in the distribution of its \*assets, are divided.

“Stated Capital” means, at any particular time, the sum of the par value of all shares then issued having a par value, the consideration received by a business corporation for all shares then issued without par value, except such part thereof as may have been allocated otherwise than to stated capital in a manner permitted by this act, and such other amounts as may have been transferred to the stated capital account of the corporation, whether from the issue of shares or otherwise, minus such formal reductions from such sum as may have been effected in a manner permitted by this act.

“Subscriber” means one who subscribes for, or otherwise agrees to take from, a business corporation shares other than treasury shares, whether before or after incorporation.

“Subscription” means the promise to pay a consideration or the agreement fixing the amount of the consideration paid or to be paid for shares by a subscriber.

“Surplus” means the excess of the net assets of a corporation over its stated capital.

“Treasury Shares” means shares of a business corporation which have been issued, have been subsequently acquired by and belong to the corporation otherwise than in a fiduciary capacity, and have not, either by reason of the acquisition or thereafter, been cancelled. Treasury shares shall be deemed to be “issued” shares but not “outstanding” shares.

“Unreserved” means not reserved pursuant to section 704 E of this act.

“Unrestricted” means not restricted by section 701 [F (3)] E of this act.

\* “asset” in original.

“Written” includes printed, typewritten, engraved, lithographed, telegraphed, cabled, radiogramed, photographed, photostated, telephotographed, or other form of recordation.

Section 204, amended July 11, 1957 (P. L. 711).

Section 204,  
amended July  
11, 1957, P. L.  
711.

Section 204. Articles of Incorporation.—Articles of incorporation shall be signed by each of the incorporators, [and acknowledged by at least two of them before any officer within or without this Commonwealth authorized to take acknowledgments,] and shall set forth, in the English language:

(1) The name of the corporation, unless the name is in a foreign language, in which case it shall be set forth in English letters or characters.

(2) The location and post office address of its initial registered office in this Commonwealth.

(3) A statement of the purpose or purposes for which the corporation is organized and that it is organized under the provisions of this act.

(4) The term for which it is to exist, which may be perpetual.

(5) The aggregate number of shares which the corporation shall have authority to issue, and, if the shares are to consist of one class only, the par value of each of the shares or a statement that all of the shares are without par value, or if the shares are to be divided into classes, the number of shares of each class, if any, that are to have a par value and the par value of each share of each class and the number of shares of each class, if any, that are to be without par value.

(6) If the shares are to be divided into classes, a description of each class and a statement of the preferences, qualifications, limitations, restrictions, and the special or relative rights granted to or imposed upon the shares of each class.

(7) If the corporation is to issue the shares of any preferred or special class in series, a description of each series and a statement of the variations in the relative rights and preferences as between different series, in so far as the same are to be fixed in the articles, and a statement of any authority to be vested in the board of directors to establish series and fix and determine the variations in the relative rights and preferences as between series.

(9) The names of the first directors, their post office addresses, including street and number, if any, who shall serve until the first annual meeting.

(10) The name and post office address of each of the incorporators and a statement of the number of shares subscribed by each, which shall not be less than one, and the class of shares for which each subscribes.

(11) Any provisions which the incorporators may choose to insert granting to shareholders preemptive rights to subscribe to any or all issues of shares or securities of the corporation.

(12) Any provisions not inconsistent with law which the incorporators may choose to insert for the regulation of the internal affairs of the corporation and the business of the corporation.

## Section 307.

## §Section 307.

Section 307. Change of Registered Office.—After incorporation, a change of the location of the registered office may be authorized at any time by a majority vote of the members of the board of directors. Before the change of location shall become effective, the corporation shall file with the Department of State a statement executed under the seal of the corporation *and* signed [and verified] by two duly authorized officers of the corporation, setting forth:

(1) The name of the corporation.

(2) The address, including street and number, if any, of its then registered office.

(3) The address, including street and number, if any, to which the registered office is to be changed.

(4) That such change was authorized by resolution duly adopted by at least a majority of the members of the board of directors.

The change of address of the registered office shall become effective upon the filing of such statement with the Department of State.

Subsection F,  
section 311,  
added July 11,  
1957, P. L. 711.

Subsection F of section 311, added July 11, 1957  
(P. L. 711).

Section 311. Voluntary Transfer of Corporate Assets.—

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F. The shareholders of a business corporation which acquires by [sale] *purchase*, lease or exchange all or substantially all of the property of another corporation by the issuance of [stock, securities] *shares, evidences of indebtedness* or otherwise, *with or without assuming the liabilities of such other corporation*, shall [not] be entitled to the rights and remedies of dissenting shareholders provided in section 515 of this act, *if, but only if,*

*such acquisition shall have been accomplished by the issuance of more than a majority of the voting shares of such corporation to be outstanding immediately after the acquisition.*

## Section 318.

Section 318.

Section 318. Financial Report to Shareholders.—Unless the by-laws [expressly] provide otherwise, the directors of every business corporation shall cause to be sent to the shareholders, within [ninety] *one hundred twenty* days after the close of its fiscal year, [a] financial [report as of the closing date of the preceding fiscal year. Such report shall give a summary of the assets and liabilities of the corporation, the amount of dividends paid or declared during the past year, the condition, as to surplus or deficit and how acquired or created, the number of shares issued and outstanding, together with any such particulars as are necessary to disclose the general nature of the liabilities and assets of the corporation. The report shall also set forth a balance sheet as of the closing date of the preceding fiscal or calendar year, together with a statement of income and profit and loss for the year ended on that date. The statement of income and profit and loss shall be prepared in the form ordinarily used by accountants for the particular kind of business carried on by the corporation.] *statements which shall include a balance sheet as of the close of such year, together with statements of income and surplus for such year, prepared so as to present fairly its financial condition and the results of its operations.* Unless the by-laws [expressly] provide otherwise, [all such reports shall be verified by a] *such financial statements shall have been examined in accordance with generally accepted auditing standards by an independent certified public accountant [, who is not a director or full-time employe of the corporation,] of any state or territory of the United States or by a firm [of practicing public accountants at least one member of which is a certified public accountant] thereof, and shall be accompanied by such accountant's or firm's opinion as to the fairness of the presentation of the financial statements.* The accountant or firm shall [be elected by the shareholders of the corporations] *not be deemed independent if he or any member of the firm is a director, officer or employe of the corporation or is otherwise in fact not independent.*

Subsection (3) of section 320, amended  
July 11, 1957 (P. L. 711).

Subsection (3),  
section 320,  
amended July  
11, 1957, P. L.  
711.

Section 320. Arrangement and Reorganization Under National Bankruptcy Act.—

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(3) A certificate of any amendment to articles of incorporation, a certificate of change of registered office, a certificate of dissolution, a certificate of reduction of stated capital or a certificate of merger or consolidation, executed as hereinafter provided, and made by such corporation pursuant to the foregoing provisions, together with a certificate or certificates from the proper department or departments evidencing payment by the corporation of all bonus, taxes and charges, if such certificate or certificates would be required by this act for a corporation not in bankruptcy, shall be delivered to the Department of State. If the Department of State finds that the certificate of amendment, change of registered office, dissolution, reduction of stated capital, or of merger or consolidation, conforms to law, and if advertisement would be required by this act for a corporation not in bankruptcy, that notice of intention to file such certificate has been duly advertised in accordance with the provisions of this act, and, if required, that the certificate evidencing payment of bonus or taxes or charges is in proper form, it shall, upon payment of the filing fee, forthwith endorse its approval thereon and shall issue to the corporation a certificate of amendment, dissolution, reduction of stated capital, merger, or consolidation, to which shall be attached the certificate so delivered to it. Upon the approval of such certificate by the Department of State, the amendment, dissolution, reduction of stated capital, merger, or consolidation shall be effective. Such certificate shall be made *and* executed, [and acknowledged] as may be directed by such decrees or orders, by the trustee or trustees, or receiver or receivers, appointed in the bankruptcy proceedings (or a majority thereof), or, if none be appointed and acting, by officers of the corporation, or by a master or other representative appointed by the court, or judge, or referee, and shall certify that (a) provision for the making of such certificate, agreement, or instrument is contained in the plan of reorganization or arrangement, or in a decree or order of the court, or judge or referee relative thereto; and (b) that the plan or arrangement has been confirmed, as provided in the National Bankruptcy Act, but no final decree has been entered in the bankruptcy proceedings closing the case and discharging the trustee or trustees, or receiver or receivers, if any.

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Subsection B,  
section 501.

Subsection B of section 501.

Section 501. Meetings of Shareholders.—

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B. The by-laws may provide for the number and the time of meetings of shareholders, but at least one meeting of the shareholders shall be held in each calendar year for the election of directors, at such time as shall be provided in the by-laws, *or as may be fixed by the board of directors pursuant to authority granted by the by-laws.* Failure to hold the annual meeting at the designated time shall not work any forfeiture or dissolution of the corporation. If the annual meeting shall not be called and held [within six months after the designated time] *during such calendar year, any shareholder may call such meeting at any time thereafter.*

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#### Section 510.

Section 510.

Section 510. Voting Lists.—The officer or agent having charge of the transfer books for shares of a corporation shall make, at least five days before each meeting of shareholders, a complete list of the shareholders entitled to vote at the meeting, arranged in alphabetical order, with the address of and the number of shares held by each. [which] *The list shall be kept on file at the registered office of the corporation, and shall be subject to inspection by any shareholder at any time during usual business hours, [Such list] and shall also be produced and kept open at the time and place of the meeting, and shall be subject to the inspection of any shareholder during the whole time of the meeting, except that if a business corporation has five thousand or more shareholders, in lieu of the making of such list, the corporation may make the information therein available by any other means.* The original share ledger or transfer book, or a duplicate thereof kept in this Commonwealth, shall be prima facie evidence as to who are the shareholders entitled to examine such list or share ledger or transfer book, or to vote, in person or by proxy, at any meeting of shareholders. [An officer or agent having charge of the transfer books who shall fail to prepare the list of shareholders, or keep the same on file for a period of five days, or produce and keep the same open for inspection at any meeting, as provided in this section, shall be liable to any shareholder suffering damages on account of such failure, to the extent of such damages.]

