

Repeal.

Section 3. The following acts, or parts of acts, are hereby repealed to the extent that they are inconsistent with the provisions of section 2 of this act:

- (a) Section 23 of the act of April 29, 1874 (P. L. 73), as amended by the act of June 2, 1915 (P. L. 724).
- (b) Section 3 of the act of June *15, 1911 (P. L. 963).
- (c) Section 3 of the act of April 18, 1919 (P. L. 84).
- (d) Section 2 of the act of May 20, 1921 (P. L. 1010).
- (e) Section 334 of the act of May 17, 1921 (P. L. 682).
- (f) Section 2 of the act of May 17, 1923 (P. L. 251).
- (g) Section 1 of the Act of April 14, 1927 (P. L. 297).
- (h) Section 1405 of the act of May 15, 1933 (P. L. 624).
- (i) Section 5 of the act of May 23, 1947 (P. L. 307).

Act effective immediately.

Section 4. This act shall become effective immediately.

APPROVED—The 11th day of July, A. D. 1957.

GEORGE M. LEADER

No. 367

AN ACT

Amending the act of May 5, 1933 (P. L. 289) entitled "An act relating to nonprofit corporations; defining and providing for the organization, merger, consolidation, and dissolution of such corporations; conferring certain rights, powers, duties, and immunities upon them and their officers and members; prescribing the conditions on which such corporations may exercise their powers; providing for the inclusion of certain existing corporations of the first class within the provisions of this act; prescribing the terms and conditions upon which foreign nonprofit corporations may be admitted or may continue to do business within the Commonwealth; conferring powers and imposing duties on the courts of common pleas, prothonotaries of such courts, recorders of deeds, and certain State departments, commissions, and officers; authorizing certain local public officers and State departments to collect fees for services required to be rendered by this act; imposing penalties; and repealing certain acts and parts of acts relating to corporations," redefining the term, articles; clarifying certain provisions requiring corporations to change their names after consenting to the use thereof or of a similar name by other corporations; eliminating the requirement that articles state the value of corporate property and the name and address of the treasurer; changing certain general corporate powers; eliminating a maximum denomination for shares; correcting an obsolete cross-reference; authorizing amendments to articles in their entirety; specifying certain transactions by foreign corporations as not

* "11" in original.

constituting doing business in Pennsylvania for qualification purposes; changing certain provisions relating to mergers and consolidations; eliminating the requirement that foreign corporations qualified in Pennsylvania file certified copies of their articles; and permitting the acquisition and disposition of assets discovered after dissolution.

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

Nonprofit Corporation Law.

Section 1. The hereinafter designated sections and parts of sections of the act of May 5, 1933 (P. L. 289), known as the "Nonprofit Corporation Law," are amended, added or repealed as follows:

Sections and parts of sections of act of May 5, 1933, P. L. 289, amended, added or repealed.

Section 2

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

Section 2, amended.

"Articles" includes both the original articles of incorporation and any and all amendments thereto, and articles of merger or consolidation, and also include, 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.

"Business" in the case of a domestic nonprofit corporation, includes any or all of the activities for which it has been organized, and, in the case of a foreign nonprofit corporation, any or all of the activities in which its certificate of authority authorizes it to engage within this Commonwealth.

"Court" means the court of common pleas of the county where the registered office of the corporation is or is to be located.

"Directors" includes persons designated in the articles as such, and persons designated, elected or appointed, by any other name or title, to act as directors, and their successors.

The term, when used in relation to any power or duty requiring collective action, shall be construed to mean "Board of Directors."

"Domestic Nonprofit Corporation" means a corporation formed under this act, or a corporation heretofore organized or created in this Commonwealth which becomes subject to this act.

"Foreign Nonprofit Corporation" means a corporation not for pecuniary profit formed under any laws other than those of this Commonwealth.

"Incorporator" is one of the signers of the original articles of incorporation.

“Member” includes each person signing the articles of incorporation, and each person admitted to membership in the corporation. The term “member” shall be construed to include “shareholder,” if the corporation issues shares of stock.

