

law to a like extent and with like effect as if done, taken, performed, executed, instituted and completed by a borough incorporated under, or having accepted the provisions of, such general borough laws: Provided, however, That nothing contained in this act shall apply to matters heretofore adjudicated by any court of this Commonwealth, or concerning which proceedings are pending at the time this act takes effect.

Proviso.

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

When effective.

APPROVED—The 3d day of March, A. D. 1933.

GIFFORD PINCHOT

No. 6

AN ACT

Relating to banks, trust companies, savings banks and other banking institutions; providing for the protection of depositors therein, and empowering the Secretary of Banking to permit the withholding of payments to depositors, under certain conditions.

WHEREAS, The stress of economic conditions throughout the country has resulted in the closing of many banking institutions with resultant loss to the depositors thereof; and

Preamble.

WHEREAS, The moratoria declared in other jurisdictions, and the widespread fear of further loss is causing certain depositors in banking institutions in this Commonwealth to seek a preference by abnormally withdrawing funds therefrom, thereby threatening the closing of such institutions with attendant disaster to the remaining depositors and the community generally; and

WHEREAS, In order to insure fair and impartial treatment of all depositors to the preference or prejudice of none, and to safeguard the banking institutions of this Commonwealth.

Section 1. Be it enacted, &c., That the Secretary of Banking is hereby authorized and empowered, in addition to all other powers, whenever in his judgment the circumstances warrant it, to authorize any bank, trust company, savings bank or other institution under his supervision, having the power to receive or receiving money on deposit:

Secretary of Banking authorized to permit banks, etc., to withhold payments on deposits.

(a) To extend, for such period as he deems necessary and expedient, payment of any time deposits where notice of withdrawal has been given or may hereafter be given;

Time deposits.

(b) To postpone the payment of demand deposits for such time and to such extent as he deems necessary and expedient;

Demand deposits.

New deposits. (c) To receive new deposits, which shall be segregated from deposits previously made and invested in liquid assets as defined by the secretary. All such new deposits shall be available exclusively for the benefit of new depositors until such depositors have been paid in full, and shall always be withdrawable on demand without restriction.

Acceptance of terms.

Section 2. In order that any institution may avail itself of the privileges herein granted, it shall accept such terms as the Secretary of Banking shall from time to time impose upon it.

Secretary not to take possession of institution accepting terms.

Section 3. The Secretary of Banking is authorized and directed not to take possession of any institution under his supervision for failure immediately to meet its deposit liabilities, if it shall accept the terms imposed in accordance with the provisions of this act; and he is hereby relieved of any and all liability for permitting such institution to continue operations.

Construction of act.

Section 4. Nothing herein contained shall be construed or interpreted as in any manner abating any of the powers granted to and exercised by the Secretary of Banking under existing law.

Termination of powers and extension.

Section 5. The powers hereby conferred upon the Secretary of Banking shall terminate six months after the approval of this act by the Governor; but the Governor may extend the effective period of this act, by proclamation, for an additional period not exceeding two years.

When effective.

Section 6. This act shall become effective immediately upon its approval by the Governor, and shall be retroactive to the twenty-seventh day of February, nineteen hundred thirty-three.

APPROVED—The 8th day of March, A. D. 1933.

GIFFORD PINCHOT

No. 7

AN ACT

Validating certain deeds and conveyances made by trustees without setting forth their authority to convey.

Real property held by trustees.

Section 1. Be it enacted, &c., That whenever heretofore real property has been conveyed to any person as trustee, without naming the cestuis que trustent, and without declaring the purpose of the trust, and such trustee has thereafter in good faith made a conveyance of such property to a third person, in his own name as trustee, without disclosing the cestuis que trustent, or without showing his right to make such conveyance, when the deed given by such trustee is otherwise in proper form and capable of conveying the estate in-

Conveyance without disclosing cestui que trustent, etc.