#### Section 511, new subsection D.

Section 511, new  
subsection D.

#### Section 511. Voting Trusts.—

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*D. At any time within one year prior to the time of expiration of any such voting trust agreement as originally fixed or as extended as herein provided, one or more beneficiaries of the trust under such voting*



*trust agreement may, by agreement in writing and with the written consent of such voting trustees, extend the duration of such voting trust agreement for an additional period not exceeding ten years. Upon any such extension, new certificates for the shares subject thereto shall be issued to the voting trustee or trustees, in which new certificates it shall appear that they are issued pursuant to the agreement as extended. In the registration of the transfer of the shares on the books of the corporation, it shall be noted that the transfer is made pursuant to the agreement as extended. No such extension agreement shall affect the rights or obligations of shareholders or other persons not parties thereto.*

Section 515,  
added July 11,  
1957, P. L. 711.

Section 515, added July 11, 1957 (P. L. 711).

Section 515. Rights of Dissenting Shareholders.—

A. If any shareholder of a business corporation objects to any proposed plan of action of such corporation authorized under any section of this act, and such section provides that such shareholders shall be entitled to the rights and remedies of dissenting shareholders, such shareholders shall be entitled to the following rights and remedies:

B. If any shareholder of a business corporation shall file with such corporation, prior to the commencement of the voting by shareholders upon the plan at the meeting of shareholders at which a plan is submitted to a vote, a written objection to such plan, and shall not vote in favor thereof, and such shareholder, within twenty days after the [corporation shall have mailed him notice that the plan has become effective] *date on which the vote approving the plan was taken*, shall also make written demand on the corporation, or the surviving or new corporation resulting from the plan, for the payment of the fair value of his shares [as of the day prior to the date on which the vote was taken approving the plan, without regard to any depreciation or appreciation thereof in consequence of the plan], such corporation shall pay to such shareholder the fair value of his shares *as of the day prior to the date on which the vote was taken without regard to any depreciation or appreciation thereof in consequence of the plan* upon surrender of the share certificate or certificates representing his shares. The demand of the shareholder shall state the number and class and series, if any, of the shares owned by him *with respect to which he dissents. A dissenting shareholder may dissent as to all or less than all of those shares registered in his name of which he is not the beneficial owner, but there may not be dissent with respect to some but less than all shares of the same class or series owned by any given beneficial owner of*

*shares whether or not the shares so owned by him are registered in his name.* Unless a shareholder files such written objection and also makes such demand within the twenty-day period, he shall be conclusively presumed to have consented to the plan, and shall be bound by the terms thereof. [If within thirty days after such notice shall have been mailed to him the value of such shares shall be agreed upon between the dissenting shareholder and such corporation, payment thereof shall be made in cash within ninety days after the effective date of such plan, upon the surrender of the share certificate or certificates representing his shares. Upon payment of the agreed value, the dissenting shareholder shall cease to have any interest in such shares or in such corporation.

C. If within such period of thirty days the shareholder and the corporation, or the surviving or new corporation resulting from the plan, do not so agree, then the dissenting shareholder may, within sixty days after the expiration of the thirty-day period, petition a court of common pleas for the appointment of three disinterested persons to appraise the fair value of his shares without regard to any depreciation or appreciation thereof in consequence of any such plan. Such petition shall be filed in the court of common pleas, in equity, within the county in which the registered office of the corporation is situated, or if a new business corporation has been created by such plan, within the county in which the registered office of the new business corporation is situated, or, if the new corporation be a foreign corporation, within the county in which was situated the registered office of the corporation of which such petitioner was a shareholder, which county, as the case may be, shall be deemed to be the county in which the cause of action of such petitioner arose, and all process in such proceedings shall be served upon any foreign corporation resulting from such plan as provided in section one thousand and eleven of this act. The award of the appraisers, or of a majority of them, shall be submitted to the court for determination, and the judgment of the court thereon shall be final and conclusive. The costs of such appraisal, including a reasonable fee to the appraisers, shall be fixed by the court and shall be borne by such corporation unless, in the opinion of the court, the action of any shareholder in refusing the offer of such corporation has been arbitrary, vexatious, or in bad faith, in which case the costs shall be assessed in the discretion of the court. The award shall be payable only upon, and simultaneously with, the surrender to such corporation of the share certificate or certificates representing the shares of the dissenting shareholder. If the award shall not be paid by such corporation within thirty days after the

order of the court thereon, the amount of the award shall be a judgment against such corporation and may be collected as other judgments in such court are by law collectible. Upon the payment of the award or judgment, the dissenting shareholder shall cease to have any interest in such shares or in such corporation. Such shares may be held and disposed of by such corporation as it may see fit. Unless the dissenting shareholder shall file a petition within the time herein limited, such shareholder and all persons claiming under him shall be conclusively presumed to have approved and ratified the plan and shall be bound by the terms thereof. D.] *Any shareholder making such demand shall thereafter be entitled only to payment as in this section provided and shall not be entitled to vote or to exercise any other rights of a shareholder as to the shares with respect to which he dissents.*

*C. No such demand may be withdrawn unless the corporation shall consent thereto. If, however, such demand shall be withdrawn upon consent, or if the proposed plan shall be abandoned or rescinded, or the shareholders shall revoke the authority to effect such plan, or if no demand or petition for the determination of fair value by a court shall have been made or filed within the time provided in this section, or if a court of competent jurisdiction shall determine that such shareholder is not entitled to the relief provided by this section, then the right of such shareholder to be paid the fair value of his shares shall cease and his status as a shareholder shall be restored retroactively without prejudice to any corporate proceedings which may have been taken during the interim.*

*D. Within thirty days after such plan became effective, the corporation or, in the case of a merger or consolidation, the surviving or new corporation, domestic or foreign, shall give written notice thereof to each dissenting shareholder who has made demand as herein provided, and shall make a written offer to each such shareholder to pay for such shares at a specified price deemed by such corporation to be the fair value thereof. Such notice and offer shall be accompanied by a balance sheet of the corporation as of the latest available date and not more than twelve months prior to the making of such offer and a profit and loss statement of such corporation for the twelve months' period ended on the date of such balance sheet.*

*E. If within sixty days after the date on which such plan became effective, the fair value of such shares is agreed upon between any such dissenting shareholder and the corporation, payment therefor shall be made within ninety days after the date on which such plan*

became effective, upon surrender of the certificate or certificates representing such shares. Upon payment of the agreed value, the dissenting shareholder shall cease to have any interest in such shares.

F. A dissenting shareholder who is unable to agree with the corporation on the fair value of his shares may demand proceedings to value his shares at any time after sixty days and within ninety days after the date on which the plan became effective. Within thirty days after receipt of any such written demand, the corporation shall, or at its election at any time after sixty days and within ninety days after the effective date the corporation may, file a petition in the court of common pleas in the county in this State where the registered office of the corporation is located, praying that the fair value of such shares be found and determined. If in the case of a merger or consolidation, the surviving or new corporation is a foreign corporation without a registered office in this State, such petition shall be filed in the county where the registered office of the domestic corporation was last located, which county shall be deemed to be the county where the cause of action arose and all process shall be served upon such foreign corporation as provided in section 1011 of this act. If the corporation has not instituted the proceeding as herein provided, any dissenting shareholder may do so in the name of the corporation at any time within thirty days after the expiration of such ninety day period. All dissenting shareholders wherever residing shall be made by the corporation parties to the proceeding as an action against their shares quasi in rem. A copy of the petition shall be served on each dissenting shareholder who is a resident of this State and shall be served personally or by registered or certified mail on each dissenting shareholder who is a nonresident. The jurisdiction of the court shall be plenary and exclusive. All shareholders who are parties to the proceeding shall be entitled to judgment against the corporation for the amount of the fair value of their shares as of the day prior to the date on which the vote was taken without regard to any depreciation or appreciation thereof in consequence of the plan. The court may, if it so elects, appoint one or more persons as appraisers to receive evidence and recommend a decision on the question of fair value. The appraisers shall have such power and authority as shall be specified in the order of their appointment or an amendment thereof. The judgment shall be payable only upon and concurrently with the surrender to the corporation of the certificate or certificates representing such shares. Upon payment of the judgment, the dis-

senting shareholder shall cease to have any interest in such shares.

G. The judgment shall make due allowance for any distribution to the shareholders between the day before the date of the vote on the plan and the date of their demand for the fair value of their shares and for such interest as the court may find to be fair and equitable in all the circumstances.

H. The costs and expenses of any such proceeding shall be determined by the court and shall be assessed against the corporation, but all or any part of such costs and expenses may be apportioned and assessed as the court may deem equitable against any or all of the dissenting shareholders who are parties to the proceeding to whom the corporation shall have made an offer to pay for the shares if the court shall find that the action of such shareholders in failing to accept such offer was arbitrary or vexatious or not in good faith. Such expenses shall include reasonable compensation for and reasonable expenses of the appraisers but shall exclude the fees and expenses of counsel for and experts employed by any party, but if the fair value of the shares as determined materially exceeds the amount which the corporation offered to pay therefor, or if no offer was made, the court in its discretion may award to any shareholder who is a party to the proceeding such sum as the court may determine to be reasonable compensation to any expert or experts employed by the shareholder in the proceeding.

I. Within twenty days after demanding payment for his shares, each shareholder demanding payment shall submit the certificate or certificates representing his shares to the corporation for notation thereon that such demand has been made. His failure to do so shall at the option of the corporation terminate his rights under this section unless a court of competent jurisdiction for good and sufficient cause shown shall otherwise direct. If shares represented by a certificate on which notation has been so made shall be transferred, each new certificate issued therefor shall bear similar notation, together with the name of the original dissenting holder of such shares and a transferee of such shares shall acquire by such transfer no rights in the corporation other than those which the original dissenting shareholder had after making demand for payment of the fair value thereof.