“Nonprofit Corporation” means a corporation organized for a purpose or purposes not involving pecuniary profit, incidental or otherwise, to its members.

“Registered Office” means, in the case of a domestic nonprofit corporation, that office in this Commonwealth at which its books and records are kept, and the address of which is filed in the office of the recorder of deeds as required by this act, and, in the case of a foreign nonprofit corporation authorized to do business within this Commonwealth, that office in this Commonwealth the address of which is filed with the Secretary of the Commonwealth, as required by this act.

“Trust Instrument” includes any lawful deed of gift, grant, last will and testament, or other document, by which the donor, grantor, or testator shall give, grant, devise, or bequeath any real or personal property, or the income therefrom, in trust, for any charitable, religious, benevolent, educational, scientific or literary purpose, or public benefaction, of whatever name or nature.

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

Section headings shall not be taken to govern or limit the scope of the sections of this act.

The singular shall include the plural, and the masculine shall include the feminine and neuter.

Subsections D and E, section 202, subsection D amended and subsection E added May 24, 1945, P. L. 957, further amended and a new subsection D.1 added.

*Subsections D and E of section 202, subsection D amended and subsection E added May 24, 1945 (P. L. 957), addition of new subsection D.1 to section 202.

Section 202. The Corporate Name.—

• • • • •

D. The [assumption] use of a name in violation of this section shall not vitiate or otherwise affect the corporate existence, but the court of common pleas of Dauphin County may, upon the application of the Attorney General acting on his own motion or at the instance of any administrative department, board, or commission of the Commonwealth, and the court of common pleas of any county having jurisdiction over the corporation may, upon the application of any person, unincorporated association, or corporation adversely affected, enjoin the

* “Subsection” in original.

corporation from using or continuing to use a name [assumed] used in violation of this section.

D.1. If a nonprofit corporation has used a name the same as or deceptively similar to the name of another corporation as permitted by subsection B (1) hereof with the consent of such other corporation, and the other corporation continues to use its name in this Commonwealth and does not change its name, cease to do business, be wound up, or withdraw as it proposed to do in its consent, the court of common pleas of Dauphin County may, upon the application of the Attorney General, acting on his own motion or at the instance of the Commonwealth, and the court of common pleas of any county having jurisdiction over the other corporation may, upon the application of any person, unincorporated body or corporation adversely affected, enjoin the other corporation from continuing to use its name or a name deceptively similar thereto.

E. The exclusive right to the use of a corporate name may be reserved by,

(1) Any foreign nonprofit corporation intending to transact business in this Commonwealth, or intending to change its name, or

(2) Any persons intending to organize a foreign nonprofit corporation and intending to have such corporation make application for a certificate of authority to do business in this Commonwealth.

Such reservation shall be made by filing with the Department of State an application to reserve a specified corporate name, executed by the applicant. If the department finds that such name is available for corporate use, it shall reserve the name for the exclusive use of the applicant for a period of sixty days. The right to the exclusive use of a specified corporate name so reserved may be transferred to any person by filing with the Department of State a notice of such transfer executed by the person for whom such name was reserved and specifying the name and address of the transferee.

Section 203, amended June 20, 1947 (P. L. 642).

Section 203. Articles of Incorporation.—Articles of incorporation shall be signed by each of the incorporators, and acknowledged by at least three 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 proposed corporation, unless the name is in a foreign language, in which case it shall be set forth in English letters or characters, and a state-

Section 203,
amended June
20, 1947, P. L.
642, further
amended.

ment that such name has been registered with the Department of State within six months of the date of the application for a charter.

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

(3) A precise and accurate statement of the purpose or purposes for which it is to be formed, and that it is a corporation which does not contemplate pecuniary gain or profit, incidental or otherwise, to its members.

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

(5) The name, place of residence, and post-office address of each of the incorporators.

(6) The names and addresses of three or more persons who are to act as directors until the election of their successors, and who may be given such titles as may be deemed appropriate, but who shall be subject to all of the provisions of this act relating to directors. The number of persons so named shall constitute the number of directors of the corporation until changed by the by-laws.

