

No. 1978-267

## AN ACT

HB 2399

Amending the act of December 14, 1967 (P.L.746, No.345), entitled "An act relating to and regulating the business of savings associations heretofore designated under other acts and special charters variously as building and loan associations and savings and loan associations; defining the rights, powers, duties, liabilities, and immunities of such associations; affecting persons engaged in the business of savings associations; affecting the members, account holders and borrowers of such associations; affecting Federal savings and loan associations whose principal office is located in the Commonwealth; prohibiting the transaction of business in this Commonwealth by foreign savings associations; conferring powers and imposing duties on certain departments and officers of the Commonwealth and on the courts, recorders of deeds; creating a Savings Association Board and defining its powers and duties; prohibiting certain actions and imposing penalties, and repealing certain acts," further providing for the maintenance and relocation of a branch office acquired from the receiver of a closed association.

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

Section 1. Subsection (d) of section 402, act of December 14, 1967 (P.L.746, No.345), known as the "Savings Association Code of 1967," is amended to read:

Section 402. Change of Location of Office.—\* \* \*

(d) An association may with the prior written approval of the department designate a branch office as its main office and the original main office may thereafter be conducted as a branch office. [No] *Except as provided in section 405, no* branches may be conducted which are not in a county contiguous to the county of the main office.

\* \* \*

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

***Section 405. Branches Acquired from the Receiver of a Closed Association.—Any association whose principal place of business is located in Pennsylvania may maintain as a branch any office which is acquired from the secretary, or public body of the United States, as receiver, in conjunction with an assumption of deposit liabilities of a closed association whether in connection with a purchase of assets, through a merger or consolidation or otherwise, without regard to the location of the principal place of business of the acquiring association. A branch office so acquired may be relocated within the same county but shall not be moved to a new location in a contiguous county unless that county is also contiguous to the county of the principal place of business of the acquiring association.***

Section 3. This act shall take effect immediately.

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

MILTON J. SHAPP