J. Shares acquired by a corporation, pursuant to payment of the agreed value therefor, or to payment of the judgment entered therefor as in this section provided, may be held and disposed of by such corporation as in the case of other treasury shares, except that in the case of a merger or consolidation they may be held and dis-

*posed of as the plan of merger or consolidation may otherwise provide.*

K. Any shareholder, who desires to object to, or to dissent from, any proposed plan authorized under any section of this act, and where this act provides that shareholders so objecting or dissenting shall have the rights and remedies herein provided, shall be limited to the rights and remedies prescribed under this section, and the rights and remedies prescribed by this section shall be exclusive.

Subsections B and C of section 602, amended May 23, 1949 (P. L. 1773) and September 26, 1951 (P. L. 1475).

Subsections B and C, section 602, amended May 23, 1949, P. L. 1773 and September 26, 1951, P. L. 1475.

Section 602. Issuance of Certain Shares in Series.—

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B. If the articles shall expressly vest authority in the board of directors, then, to the extent that the articles shall not have established series and fixed and determined the variations in the relative rights and preferences as between series, the board of directors shall have authority, by resolution, to divide any or all of such classes into series and, within the limitations set forth in this section, fix and determine the relative rights and preferences of any series so established and to change redeemed or re-acquired shares of one series thereof into shares of another series. Such authority of the board of directors shall be subject to such limitations, if any, as are stated in the articles [, and shall always be subject to the limitation that the board of directors shall not create a sinking fund, in respect of any series, unless provision for a sinking fund, at least as beneficial to all issued and outstanding shares of the same class, shall either then exist or be at the same time created].

C. Prior to the issue of any shares of a series established by resolution adopted by the board of directors, the corporation shall present to the Department of State a statement, executed under the seal of the corporation and signed [and verified] by two duly authorized officers thereof, and setting forth:

- (1) The name of the corporation.
- (2) The resolution establishing and designating the series and fixing and determining the relative rights and preferences thereof.
- (3) The date and the manner of the adoption of such resolution.

If the Department of State finds that such statement conforms to law and the articles of the corporation, and when all fees have been paid as required by law, it shall endorse its approval thereon, and shall issue to the corporation, or its representative, the approved statement,

and shall make and retain a copy thereof. Upon the approval of such statement by the Department of State, the resolution establishing and designating the series and fixing and determining the relative rights and preferences thereof shall become effective.

Subsection C,  
section 603.

Subsection C of section 603.

Section 603. Consideration for Shares.—

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C. In the event of an exchange of issued shares [having a par value for a different number of shares having the same aggregate par value, whether of the same or a different class or classes,] *of the corporation for other shares*, or in the event of a conversion of *issued shares* [or in the event of an exchange of shares, with or without par value into the same or a different number of shares without par value, whether of the same or a different class or classes,] *of the corporation*, the consideration for the shares [so] issued in exchange *or on conversion* shall be deemed to be (1) the consideration originally received for the shares [so exchanged] *surrendered in exchange* or converted, and (2) that part of the surplus, if any, transferred to stated capital upon the issuance of shares for the shares [so exchanged] *surrendered in exchange* or converted, and (3) any additional consideration paid to the corporation upon the issuance of shares for the shares [so exchanged] *surrendered in exchange* or converted.

Section 701,  
amended July 11,  
1957, P. L. 711.

Section 701, amended July 11, 1957 (P. L. 711).

Section 701. Right of Corporation to Acquire its Own Shares.—A. [Unless its articles otherwise provide] *Subject to the limitations hereinafter set forth in this section 701*, a business corporation shall have the right *by resolution of its board of directors* to purchase, or *in the case of shares subject to redemption to redeem or to otherwise acquire*, and to hold and own its own shares. [which are not subject to redemption]

B. All purchases] *B. Purchases or redemptions* by a business corporation of its own shares, [which are not subject to redemption, however,] whether direct or indirect, [shall be subject to the limitations contained in subsection F hereof, and] shall not be made except:

(1) *In the case of shares which are not subject to redemption—*

(i) To the extent of its unrestricted and unreserved earned surplus, or

[ (2) If it has no such earned surplus to] (ii) *To the extent of its unrestricted capital surplus, but only pursuant to the prior affirmative vote obtained within one*

year of such purchase of the holders of at least a majority of its outstanding shares of each class, whether or not entitled to vote thereon by the provisions of the articles, or

[ (3) If it has no] *(iii) If such earned surplus is insufficient to the extent [of the aggregate] of its unrestricted capital surplus, and if [it has no] such capital surplus is insufficient to the extent of its [unrestricted] stated capital, but only if such purchase shall be for the purpose of eliminating fractional shares, collecting or compromising indebtedness to the corporation, or paying dissenting shareholders entitled to payment for their shares under the provisions of this act.*

[C. A business corporation may effect, subject to the other provisions of this act, the retirement of its redeemable shares by redemption or by purchase.

D. A business corporation may acquire its own shares on conversion thereof into or exchange thereof for other shares of the corporation, and may apply thereto the aggregate of its capital surplus and stated capital represented by the shares so acquired. In every such case, the corporation shall, by resolution of its board of directors, cancel the shares so acquired and shall file a statement of cancellation as required by section 709 of this act. If the resolution so provides, such corporation may thereby reduce the number of shares of the class so cancelled which the corporation is authorized to issue by the number of shares so cancelled. If the articles prohibit the reissue of such shares, such resolution shall so provide.

E.] *(2) In the case of shares which are subject to redemption—*

*(i) To the extent of its unrestricted and unreserved earned surplus, and*

*(ii) To the extent of its unrestricted capital surplus and stated capital represented by such shares.*

*(3) When such purchase or redemption is not prohibited by its articles.*

*(4) When it is not insolvent and would not by such purchase or redemption be rendered insolvent, and*

*(5) When such purchase or redemption would not reduce the remaining net assets of the corporation below the aggregate preferential amount payable in the event of voluntary liquidation to the holders of shares having rights to the assets of the corporation in the event of liquidation prior or equal to the rights of the holders of the shares redeemed or purchased.*

C. *If shares are acquired by a business corporation on conversion thereof into or exchange thereof for other shares of the corporation—*



(1) *The acquired shares shall thereby be deemed to be cancelled, and*

(2) *The stated capital of the corporation shall be reduced or increased, as the case may be, by transfer to capital surplus or from earned or capital surplus of the amount by which the aggregate par or stated capital represented by the shares issued in such transaction is less or greater than the aggregate stated capital represented by the shares so acquired.*

D. Notwithstanding any limitations contained in this act, an open-end investment company may, subject to the limitations contained in [subsections F(1) and F(2)] clauses B(3), B(4) and B(5) hereof, by resolution of its board of directors, purchase its own shares and apply thereto the amount of stated capital and capital surplus represented thereby, and thereupon its stated capital and capital surplus shall be reduced by such amounts.

[F. (1) No purchase of its shares shall be made at a time when a business corporation is insolvent or when such purchase would render the corporation insolvent.

(2) No purchase of its own shares shall be made which would reduce the remaining net assets of a business corporation below the aggregate preferential amount payable in the event of voluntary liquidation to the holders of shares having preferential rights to the assets of the corporation in the event of liquidation.

(3) E. To the extent that earned surplus or capital surplus [or stated capital] is used as the measure of a business corporation's right to purchase or redeem its own shares, such surplus [and stated capital] shall be restricted [so long as such shares are held as treasury shares] *until the removal of the restriction as hereinafter provided. To the extent that stated capital is so used, surplus thereafter acquired shall be restricted until the removal of the restriction as hereinafter provided.* Upon the disposition of any such shares, the restriction shall be removed to the extent of the consideration received therefor, and upon the cancellation thereof to the extent of its stated capital and capital surplus reduced thereby, and any remaining surplus [and stated capital] restricted by the purchase thereof shall be eliminated.

Subsection B,  
section 702,  
amended July  
11, 1957, P. L.  
711.

Subsection B of section 702, amended July 11, 1957  
(P. L. 711).

Section 702. Dividends.—

\* \* \* \* \*

B. The board of directors of a business corporation may also, from time to time, distribute to the holders of its outstanding shares having a cumulative preferential right to receive dividends, in discharge of their

cumulative dividend rights, dividends payable in cash out of the *unrestricted* capital surplus of the corporation, if at the time the corporation has no earned surplus and is not insolvent and would not thereby be rendered insolvent. Each such distribution, when made, shall be identified as a payment of cumulative dividends out of capital surplus.

Section 702.1, added July 11, 1957 ( P. L. 711),  
new subsection C added.

Section 702.1,  
added July 11,  
1957, P. L. 711.  
new subsection  
C added.

Section 702.1. Distribution of Shares of Corporations.—

\* \* \* \* \*

*C. A reclassification of shares effected by amendment of the articles of a business corporation shall not constitute a distribution by the board of directors within the meaning of this section 702.1.*

Subsection C of section 704, amended July 11, 1957 (P. L. 711) and new subsection F added.

Subsection C,  
section 704,  
amended July 11,  
1957, P. L. 711,  
and new sub-  
section F added.

Section 704. Special Provisions relating to Surplus and Reserves.—

\* \* \* \* \*

C. A business corporation may, with the prior affirmative vote obtained within one year of such application of the holders of a majority of the outstanding shares of each class whether or not entitled to vote thereon by the provisions of the articles of the corporation, apply any part or all of its \*unrestricted capital surplus to the reduction or elimination of any deficit in earned surplus. Earned surplus thereafter acquired shall be stated for *ten years thereafter* to be earned surplus since the date of the latest such application of capital surplus.

\* \* \* \* \*

*F. Whenever (1) two or more corporations have heretofore been or shall hereafter be consolidated or merged, or (2) a corporation has heretofore acquired or shall hereafter acquire all or substantially all the assets of any other corporation in exchange principally for voting shares of the acquiring corporation, with or without assuming the liabilities of such other corporation, or (3) a corporation has heretofore acquired or shall hereafter acquire all or substantially all the outstanding voting shares of any other corporation in exchange principally for voting shares of the acquiring corporations and shall thereafter acquire all or substantially all the assets of the*

\* "unrestricted" in original.