(7) A statement whether the corporation is to be organized upon a nonstock basis or a stock share basis, and the aggregate number of shares, if any, which the corporation shall have authority to issue and the par value of each of the shares.

[(8) The amount of assets, classified as to real and personal property, which the corporation will have to start its corporate functions. If the corporation is authorized to issue shares, the amount which has been paid in cash therefor to the treasurer of the intended corporation and the name and residence of the treasurer.]

(9) Any lawful provision desired for the regulation of the affairs of the corporation, including restrictions upon the power to amend all or any part of the articles.

The authorized number and qualifications of its members, the different classes of membership, if any, the property, voting and other rights and privileges of each class of membership, and the liability of each class or all classes to dues or assessments, and the method of collection thereof, may be set forth either in the articles or in the by-laws.

Section 204,
amended May 24,
1945, P. L. 957,
further amended.

Section 204, amended May 24, 1945 (P. L. 957).

Section 204. Registration of Corporate Name.—The incorporators shall make application to the Department of State for the registration of the proposed corporate name. The application shall set forth the name which the incorporators desire to use, the address including

street and number, if any, of the proposed registered office of the corporation [and a statement of the purpose for which it is to be formed,] and it shall be signed by at least five incorporators. If the Department of State finds that the proposed name is available for corporate use, the department shall register the name, and shall issue to the incorporators a certificate that the proposed name has been duly registered. If the proposed name is not available for corporate use, the department shall refuse to register such name, and shall forthwith notify the incorporators of this fact. The Department of State shall keep a properly indexed record of the registrations and cancellations of registrations provided for in this act.

Section 302, amended January 26, 1956 (P. L. 948).

Section 302. General Powers.—Subject to the limitations and restrictions contained in this act or in its articles, every nonprofit corporation shall have power:

Section 302,
amended Janu-
ary 26, 1956,
P. L. 948,
further amended.

(1) To continue as a corporation for the time specified in its articles, subject to the power of the General Assembly under the Constitution of this Commonwealth.

(2) To sue and be sued, complain and defend, in its corporate name.

(3) To have a corporate seal, which may be altered at pleasure, and to use the same by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

(4) To purchase, take, receive, lease as lessee, take by gift [, devise] or bequest, or otherwise acquire, and to own, hold, use, and otherwise deal with any [real or] personal property, or any interest therein, situated in or out of this Commonwealth, which may be appropriate to enable it to accomplish fully and properly its corporate purpose or purposes.

(4.1) To purchase, take, receive, lease as lessee, take by gift or devise, or otherwise acquire, and to own, hold, use, and otherwise deal with any real property, or any interest therein, situated in or out of this Commonwealth, which may be necessary and proper for its legitimate business.

(5) To sell and convey, lease as lessor, and otherwise dispose of all or any part of its property and assets.

(6) To borrow money for any or all of the purposes for which it is organized, to issue its promissory notes, bonds, or other forms of certificates of indebtedness, for [the repayment thereof, with interest,] *money, labor done, or money or property actually received*, and to secure any of its obligations by mortgage, pledge, or

deed of trust of or on any of its property, franchises and income.

(7) To elect or appoint and remove officers and agents of the corporation, and to define their duties and fix their compensation.

(8) To make, alter, amend, and repeal by-laws, not inconsistent with its articles or with law, for the administration and regulation of its affairs.

(9) To enter into any obligation [necessary] *appropriate* for the transaction of its ordinary affairs.

(10) To purchase, take by gift, devise or bequest, or otherwise acquire, and to hold shares [of stock], or bonds, securities, or evidences of indebtedness issued or created by any other corporation or corporations of this or any other state, and, while the owner thereof, to exercise all the rights, powers and privileges of ownership, including the right to vote thereon: Provided, however, That such ownership of such shares, securities, or evidences of indebtedness does not result in pecuniary profit or gain to the members of the nonprofit corporation.

(11) To have and exercise all of the powers and means [necessary or essential] *appropriate* to effect the purpose or purposes for which the corporation is organized.

(12) To dissolve and wind up.

