

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

Section 1. The act, approved the twentieth day of May, one thousand eight hundred seventy-one (Pamphlet Laws 1037), entitled "An act to limit the power and authority of the borough authorities of the borough of Emporium, in the county of Cameron, over the streets therein, and to authorize the setting out of shade trees along the streets," is hereby repealed.

Borough of Emporium, Cameron County.

Act of May 20, 1871, P. L. 1037, repealed.

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

Act effective immediately.

APPROVED—The 10th day of August, A. D. 1951.

JOHN S. FINE

No. 278

AN ACT

Authorizing the conversion into mutual life insurance companies of certain fraternal beneficial societies, orders or associations or certain fraternal benefit societies incorporated under the laws of this Commonwealth; outlining the procedures; and defining the rights of dissenting certificate holders.

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

Insurance.

Section 1. Any fraternal beneficial society, order or association, or any fraternal benefit society incorporated under any law of this Commonwealth, which has outstanding death benefit certificates or certificates of life insurance in an amount of more than one million dollars (\$1,000,000) issued to not less than four hundred (400) members, which has a surplus of more than two hundred thousand dollars (\$200,000), which is now subject to supervision by the Insurance Department, and which does not operate an orphanage, sanatorium, hospital, home for the aged, or similar institution, may convert itself into a mutual life insurance company in the following manner and subject to the following provisions:

Conversion of certain fraternal benefit societies into mutual life insurance companies authorized.

(a) The board of directors of any such beneficial society, order or association or any such fraternal benefit society shall adopt a resolution expressing an intention to convert the society, order or association into a mutual life insurance company under this act.

Procedure outlined.

(b) A copy of such resolution shall be sent by mail to every member of the society, order or association, together with a form on which such member may express his dissent from the conversion and a notice that unless the dissent of the member is received at the home office of the society, order or association within thirty (30) days from the date of the notice, the member's assent

will be presumed. Such notice and form shall be mailed in an envelope bearing the return address of the society, order or association, and a direction that it be returned to the society, order or association, if undelivered to the addressee, within ten (10) days of the date of mailing. Undelivered notices shall be counted as dissents.

(c) Unless a majority of the members dissent within the thirty-day period, the society, order or association (hereinafter called the applicant) may file with the Insurance Commissioner articles of agreement for incorporation as a mutual life insurance company, which shall meet the requirements for the incorporation of mutual life insurance companies incorporated under the act of May 17, 1921 (Pamphlet Laws 682), entitled "An act relating to insurance; amending, revising, and consolidating the law providing for the incorporation of insurance companies, and the regulation, supervision, and protection of home and foreign insurance companies, Lloyds associations, reciprocal and inter-insurance exchanges, and fire insurance rating bureaus, and the regulation and supervision of insurance carried by such companies, associations, and exchanges, including insurance carried by the State Workmen's Insurance Fund; providing penalties; and repealing existing laws," except that the death benefit certificates or certificates of life insurance in force and the surplus shall be in lieu of the applications for insurance and the guarantee fund required in the case of incorporations under that act.

(d) The articles of agreement shall be signed by the officers and a majority of the directors of the applicant.

(e) The Insurance Commissioner shall examine the articles of agreement as in other cases, shall satisfy himself after examination that the applicant is financially qualified to be a mutual life insurance company, and when so satisfied, shall approve the same, shall certify in duplicate that all the requirements of this act have been complied with, shall submit the articles of agreement to the Attorney General for examination, who, if he finds the same to be in accordance with the provisions of this act and not inconsistent with the Constitution of this Commonwealth or of the United States, shall certify the same in duplicate to the Governor, with his approval endorsed thereon. Thereupon, the Governor shall, in case he approves the same, endorse his approval thereon in duplicate and cause letters patent to issue, erecting the subscribers and their associates into a body corporate under the name designated in the articles of agreement.

(f) Upon the issuance of the letters patent by the Governor, the applicant shall turn over to the new mutual life insurance company all of its assets, subject

to the payment of all of its liabilities, including pro rata, refunds of contributions or dues on any certificates which it no longer has the right to issue; and it shall advertise, once a week for four (4) weeks in a newspaper of general circulation in any county in this Commonwealth in which it maintained an office and in the state capitol of any other state in which it was authorized to do business, the fact of the conversion, together with the statement that any dissenting certificate holder who desires to cancel his certificate may do so by delivering it on or before a specified date (which shall not be later than six months after the date of the letters patent) to the new mutual life insurance company and receive the pro rata unearned dues or contributions for such certificate, and if the certificate has a non-forfeiture value, such value.

(g) The new mutual life insurance company shall satisfy the Insurance Commissioner, after an examination, that it has paid all amounts due to any dissenting certificate holders and all liabilities on certificates which it is required to cancel, and upon being so satisfied, the Insurance Commissioner shall certify that fact to the Secretary of the Commonwealth, who shall issue a certificate of dissolution of the former fraternal beneficial society, order or association or fraternal benefit society, whereupon the former fraternal beneficial society, order or association or fraternal society shall cease to exist.

Section 2. Mutual life insurance companies formed under this act shall have and may exercise all the rights and privileges and shall be subject to all the requirements of mutual life insurance companies formed under the act of May 17, 1921 (Pamphlet Laws 682), aforesaid, but shall exercise no rights or privileges which other mutual life insurance companies may not exercise.

Section 3. This act shall become effective immediately upon its final enactment.

Mutual life insurance companies formed under this act to be subject to act of May 17, 1921, P. L. 682.

Act effective immediately.

APPROVED—The 10th day of August, A. D. 1951.

JOHN S. FINE

No. 279

AN ACT

To further amend section 7 of the act, approved the eleventh day of May, one thousand nine hundred twenty-five (Pamphlet Laws 561), entitled "An act to provide for the selection of jurors to serve in the several courts, criminal and civil, of counties of the second class, and defining the qualifications of such jurors; providing for the *organization of a commission for the selection of jurors in such counties, and prescribing its powers and duties, and authorizing it to investigate as to the