*acquired corporation upon its liquidation or otherwise, with or without assuming the liabilities of such other corporation, the earned surplus of the consolidated, merged or acquired corporations to the extent not capitalized may be carried forward as earned surplus of the new, surviving or acquiring corporation. As used in this subsection F, the term "voting shares" shall mean shares which are at the time entitled to vote for the election of directors.*

Section 705,  
amended July 11,  
1957, P. L. 711.

Section 705, amended July 11, 1957 (P. L. 711).

[Section 705. Redemption, Purchase, and Cancellation of Redeemable Shares.—A. Whenever any business corporation shall have issued any shares which are subject to redemption, it may, by resolution of its board of directors, purchase or redeem such shares. Thereafter, such corporation may, by like resolution, cancel such shares. If the resolution so provides, such corporation may thereby reduce the number of shares of the class so cancelled which the corporation is authorized to issue by the number of shares so cancelled. If the articles prohibit the reissue of such shares, such resolution shall so provide. Such corporation may apply to such purchase or redemption an amount out of its stated capital and capital surplus which shall not be greater than that portion of the stated capital and capital surplus represented by such shares at the time of such purchase or redemption, and the stated capital and capital surplus of the corporation shall be reduced to this extent. Earned surplus shall be reduced by an amount equal to the excess of the purchase or redemption price over the aggregate of such reductions of stated capital and capital surplus. No redemption or purchase of such shares shall be made by a corporation when it is insolvent or when such redemption or purchase would render it insolvent or which would reduce the net assets below the aggregate amount payable to the holders of shares having prior or equal rights to the assets of the corporation upon voluntary dissolution.

B. In the case of every such cancellation, the corporation shall file a statement of cancellation as required by section 709 of this act.]

Section 706,  
amended Sep-  
tember 26, 1951,  
P. L. 1475 and  
July 11, 1957,  
P. L. 711.

Section 706, amended September 26, 1951 (P. L. 1475) and July 11, 1957 (P. L. 711).

Section 706. Reduction of Stated Capital Without Change in Share Structure.—A. A reduction in the stated capital of a corporation which does not involve an exchange, reclassification, or cancellation of shares, or a reduction of the number of authorized shares of

any class below the number of issued shares of that class, or a redemption and cancellation of shares, may be effected in the manner hereinafter provided in this section. The board of directors of the corporation shall adopt a resolution setting forth the amount of the proposed reduction and the manner in which the reduction shall be effected, and directing that the question of such reduction be submitted to a vote at an annual meeting of the shareholders, or at a special meeting of the shareholders entitled to vote thereon. Written notice, stating that the purpose, or one of the purposes of such meeting, is to consider the question of reducing the stated capital of the corporation, shall be given to each shareholder of record entitled to vote thereon within the time, and in the manner, prescribed in this act for the giving of notice of meetings of shareholders. If such meeting be an annual meeting, such purpose may be included in a notice of such annual meeting. The resolution shall be adopted upon receiving the affirmative vote of the holders of at least a majority of the outstanding shares entitled to vote thereon, unless any class of shares is entitled to vote thereon as a class, in which event the proposed resolution for reduction of stated capital shall require for its adoption the affirmative vote of the holders of at least a majority of the outstanding shares of each class entitled to vote as a class thereon, and at least the affirmative vote of the holders of a majority of all outstanding shares entitled to vote thereon.

[B. Upon the approval of the resolution by the shareholders, a statement shall be executed under the seal of the corporation, signed and verified by at least two duly authorized officers thereof, which shall set forth:

(1) The name of the corporation and the address of its registered office.

(2) The number of shares outstanding, the number of shares entitled to vote in respect of such reduction, and, if the shares of any class are entitled to vote as a class, the number of shares of such class and the number of shares of all other classes entitled to vote thereon.

(3) The number of shares voted for and against such reduction, respectively, and, if the shares of any class are entitled to vote as a class, the number of shares of each such class and the number of shares of all other classes voted for and against such reduction, respectively.

(4) A statement, expressed in dollars, of the amount of stated capital of the corporation adjusted to give effect to such resolution.

C. The statement shall be delivered to the Department of State. If the Department of State finds that such statement conforms to law, it shall, upon payment

of the filing fee, endorse its approval thereon, shall issue to the corporation, or its representative, the approved statement, and shall make and retain a copy thereof. Upon the approval of such statement the reduction shall be effective.]

Section 708,  
amended July  
11, 1957, P. L.  
711.

Section 708, amended July 11, 1957 (P. L. 711).

Section 708. Cancellation of Treasury Shares.—A. Whenever any business corporation shall have acquired any treasury shares, it may, by resolution of its board of directors, [with] *cancel any or all of such shares. In the case of shares which were not subject to redemption, it may not do so without the prior affirmative vote obtained within one year of such cancellation of the holders of a majority of the outstanding shares of each class, whether or not entitled to vote thereon by the provisions of the articles of the corporation. [cancel any or all of such shares. If the resolution so provides, such corporation may thereby reduce the number of shares of the class so cancelled which the corporation is authorized to issue by the number of shares so cancelled. If the articles prohibit the reissue of such shares, such resolution shall so provide.]* Such corporation may apply to such cancellation an amount out of its stated capital and capital surplus which shall not be greater than that portion of the stated capital and capital surplus represented by or restricted by the purchase or redemption of such shares at the time of such cancellation, and the stated capital and capital surplus of the corporation shall be reduced to this extent.

[B. In every such case the corporation shall file a statement of cancellation as required by section 709 of this act.]

Section 709,  
added July 11,  
1957, P. L. 711.

Section 709, added July 11, 1957 (P. L. 711).

Section 709. [Filing of Statement of Cancellation of Shares by Corporation.—A. Whenever any business corporation shall have acquired any treasury shares and shall have cancelled such shares, it shall file a statement of cancellation which shall be executed under the seal of the corporation, signed and verified] *Reduction of Authorized Shares.—A. If the articles of any business corporation provide with respect to any cancelled shares or any redeemed shares that such shares are not re-issuable, or if shares have been acquired on conversion thereof into or exchange thereof for other shares of the corporation, or if a resolution of the board cancelling any treasury shares so provides, or if a resolution of the board so provides with respect to authorized but un-issued shares, the number of shares which it is authorized to issue shall be thereby so reduced. Upon such a reduction of authorized shares, the corporation shall file*

*within one year thereafter a statement of reduction of authorized shares, which shall be signed by two duly authorized officers thereof, which shall set forth:*

(1) The name of the corporation and the address of its registered office;

(2) The aggregate number of shares which the corporation had authority to issue, itemized by classes and series;

[(3) A brief statement as to how such shares were acquired, showing that the acquisition was authorized by this act;

(4) The number of shares cancelled, itemized by classes and series;

(5) A.] (5) *The provisions of the articles prohibiting the reissue of such shares or a statement that such shares have been acquired on conversion thereof into or exchange thereof for other shares of the corporation or a copy of the resolution of the board of directors directing such [cancellation which shall recite either the provision of the articles prohibiting the reissue of such shares or the absence of such provision] reduction, and, if required by this act, a copy of the relevant resolution of the shareholders [so directing] and the numbers of the shares of each class outstanding and voting for and against such resolution;*

(6) The number of shares which the corporation has authority to issue, itemized by classes and series, after giving effect to such [cancellation] *reduction.*

[(7) The aggregate number of issued shares of the corporation itemized by classes, par value of shares, shares without par value, and series, after giving effect to such cancellation;

(8) A statement, expressed in dollars, of the amount of stated capital of the corporation, after giving effect to such cancellation.]

B. The statement shall be delivered to the Department of State. If the Department of State finds that the statement conforms to law, it shall endorse its approval thereon, shall issue to the corporation or its representative the approved statement, and shall make and retain a copy thereof. [If the resolution aforesaid provided for a reduction in the number of shares which the corporation is authorized to issue, the] *The approval of such statement shall operate as an amendment to the articles. [and shall reduce the number of shares of the class of those cancelled which the corporation is authorized to issue by the number of shares so cancelled; otherwise the shares so cancelled shall, upon such approval, have the status of authorized but unissued shares.]*

Section 806,  
amended July 11,  
1957, P. L. 711.

Section 806, amended July 11, 1957 (P. L. 711).

Section 806. Articles of Amendment.— After an amendment has been adopted by the shareholders, articles of amendment shall be executed under the seal of the corporation [and verified] by two duly authorized officers of the corporation, and shall set forth:

(1) The name and location of the registered office of the corporation.

(2) The act of Assembly under which the corporation was formed and the date of incorporation.

(3) The time and place of the meeting of the shareholders of the corporation at which the amendment was adopted, and the kind and period of notice given to the shareholders.

(4) The number of shares outstanding, the number of shares entitled to vote on the amendment, and, if the shares of any class are entitled to vote as a class, then the number of shares of each class and the number of shares of all other classes entitled to vote thereon.

(5) The number of shares voted for and against such amendment, respectively, and if shares of any class are entitled to vote as a class, the number of shares of such class and the number of shares of all other classes voted for and against such amendment, respectively.

(6) The amendment adopted by the shareholders which shall be set forth in full.

Subsection B,  
section 902,  
amended July 11,  
1957, P. L. 711.

Subsection B of section 902, amended July 11, 1957  
(P. L. 711).

Section 902. Approval of Joint Plan of Merger or Consolidation.—

\* \* \* \* \*

B. [The] *Except in cases where the approval of shareholders is unnecessary under section 908 B hereof,* the board of directors of each domestic corporation, upon approving such plan of merger or plan of consolidation, shall, by resolution, direct that the plan be submitted to a vote of the shareholders of such corporation entitled to vote thereon at an annual or special meeting of the shareholders. Written notice shall, not less than ten days before such annual or special meeting, be given to each shareholder of record of such corporation, whether or not entitled to vote on such plan. The notice shall state the place, day, hour, and purpose of the meeting. There shall be included in, or enclosed with, such notice a copy or a summary of the plan of merger or plan of consolidation, as the case may be, and unless subsection B of section 908 of this act is applicable, a copy of subsection A

of section 908 and of subsections B, C and D of section 915 of this act.