(13) To transfer any part of its property and assets, in trust, to a corporate trustee which shall be a bank and trust company or trust company, incorporated under the laws of Pennsylvania, or a national banking association having fiduciary powers and having its principal office in Pennsylvania, and to authorize such corporate trustee to invest and reinvest such property and assets, subject to the same powers, restrictions and obligations with respect to investment and reinvestment of such property and assets as are applicable to the nonprofit corporation itself, and to pay over the net income therefrom to such nonprofit corporation at least semi-annually or at more frequent intervals if so agreed: Provided, however, That such transfer, in trust, may at any time be revoked by action of the directors.

(14) *To make contributions and donations for the public welfare or for religious, charitable, scientific or educational purposes and, in time of war, to make contributions and donations in aid of war activities.*

The powers herein enumerated shall not be construed as limiting or enlarging the grant of authority hereinbefore made by this article, or as a limitation on the pur-

poses for which a corporation may be organized. It shall not be necessary to set forth any of such enumerated powers in the articles of the corporation. Except as otherwise provided in this act or in the articles or in the by-laws, the powers herein enumerated shall be exercised by the board of directors.

Section 304, amended July 2, 1937 (P. L. 2838).

Section 304,
amended July 2,
1937, P. L. 2838,
further amended.

Section 304. Membership Certificates and Capital Stock.—A nonprofit corporation may be organized upon either a nonstock basis or upon a stock share basis, as set forth in its articles. A nonprofit corporation organized upon a nonstock basis shall not issue shares of stock, but membership in such corporation may be evidenced by certificates of membership. Upon the face of each such certificate there shall be printed in clear type a statement that the corporation is a nonprofit corporation. The shares of nonprofit corporations organized upon a stock share plan shall be of such denominations [not exceeding one hundred dollars (\$100.00),] as the articles shall provide and shall be represented by share certificates. Upon the face of each share certificate there shall be printed in clear type a statement that the corporation is a nonprofit corporation. Unless the articles or by-laws otherwise provide, each share shall entitle the holder thereof to one vote. No dividends shall be directly or indirectly paid on any such shares, nor shall the shareholders be entitled to any portion of the earnings of such corporation derived through increment of value upon its property, or otherwise incidentally made, but upon dissolution of any such corporation the shareholders shall be entitled to a pro rata distribution of the assets thereof, after the payment of all debts and the liquidation of all liabilities, based upon their several holdings therein, as represented by the shares standing in the names of such shareholders at the time of dissolution, except that no property held subject to any trust shall be diverted from the purpose or object of the trust. Such shares shall not be transferable by assignment or sale, nor be transferred through legal heirs or devisees upon the death of the owner thereof, unless the by-laws of such corporation make express provision therefor. Such nonprofit corporation shall have power to exclude from further membership any shareholder who fails to comply with the reasonable and lawful requirements of the laws, rules and regulations duly made by such corporation for the government of its members, and may cancel the shares of any such offending member without liability for an accounting, excepting as may be provided for in the articles or by-laws. The provisions of the Uniform [Stock Transfer Act of this Commonwealth,

approved the fifth day of May, one thousand nine hundred eleven (Pamphlet Laws, one hundred twenty-six),] *Commercial Code approved April 6, 1953 (P. L. 3)* shall not be held to apply to the shares of nonprofit corporations in any manner or to be to any extent inconsistent with the provisions of this act.

Section 701,
amended July 17,
1935, P. L. 1130,
further amended.

Section 701, amended July 17, 1935 (P. L. 1130).

Section 701. Amendment of Articles Authorized.—

A. A nonprofit corporation, upon application to the court in the manner hereinafter provided in this article, may amend its articles for any or all of the following purposes:

(1) To adopt a new name subject to the restrictions heretofore provided in this act.

(2) To modify any provision thereof limiting its term of existence, by increasing such term, or to remove such provision and provide for perpetual existence.

(3) To change, add to, or diminish its powers or purposes, or to set forth different or additional powers or purposes.

(4) To add to, remove, or otherwise change any other provisions contained in the articles.