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Section 903, amended May 23, 1949 (P. L. 1773).

Section 903,  
amended May 23,  
1949, P. L. 1773.

Section 903. Articles of Merger or Consolidation.— Upon the approval of the plan of merger or the plan of consolidation by the corporations desiring to merge or consolidate, as provided in the preceding section, articles of merger or articles of consolidation, as the case may be, shall be executed under the seal of each corporation *and* signed [and verified] by two duly authorized officers of each corporation, and shall set forth:

(1) The name and the location of the registered office of the domestic surviving or new corporation, or, in the case of a foreign surviving or new corporation, the name of such corporation and its domiciliary state, together with the location of its office registered with such state.

(2) The time and place of the meeting of the shareholders *if required* of each domestic corporation at which the plan of merger or consolidation, as the case may be, was adopted, the kind and period of notice given to the shareholders, and the total vote by which the plan was adopted.

(2.1) The fact that the plan of merger or consolidation was authorized, adopted or approved, as the case may be, by each of the foreign corporations, in accordance with the laws of the jurisdiction in which it was formed.

(3) [Any] *If the surviving or new corporation be a domestic corporation any* changes desired to be made in the articles of the surviving corporation in the case of a merger, or, in the case of a consolidation, [if the new corporation be a domestic corporation,] all of the statements required by this act to be set forth in original articles in the case of the formation of a corporation.

(4) The number, names and addresses of the persons to be the first directors of the surviving or new corporation.

(5) The plan of merger or consolidation.

(6) If the surviving or new corporation is to be a foreign corporation, a designation of the Secretary of the Commonwealth and his successor in office as the true and lawful attorney of such corporation upon whom may be served all lawful process in any action or proceeding against it for enforcement against it of any obligation of any constituent domestic corporation or any obligation arising from the merger or consolidation proceedings or any action or proceeding to determine and enforce the rights of any shareholder under the provisions of sec-



tion nine hundred eight of this act, and an agreement that the service of process upon the Secretary of the Commonwealth shall be of the same legal force and validity as if served on such corporation and that the authority for such service of process shall continue in force as long as any of the aforesaid obligations and rights remain outstanding in this Commonwealth.

Section 907,  
amended July 11,  
1957, P. L. 711.

Section 907, amended July 11, 1957 (P. L. 711).

Section 907. Effect of Merger or Consolidation.— Upon the merger or consolidation becoming effective, the several corporations parties to the plan of merger or consolidation shall be a single corporation which, in the case of a merger, shall be that corporation designated in the plan of merger as the surviving corporation, and, in the case of a consolidation, shall be the new corporation provided for in the plan of consolidation. The separate existence of all corporations parties to the plan of merger or consolidation shall cease, except that of the surviving corporation, in the case of a merger. The surviving or new corporation, as the case may be, if it be a domestic corporation, shall not thereby acquire authority to engage in any business or exercise any right which a corporation may not be formed under this act to engage in or exercise. All the property, real, personal, and mixed, of each of the corporations parties to the plan of merger or consolidation, and all debts due on whatever account to any of them, including subscriptions to shares and other choses in action belonging to any of them, shall be taken and deemed to be transferred to and vested in the surviving or new corporation, as the case may be, without further act or deed. The surviving or new corporation shall thenceforth be responsible for all the liabilities and obligations of each of the corporations so merged or consolidated, but the liabilities of the merging or consolidating corporations, or of their shareholders, directors, or officers, shall not be affected, nor shall the rights of the creditors thereof or of any persons dealing with such corporations, or any liens upon the property of such corporations, be impaired by such merger or consolidation, and any claim existing or action or proceeding pending by or against any of such corporations may be prosecuted to judgment as if such merger or consolidation had not taken place, or the surviving or new corporation may be proceeded against or substituted in its place. Any taxes, bonus, penalties and public accounts of the Commonwealth, claimed against any of the merging or consolidating corporations, but not settled, assessed or determined prior to such merger or consolidation, shall be settled, assessed or determined against the

surviving or new corporation, and, together with interest thereon, shall be a lien against the franchises and property, both real and personal, of the surviving or new corporation. In the case of a merger, the articles of incorporation of the surviving corporation shall be deemed to be amended to the extent, if any, that changes in its articles are stated in the articles of merger; and in the case of a consolidation, the statements which are set forth in the articles of consolidation, and, if the new corporation be a domestic corporation, which are required or permitted to be set forth in the articles of incorporation of corporations formed under this act, shall be deemed to be the articles of incorporation of the new corporation. [The aggregate amount of the net assets of the merging or consolidating corporations which was available for the payment of dividends immediately prior to such merger or consolidation, to the extent that the value thereof is not transferred to stated capital or capital surplus by the issuance of shares or otherwise, shall continue to be available for the payment of dividends by such surviving or new corporation.]

Subsections B and C of section 908, amended  
July 11, 1957 (P. L. 711).

Subsections B  
and C, section  
908, amended  
July 11, 1957,  
P. L. 711.

Section 908. Rights of Dissenting Shareholders.—

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B. The rights of dissenting shareholders granted by subsection A of this section 908 shall not apply to the merger or consolidation of two or more corporations, one of which owns all of the outstanding shares of all the others immediately prior to the approval of the plan of merger or consolidation and at all times thereafter *prior to its effective date*: Provided, That [neither the state of incorporation nor] the preferences, qualifications, limitations, restrictions, or special or relative rights, granted to or imposed upon the shares of any class of the parent corporation are *not* altered by such plan. The shareholders of such parent corporation shall *not* have [no right to dissent from any] *such rights of dissenting shareholders by reason of any such merger or consolidation. If, but only if, the state of incorporation of the parent corporation is altered by such plan, the approval thereof by the shareholders specified in section 902 hereof shall be necessary.*

C. [The right of dissenting shareholders granted by subsection A of this section 908 shall not apply to the purchase by a corporation of assets whether or not the consideration therefor be money or property, real or personal, including shares or bonds or other evidences of indebtedness of such corporation. The shareholders of

such corporation shall have no right to dissent from any such purchase.] *Where a corporation acquires assets by purchase, lease or exchange, by the issuance of shares, evidences of indebtedness or otherwise, with or without assuming liabilities other than by the procedure for merger or consolidation prescribed in this Article IX., the rights, if any, of dissenting shareholders shall be governed by section 311 and not by this section 908.*

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Subsection C,  
section 909,  
added May 23,  
1949, P. L. 1773.

Subsection C of section 909, added May 23, 1949  
(P. L. 1773).

Section 909. Domestication of Foreign Corporations.—

• • • • •

C. The articles of domestication shall be signed [and acknowledged] by the president of the corporation, attested by its secretary, with its corporate seal thereto affixed, and shall set forth in the English language:

(1) The name of the corporation, unless the name is in a foreign language in which case it shall be set forth in English letters or characters;

(2) The location and post office address of its initial registered office in this Commonwealth;

(3) A statement of the purpose or purposes for which the corporation was organized and that upon domestication it will be subject to the provisions of this act;

(4) The term for which it was originally incorporated and the term for which upon domestication it is to exist, which may be perpetual;

(5) The aggregate number of shares which the corporation under its foreign charter is authorized to issue, the number of shares issued and outstanding thereof, and the par value of each of the shares or a statement that all of the shares are without par value, or, if such shares are divided into classes, the number of shares, if any, that have a par value and the par value of each share of each such class, the number of shares of each class, if any, that are without par value and the number of shares issued and outstanding of each such class;

(6) If the shares are divided into classes, a description of each class and a statement of the preferences, qualifications, limitations, restrictions, and the special or relative rights granted to, or imposed upon, the shares of each class;

(7) If the corporation is authorized to issue the shares of any preferred or special class in series, a description of each series and a statement of the variations in the

relative rights and preferences as between different series in so far as the same are fixed in the original articles of incorporation, and a statement of any authority vested in the board of directors to establish series and fix and determine the variations in the relative rights and preference as between series.

[(8) The value of property with which the corporation will begin business upon domestication;

(9) The names of the present directors and their post office addresses, including street and number if any;

(10) The names and post office addresses, including street and number if any, of the present officers;

(11) A statement of the legislation under which it was originally incorporated.]

Said articles shall be accompanied by a resolution, duly certified by the secretary of the corporation, adopted by a majority of the stockholders entitled to vote at any regular or special meeting of the corporation, consenting to the filing of the articles of domestication and the renunciation of its original charter or articles.

Section 1004, amended July 11, 1957 (P. L. 711).

Section 1004,  
amended July 11,  
1957. P. L. 711.

Section 1004. Application for a Certificate of Authority.—The foreign business corporation, or its representative, shall deliver to the Department of State an application for a certificate of authority, executed under the seal of the corporation, and signed [and verified] by at least two duly authorized officers thereof, which shall set forth:

(1) The name of the corporation.

(2) If the name of the corporation does not contain one of the words "corporation," "company," or "incorporated," or does not end with an abbreviation of one of such words, then the name of the corporation with the word or abbreviation which it elects to add thereto for use in this Commonwealth.

(3) The name of the state or country under the laws of which it is formed.

(4) The address, including street and number, if any, of its principal office in the state or country under the laws of which it is formed.

(5) The address, including street and number, if any, of its proposed registered office in this Commonwealth.

(6) A designation of the Secretary of the Commonwealth and his successor in office as the true and lawful attorney of the corporation upon whom all lawful process in any action or proceeding against it may be served, that the service of process upon the Secretary of the

Commonwealth shall be of the same legal force and validity as if served on the corporation, and that the authority for such service of process shall continue in force as long as any liability remains outstanding against the corporation in this Commonwealth.

(7) A brief statement of the business it proposes to do within this Commonwealth and a statement that such business is authorized by its articles.

(8) A statement of the aggregate number of shares which it has authority to issue, itemized by classes, par value of shares, shares without par value, and series, if any, within a class.

(9) A statement of the aggregate number of its issued shares, itemized by classes, par value of shares, shares without par value, and series, if any, within a class.

(10) Such further and additional information as the Department of State may from time to time require for the purpose of ascertaining whether or not the applicant corporation is entitled to a certificate of authority.

Section 1006,  
amended July 17,  
1935, P. L. 1123

Section 1006, amended July 17, 1935 (P. L. 1123).

Section 1006. Registered Office of Foreign Business Corporations.—Every foreign business corporation, required by the provisions of this article to obtain a certificate of authority to do business in this Commonwealth, shall have, and continuously maintain, in this Commonwealth a registered office, which may, but need not, be the same as its place of business in this Commonwealth. The address, including street and number, if any, of the initial registered office of each foreign corporation shall be stated in its application for a certificate of authority to do business in this Commonwealth. A foreign business corporation may, from time to time, change the address of its registered office upon filing with the Department of State, before such change is made, a statement executed under the seal of the corporation and signed [and verified] by two duly authorized officers of the corporation setting forth:

- (1) The name of the corporation.
- (2) The address, including street and number, if any, of its then registered office.
- (3) The address, including street and number, if any, to which the registered office is to be changed.
- (4) The procedure whereby such change was authorized.

The change of address of the registered office shall become effective upon the filing of such statement with the Department of State.

Section 1007, amended July 11, 1957 (P. L. 711).

Section 1007,  
amended July 11,  
1957, P. L. 711.

Section 1007. Amended Certificate of Authority.—

A. After receiving a certificate of authority, a foreign business corporation may, subject to the provisions of this act, change its name, or be authorized to do in this Commonwealth other or additional business than that authorized by its certificate of authority, by filing with the Department of State an application for an amended certificate of authority. Such application shall be executed under the seal of the corporation *and* signed [and verified] by two duly authorized officers thereof, and shall set forth the changes desired by the corporation, and shall state:

(1) The name under which the applicant corporation received a certificate of authority to do business within the Commonwealth of Pennsylvania.

(2) The name of the state or country under the laws of which the corporation is formed and the address of its principal office in said state or country.

(3) The address of its present registered office in Pennsylvania.

(4) The change in the corporation's certificate of authority which is desired and a statement that the change of name reflects a change effected in the state or country of incorporation or that the amended statement of the business proposed to be done in Pennsylvania is such as is authorized by the corporation's articles in its domiciliary state.

B. A foreign business corporation shall advertise its intention to apply or its application for an amended certificate of authority by publication in a manner similar to that prescribed in this act in the case of the filing of an application for a certificate of authority. Advertisements shall appear prior to or after the day on which application is made to the Department of State, and shall in addition to the foregoing requirements set forth briefly:

(1) If the application is for permission to do in this Commonwealth other or additional business, the character and nature of the business it proposes to do under the amended certificate of authority.

(2) If the application is for a change of name, the new name under which it proposes to do business.

C. If the Department of State finds that the provisions of this article have been complied with and that the applicant corporation is entitled to an amended certificate of authority, it shall, upon payment of the filing fee, forthwith, endorse its approval upon the application, issue to the applicant corporation an amended cer-

tificate of authority setting forth the desired changes, to which the application shall be attached, and shall make and retain a copy thereof.

Section 1011,  
new sub-  
section C.

Section 1011, new subsection C.

Section 1011. Service of Process Upon the Secretary of the Commonwealth.—

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*C. For the purposes of this section, the entry of any corporation into this Commonwealth for the doing of a series of similar acts for the purpose of thereby realizing pecuniary benefit or otherwise accomplishing an object, or doing a single act in this Commonwealth for such purpose, with the intention of thereby initiating a series of such acts, shall constitute "doing business."*

Section 1015,  
amended July 31,  
1941, P. L. 636,  
and July 11,  
1957, P. L. 711.

Section 1015, amended July 31, 1941 (P. L. 636)  
and July 11, 1957 (P. L. 711).

Section 1015. Surrender of Certificate of Authority.—A. Any foreign business corporation may withdraw from doing business in this Commonwealth and surrender its certificate of authority by filing with the Department of State an application for a certificate of withdrawal, executed under the seal of the corporation and signed [and verified] by two duly authorized officers thereof, which shall set forth:

- (1) The name of the corporation.
- (2) The state or country of its incorporation.
- (3) The date on which it received a certificate of authority to do business in the Commonwealth.
- (4) A statement that it revokes its designation of the Secretary of the Commonwealth as the person on whom process against it may be served in this Commonwealth.
- (5) A statement that it surrenders its certificate of authority to do business in this Commonwealth.
- (6) A statement that it consents that process against it in an action or proceeding upon any liability or obligation incurred within this Commonwealth before the issuance of the certificate of withdrawal may be served upon the Secretary of the Commonwealth after the filing of such certificate.
- (7) A post office address to which the Secretary of the Commonwealth may mail a copy of any process against it that may be served upon him.

B. A foreign business corporation shall, before or after making application for a certificate of withdrawal, advertise its intention to withdraw or its withdrawal from doing business in this Commonwealth in a manner

similar to that hereinafter required by this act in the case of the voluntary dissolution of a domestic business corporation, and shall procure from the proper department or departments a certificate or certificates evidencing payment by the corporation of all bonus, taxes and charges payable to the Commonwealth. The advertisement shall set forth briefly:

(1) The name of the corporation and of the state or country under the laws of which it is formed.

(2) The address, including street and number, if any, of its principal office in the state or country under the laws of which it is incorporated.

(3) The address, including street and number, if any, of its present registered office in this Commonwealth.

(4) The date when its application for a certificate of withdrawal will be or was presented to the Department of State.

C. Upon the filing of such application and certificate or certificates evidencing payment by the corporation of all bonus, taxes and charges due to the Commonwealth, and the return for cancellation of the corporation's certificate of authority, or the filing of proof that it has been lost or destroyed, the Department of State, upon payment of the filing fee, shall cancel the certificate of authority, if any, and shall issue to the corporation, or its representative, a certificate of withdrawal. Upon the issuance of the certificate of withdrawal, the authority of the corporation to do business within this Commonwealth shall cease and determine. The issuance of such certificate shall not affect any action pending at the time thereof, or affect any right of action upon any contract made by such corporation in the Commonwealth before the issuance of the certificate. Process against the corporation in an action upon any liability or obligation incurred within this Commonwealth, before the issuance of such certificate, may be served thereafter upon the Secretary of the Commonwealth.

Section 1101, amended July 11, 1957 (P. L. 711).

Section 1101,  
amended July 11,  
1957. P. L. 711.

Section 1101. Voluntary Dissolution by Shareholders.—The shareholders of a business corporation which has not commenced business may effect the dissolution of the corporation by filing articles of dissolution with the Department of State. The articles of dissolution shall be executed under the seal of the corporation *and* signed [and verified] by a majority of the shareholders, and shall set forth:

(1) The name of the corporation.

(2) The address, including street and number, if any, of its registered office.



(3) The date of its incorporation.

(4) That the corporation has not commenced business.

(5) That the amount, if any, actually paid in on subscriptions to its shares, less any part thereof disbursed for necessary expenses, has been returned to those entitled thereto.

(6) That no debts of the corporation remain unpaid or that adequate provision has been made therefor.

(7) That all the shareholders elect that the corporation be dissolved.

The articles of dissolution shall be delivered to the Department of State. If the Department of State finds that the articles conform to law, it shall, upon payment of the filing fee, endorse its approval thereon, and issue a certificate of dissolution to the shareholders, or their representative, to which shall be attached the approved articles, and shall make and retain a copy thereof. Upon the approval of the articles of dissolution, the existence of the corporation shall cease.

Section 1103,  
amended Sep-  
tember 26, 1951,  
P. L. 1475.

Section 1103, amended September 26, 1951  
(P. L. 1475).

Section 1103. Certificate of Election to Dissolve.— Upon the execution by all the shareholders of a written agreement for the voluntary dissolution of a corporation, or upon the adoption at a meeting of the shareholders of a resolution for the voluntary dissolution of a corporation, as the case may be, a certificate of election to dissolve shall be executed under the seal of the corporation *and* signed [and verified] by two duly authorized officers of the corporation, which shall set forth:

(1) The name of the corporation.

(2) The address, including street and number, if any, of the registered office of the corporation in this Commonwealth.

(3) The names and respective addresses, including street and number, if any, of its officers.

(4) The names and respective addresses, including street and number, if any, of its directors.

(5) If the election to dissolve was by written agreement of all shareholders, a statement that the agreement was signed by all shareholders of record of the corporation, or signed in their names by their duly authorized attorneys.

(6) If the election to dissolve was by resolution adopted at a meeting of the shareholders, the number of shares outstanding, the number of shares entitled to vote in respect of the dissolution of the corporation, and the number of shares voted for and against the volun-

tary dissolution of the corporation, respectively, and if the shares of any class are entitled to vote as a class, the number of shares of such class and the number of shares of all other classes voted for and against the voluntary dissolution of the corporation.

The certificate of election to dissolve shall be delivered to the Department of State. If the Department of State finds that the certificate conforms to law, it shall endorse its approval thereon, and when all fees required by law have been paid, shall issue to the corporation, or its representative, the approved certificate, and shall make and retain a copy thereof. Upon the approval by the Department of State of a certificate of election to dissolve, the corporation shall cease to carry on its business, except in so far as may be necessary for the proper winding up thereof, but its corporate existence shall continue until a certificate of dissolution has been issued by the Department of State, or until a decree dissolving the corporation has been entered by a court of common pleas, as elsewhere provided in this act.

Section 1103.1, added September 26, 1951 (P. L. 1475).

Section 1103.1,  
added September  
26, 1951, P. L.  
1475.

Section 1103.1. Statement Rescinding Certificate of Election to Dissolve.—Any business corporation which has heretofore elected to dissolve, as provided in section 1102 of this act, and has filed a certificate in evidence thereof in the Department of State, as provided in section 1103 of this act, may rescind such action in the same manner and by the same procedure as that provided in section 1102 of this act for the election of a corporation to dissolve voluntarily, and shall execute a statement rescinding certificate of election to dissolve, under the seal of the corporation *and* signed [and verified] by two duly authorized officers of the corporation, which shall set forth:

- (1) The name of the corporation.
- (2) The address, including street and number, if any, of the registered office of the corporation in this Commonwealth.
- (3) The names and respective addresses, including street and number, if any, of its officers.
- (4) The names and respective addresses, including street and number, if any, of its directors.
- (5) The date of filing of certificate of election to dissolve in Department of State.
- (6) If the election to rescind was by resolution adopted at a meeting of the shareholders, the number of shares outstanding, the number of shares entitled to vote in respect of the rescission of the election to dissolve the corporation, and the number of shares voted for and

against the rescission or dissolution of the corporation, respectively, and if the shares of any class are entitled to vote as a class, the number of shares of such class and the number of shares of all other classes voted for and against the rescission of the election to dissolve the corporation.

The statement rescinding certificate of election to dissolve shall be delivered to the Department of State. If the Department of State finds that the statement conforms to law, it shall endorse its approval thereon, and when all fees required by law have been paid, shall issue to the corporation, or its representative, the approved statement, and shall make and retain a copy thereof. Upon the approval by the Department of State of a statement rescinding certificate of election to dissolve, the election to dissolve shall be void.

Section 1105,  
amended Sep-  
tember 26, 1951.  
P. L. 1475.

Section 1105, amended September 26, 1951  
(P. L. 1475).

Section 1105. Articles of Dissolution. — When all debts, liabilities, and obligations of the corporation have been paid and discharged, or adequate provision shall have been made therefor, and all of the remaining property and assets of the corporation shall have been distributed to its shareholders, articles of dissolution shall be executed under the seal of the corporation and signed [and verified] by two duly authorized officers of the corporation, which shall set forth:

- (1) The name of the corporation.
- (2) The address, including street and number, if any, of the registered office of the corporation.
- (3) A statement that the corporation has theretofore delivered to the Department of State a certificate of election to dissolve, and the date on which the certificate was filed by the Department of State.
- (4) A statement that all debts, obligations and liabilities of the corporation have been paid and discharged, or that adequate provision has been made therefor.
- (5) A statement that all the remaining property and assets of the corporation have been distributed among its shareholders, in accordance with their respective rights and interests.
- (6) A statement that there are no suits pending against the corporation in any court, or that adequate provision has been made for the satisfaction of any judgment or decree which may be obtained against the corporation in each such pending suit.

The articles of dissolution, proof of the advertisement required by the preceding section, and a certificate or

certificates from the proper department or departments evidencing payment by the corporation of all bonus, taxes and charges as required by law, shall be delivered to the Department of State. If the Department of State finds that such articles conform to law, and that the certificate delivered therewith evidencing payment of bonus or taxes or charges is in proper form, it shall, upon payment of the filing fee, endorse its approval thereon, and issue to the corporation, or its representative, a certificate of dissolution, to which shall be attached the approved articles, and shall make and retain a copy thereof. Upon the approval of the articles of dissolution, the existence of the corporation shall cease.

Section 2. The following acts and parts of acts are repealed to the extent specified:

Specific and  
restricted  
repeals.

(1) Sections 1 and 2, act of June 13, 1840 (P. L. 672), entitled "An act to promote the culture and manufacture of Silk, and for other purposes," absolutely.

(2) Section 24, act of April 7, 1849 (P. L. 563), entitled "An act to encourage manufacturing operations in this commonwealth," absolutely.

(3) Section 1, act of April 21, 1849 (P. L. 673), entitled "An act to restrain corporations from issuing obligations redeemable otherwise than in gold and silver, or in current bank notes," as to business corporations.

(4) Sections 1, 2, 3, 4 and 5, act of April 21, 1854 (P. L. 437), entitled "An act to enable Joint Tenants, Tenants in Common, and adjoining owners of Mineral Lands in this Commonwealth, to manage and develop the same," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(5) The act of May 8, 1854 (P. L. 674, No. 662), entitled "An act to authorize the Courts to alter Charters in certain cases," as to business corporations.

(6) The act of April 12, 1855 (P. L. 217, No. 231), entitled "A supplement to an act to enable Joint Tenants, and Tenants in Common and Adjoining Owners of Mineral Lands in this Commonwealth, to manage and develop the same," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(7) Section 3, act of April 26, 1855 (P. L. 328), entitled "An act relating to Corporations and to Estates held for Corporate, Religious and Charitable uses," absolutely.

(8) The act of May 7, 1855 (P. L. 462), entitled "An act to authorize the Governor to issue Letters Patent in certain cases," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(9) The act of May 7, 1855 (P. L. 477), entitled "A supplement to an act to authorize the Courts to alter Charters in certain cases, passed May the eighth, one thousand eight hundred and fifty-four," as to business corporations.

(10) The act of April 9, 1856 (P. L. 283), entitled "An act supplemental to an act, entitled 'An Act to enable Joint Tenants, Tenants in Common, and Adjoining Owners of mineral lands in this Commonwealth to manage and develop the same,' approved the twenty-first day of April, Anno Domini one thousand eight hundred and fifty-four," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(11) Section 1, act of April 7, 1858 (P. L. 213), entitled "A further supplement to the act to encourage the manufacture of Iron with Coke or Mineral Coal, and for other purposes, passed the sixteenth day of June, Anno Domini one thousand eight hundred and thirty-six," absolutely.

(12) Sections 1, 2 and 3, act of March 30, 1860 (P. L. 380), entitled "A supplement to an act to enable Joint Tenants, Tenants in Common, and Adjoining Owners of Mineral Lands in this Commonwealth to manage and develop the same," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(13) The act of April 2, 1860 (P. L. 577), entitled "A further supplement to the several acts of Assembly providing for the incorporation of Manufacturing and Improvement Companies within this Commonwealth," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(14) The act of May 1, 1861 (P. L. 438, No. 413), entitled "A supplement to the act to enable Joint Tenants, Tenants in Common, and adjoining owners of Mineral

Lands in this Commonwealth, to develop the same," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(15) The act of April 10, 1862 (P. L. 403), entitled "A supplement to an act, entitled 'An Act to enable Joint Tenants, Tenants in Common, and adjoining owners of Mineral Lands in this Commonwealth, to manage and develop the same,' passed the twenty-first day of April, one thousand eight hundred and fifty-four," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(16) Section 1, act of July 22, 1863 (1864, P. L. 1098), entitled "A further supplement to an act to enable joint tenants, and tenants in common, and adjoining owners of mineral lands in this commonwealth, to manage and develop the same," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(17) Sections 1, 2, 7, 10, 15, 20, 21, 22, 24, 25, 26, 27, 28, 29, 32, 33, 34, 39, 40, 41, 42, 43, 44, 45, 46, 47 and 49, act of July 18, 1863 (1864, P. L. 1102), entitled "An act relating to corporations for Mechanical, Manufacturing, Mining and Quarrying purposes," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(18) Section 1, act of April 29, 1864 (P. L. 660, No. 557), entitled "A supplement to an act relating to corporations for mechanical, manufacturing, mining and quarrying purposes, approved the eighteenth day of July, one thousand eight hundred and sixty-three," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(19) Section 1, act of June 4, 1864 (P. L. 938), entitled "A further supplement to an act to enable joint tenants, tenants in common and adjoining owners of mineral lands in this commonwealth, to manage and develop the same, approved the twenty-first day of

April, Anno Domini one thousand eight hundred and fifty-four," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(20) The act of September 30, 1864 (1865, P. L. 961), entitled "An act relative to coal and mining companies," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(21) The act of February 10, 1865 (P. L. 1), entitled "A further supplement to an act to enable joint tenants, tenants in common, and adjoining owners of mineral lands, in this commonwealth, to manage and develop the same, approved the twenty-first day of April, Anno Domini one thousand eight hundred and fifty-four, to authorize the formation of companies to manufacture, and dispose of, barrels and other wooden vessels," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(22) The act of March 27, 1865 (P. L. 34), entitled "A further supplement to an act to enable joint tenants, tenants in common, and adjoining owners of mineral lands, in this commonwealth, to manage and develop the same, approved the twenty-first day of April, Anno Domini one thousand eight hundred and fifty-four, authorizing directors to convey real estate, stockholders to direct how proceeds shall be applied, prescribing the number of directors, and providing for the extension of charters of companies formed under said act, defining the nature of the mining and landed interests, and the manner of acquiring title, for the correction of errors, and omissions in organization, defining the number and value of shares, providing for an increase of capital stock, and taxation, and for the meeting of stockholders and directors, in certain cases," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(23) The act of March 27, 1865 (P. L. 37), entitled "An act to authorize companies, incorporated under an act, entitled 'An act to enable joint tenants, tenants in common, and adjoining owners of mineral lands in this commonwealth, to manage and develop the same,' ap-

proved the twenty-first day of April, Anno Domini one thousand eight hundred and fifty-four, to borrow money," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(24) The act of March 31, 1866 (P. L. 93), entitled "A further supplement to an act, entitled 'An Act to enable joint tenants, tenants in common, and adjoining owners of mineral lands, in this commonwealth, to manage and develop the same,' approved April twenty-first, one thousand eight hundred and fifty-four, authorizing the issue of preferred stock," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(25) The act of April 20, 1866 (P. L. 113), entitled "A further supplement to an act to enable joint tenants, tenants in common, and adjoining owners of mineral lands, in this commonwealth, to manage and develop the same, approved the twenty-first day of April, Anno Domini one thousand eight hundred and fifty-four, authorizing the sale of bonds below par," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(26) The act of February 19, 1867 (P. L. 28, No. 8), entitled "An act to extend the provisions of the act concerning the sale of railroads, canals, turnpikes, bridges and plank roads, to sales made, or to be made under, or by virtue of a power of sale, in mortgage or deed of trust, without judicial process or decree," as to business corporations.

(27) The act of March 14, 1867 (P. L. 36), entitled "A supplement to an act to entitle the stockholders of any railroad company, incorporated by the laws of this commonwealth, accepting this act, to one vote for each share of stock, approved the twentieth day of May, Anno Domini one thousand eight hundred and sixty-five, extending the same to bridge companies and hall associations," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(28) The act of March 26, 1867 (P. L. 44), entitled "An act to enlarge the jurisdiction of the courts of



common pleas of this Commonwealth, relative to granting charters of incorporation, and confirming those heretofore granted," as to business corporations.

(29) Section 1, act of March 27, 1867 (P. L. 47, No. 31), entitled "A further supplement to an act, entitled 'An Act relating to corporations for mechanical, manufacturing, mining and quarrying purposes,' approved the eighteenth day of July, Anno Domini one thousand eight hundred and sixty-three," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(30) The act of April 15, 1867 (P. L. 81, No. 60), entitled "An act to prevent the fraudulent voting of stock, in oil and mining companies of this Commonwealth," absolutely.

(31) The act of April 18, 1867 (P. L. 90), entitled "An act authorizing the merger, or consolidation, of oil and other mining companies," absolutely.

(32) The act of March 3, 1868 (P. L. 45), entitled "A further supplement to the act relating to corporations for mechanical, manufacturing, mining and quarrying purposes, approved the eighteenth day of July, one thousand eight hundred and sixty-three," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(33) Section 2, act of April 17, 1869 (P. L. 71, No. 47), entitled "An act supplementary to the acts relating to mining and manufacturing companies," absolutely.

(34) The act of April 20, 1869 (P. L. 82, No. 58), entitled "An act to enable Courts of Common Pleas of this Commonwealth to change the name, style and title of corporations," as to business corporations.

(35) The act of July 5, 1869 (P. L. 1278), entitled "A further supplement to an act approved the twenty-first day of April, one thousand eight hundred and fifty-four, entitled 'An Act to enable joint tenants, tenants in common and adjoining owners of mineral lands in this commonwealth to manage and develop the same,' construing the nature, interest and title acquired by corporations organized under said act, regulating dower in real estate in such cases," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(36) The act of December 16, 1869 (1870, P. L. 1372, No. 1242), entitled "A further supplement to an act, entitled 'An Act to enable joint tenants, tenants in common and adjoining owners of mineral lands in this Commonwealth to manage and develop the same,' approved the twenty-first day of April, one thousand eight hundred and fifty-four, and its several supplements," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(37) The act of April 1, 1870 (P. L. 45), entitled "An act to authorize and direct the Attorney General, upon complaint made by parties whose interests are thereby affected, to institute proceedings, according to law, against corporations alleged to have violated duties imposed upon them by law," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(38) The act of May 8, 1871 (P. L. 265, No. 245), entitled "An act relating to companies incorporated under the general mining laws of this commonwealth," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(39) The act of March 27, 1873 (P. L. 49, No. 27), entitled "A further supplement to an act relating to corporations for mechanical, manufacturing, mining and quarrying purposes, approved the eighteenth day of July, Anno Domini, one thousand eight hundred and sixty-three, extending the provisions of the same to the building or erections of piers for wharves, bridges, et cetera, and for other submarine operations," as to business corporations, except as to corporations created or formed prior to January 1, 1874, by any special act or formed under any general act, which have never accepted in any manner whatsoever the Constitution of Pennsylvania.

(40) Section 38, act of April 29, 1874 (P. L. 73), entitled "An act to provide for the incorporation and regulation of certain corporations," and its amendments, absolutely.

(41) The act of May 15, 1874 (P. L. 186, No. 118), entitled "An act to authorize the issuing of letters patent to certain corporations," as to business corporations.

(42) The act of May 21, 1881 (P. L. 30, No. 33), entitled "An act to enable mining, manufacturing, and trading companies to wind up their affairs, after the expiration of their charters," and its amendments, absolutely.

(43) The act of June 9, 1881 (P. L. 89, No. 98), entitled "An act to authorize foreign corporations to become corporations of Pennsylvania and to prescribe the mode for their so doing," and its amendments, as to business corporations.

(44) The act of April 17, 1889 (P. L. 37, No. 33), entitled "An act authorizing any corporation organized for the building of ships, vessels and boats, and the carrying of persons and property thereon, to increase the capital stock of said corporations, and relating to the stock so issued," as to business corporations.

(45) Section 1, act of May 16, 1891 (P. L. 88), entitled "An act to authorize burial or cemetery companies to accept trusts in certain cases," absolutely.

(46) The act of June 8, 1891 (P. L. 211), entitled "An act relating to real estate given or devised to corporations to be used for religious or charitable purposes," and its amendments, absolutely.

(47) Sections 1, 2 and 3, act of June 9, 1891 (P. L. 256), entitled "An act to prohibit mining and manufacturing corporations from engaging in the business of carrying on stores known as company stores or general supply stores," absolutely.

(48) The act of May 15, 1893 (P. L. 48, No. 44), entitled "An act to authorize meadow companies controlling contiguous districts to be consolidated into one company," as to business corporations.

(49) The act of June 10, 1893 (P. L. 417, No. 317), entitled "An act to provide for the incorporation of certain kinds of real estate companies having for their primary object the encouragement of trade, commerce and manufactures," absolutely.

(50) Section 1, act of March 18, 1909 (P. L. 41), entitled "An act to better provide for perpetual care and preservation of burial grounds or cemeteries within this Commonwealth," absolutely.

(51) Section 3, act of April 23, 1909 (P. L. 167), entitled "An act to provide that when a receiver of a corporation is appointed in any court, on motion of the Attorney General, at the instance of either the Commissioner of Banking or the Insurance Commissioner, such receiver shall supersede any receiver previously appointed by decree of any court, and shall supersede

any assignee or trustee previously appointed by such corporation; and requiring such superseded receiver, assignee, or trustee to pay over and deliver to the receiver appointed on motion of the Attorney General the money, assets, and property of such corporation in his or their possession, and to file his or their account in the proper court; and providing for the appointment of auditors of the accounts of receivers appointed on the motion of the Attorney General, and defining their duties," as to business corporations.

(52) Sections 1 and 2, act of May 11, 1911 (P. L. 261), entitled "An act relating to Receivers' Sales," and its amendments, as to business corporations.

(53) The act of July 20, 1917 (P. L. 1128, No. 386), entitled "An act authorizing corporations, now or hereafter organized under the laws of this Commonwealth for the purpose of manufacturing, to own and operate certain conveyances for the transportation of raw materials and the products manufactured therefrom," absolutely.

(54) Sections 1 and 2, act of April 28, 1927 (P. L. 503), entitled "An act authorizing churches, cemetery companies, and burial associations to lease or convey coal and other minerals; providing for the use and expenditure of the funds derived therefrom and for the support of the overlying surface," as to business corporations.

(55) The act of April 17, 1929 (P. L. 531), entitled "An act authorizing the courts of common pleas to direct the filing by corporations of bonds to the Commonwealth, to secure payment of damages for the taking of lands, waters, materials, or other property or rights, or for injury thereto, in cases where there is a disputed, doubtful, or defective title, or where any party interested is absent, unknown, not of full age, of unsound mind, or is an unincorporated association, or, from any cause, cannot be bargained with or be served with notice or tendered a bond within the county, and to appoint guardians ad litem or trustees for such persons," as to business corporations.

(56) Section 1, act of May 16, 1945 (P. L. 594, No. 249), entitled, as amended, "An act authorizing and empowering any corporation for profit, and any mutual insurance company, mutual savings bank, or other corporation on a mutual plan heretofore or hereafter organized under any general or special law of this Commonwealth, by action of its board of directors to make

contributions for public and charitable purposes; and ratifying certain contributions," and its amendment, as to business corporations.

APPROVED—The 10th. day of November, A. D. 1959.

DAVID L. LAWRENCE

No. 503

AN ACT

Amending the act of April 18, 1949 (P. L. 512), entitled "An act relating to the administration and distribution of decedents' estates, trust estates, minors' estates and absentees' estates, both as to real and personal property, and the procedure relating thereto; including the disposition of such estates or portions thereof and the determination of title thereto without the appointment of a fiduciary in certain cases; the appointment, bond removal and discharge of fiduciaries of such estates, their powers, duties and liabilities; the rights of persons dealing with such fiduciaries, and the rights of persons claiming an interest in such estates or in property distributed therefrom whether as claimants or distributees, and containing provisions concerning guardians of the person of minors, the powers, duties and liabilities of sureties and of foreign fiduciaries, the abatement, survival and control of actions and rights of action, and the presumption of death; and also generally dealing with the jurisdiction, powers and procedure of the orphans' court and of the register of wills in all matters relating to fiduciaries," revising and changing provisions relating to settlement of small estates on petition, family exemptions, persons entitled to letters of administration, delegation of power, distribution by guardian of incompetent, personal representative or trustee distribution of small estates, bonds of guardians named in conveyance and powers, duties and liabilities of guardians appointed by court.

Fiduciaries Act  
of 1949.

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

Sections 202  
and 211, act of  
April 18, 1949,  
P. L. 512,  
amended  
February 23,  
1956, P. L. 1084,  
further amended.

Section 1. Sections 202 and 211, act of April 18, 1949 (P. L. 512), known as the "Fiduciaries Act of 1949," amended February 23, 1956 (P. L. 1084), are amended to read:

Section 202. Settlement of Small Estates on Petition.—When any person dies domiciled in the Commonwealth owning property (exclusive of real estate and of wages, salary or any accrued pension payable under section 201, but including personal property claimed as the family exemption) of a gross value not exceeding [fifteen] *twenty-five* hundred dollars, the orphans' court of the county wherein the decedent was domiciled at the time of his death, upon petition of any party in interest, in its discretion, with or without appraisement, and with such notice as the court shall direct, and