(5) *To restate the articles in their entirety.*

B. *No amendment adopted under this section shall amend articles in such a way that, as so amended, they would not be authorized by this act as original articles of incorporation, except that articles, as so amended, may state the location and post office address of the corporation's current instead of its initial registered office in this Commonwealth, and need not state the names and addresses of the first directors or of the incorporators or the number and class of shares subscribed for by the incorporators.*

Section 902,
amended July 17,
1935, P. L. 1130,
and June 24,
1939, P. L. 694,
further amended.

Section 902, amended July 17, 1935 (P. L. 1130), and June 24, 1939 (P. L. 694).

Section 902. Restrictions on Admission of Foreign Nonprofit Corporations.—The Department of State shall not issue a certificate of *an* authority to any foreign nonprofit corporation:

(1) If the application for the certificate of authority, hereinafter required by this article to be filed, sets forth any kind of business for which a domestic nonprofit corporation could not be formed under the laws of the Commonwealth.

(2) If the name of the corporation is the same as or deceptively similar to the name of any domestic corporation or any other foreign corporation authorized to do business in this Commonwealth, or the name of any un-

incorporated body whatsoever voluntarily registered with the Department of State under any act of Assembly, unless such other domestic or foreign corporation or unincorporated body is about to change its name, or to cease to do business, or is being wound up, or such foreign corporation is about to withdraw from doing business in this Commonwealth, and the written consent of such other domestic or foreign corporation or unincorporated body to the adoption of its name or a deceptively similar name has been given and is filed with the application for a certificate of authority hereinafter provided for in this article, or unless such other domestic or foreign corporation has filed with the Department of Revenue a certificate of out of existence, or unless such domestic or foreign corporation has failed for a period of three successive years to file with the Department of Revenue or with the Department of State a report or return required by law, and failure to file with the Department of Revenue has been certified by the Department of Revenue to the Department of State: Provided, That nothing herein contained shall be construed to refer or apply to any assumed or fictitious name required by law to be filed with the Department of State.

(3) If the name of the corporation contains words not permitted by this act to be part of the name of a domestic nonprofit corporation.

(4) If the corporation is a college, university, theological seminary or other nonprofit corporation, which, if formed under the provisions of this act, would require the approval of the State Council of Education, unless the approval of the State Council of Education shall be annexed thereto. Whenever the Department of State shall receive an application for a certificate of authority from this type of corporation, it shall be the duty of the department to submit the application, together with the certified copy of the articles or special law, as the case may be, to the Superintendent of Public Instruction and thereafter the procedure shall be the same as that heretofore prescribed by this act for the approval or disapproval by the State Council of Education of applications for the incorporation of similar domestic nonprofit corporations, except that the documents and the findings of the State Council of Education shall be returned to the Department of State. It shall be unlawful for the Department of State to issue a certificate of authority to such a corporation without the approval of the State Council of Education.

(5) If the corporation is one which if formed under the provisions of this act would require the approval of the Department of Welfare, unless the approval of the Department of Welfare shall be annexed thereto. When-

ever an application for a certificate of authority is filed with the Department of State by this type of corporation, it shall be the duty of the department to submit all the documents to the Department of Welfare, and thereafter the procedure shall be the same as that heretofore prescribed by this act for the approval or disapproval by the Department of Welfare of applications for the incorporation of similar domestic nonprofit corporations, except that the Department of Welfare shall return the documents, together with its recommendation, to the Department of State. It shall be unlawful for the Department of State to issue a certificate of authority to such a corporation without the favorable recommendation of the Department of Welfare.

If a foreign nonprofit corporation which has procured a certificate of authority to do business in this Commonwealth has a name the same as or deceptively similar to the name of another corporation, as permitted by subparagraph (2) hereof, with the consent of such other corporation, and the other corporation does not change its name, cease to do business, be wound up or withdraw as it proposed to do in its consent, the court of common pleas of Dauphin County may, upon application of the Attorney General acting on his own motion, or at the instance of any administrative department or commission of the Commonwealth, and the court of common pleas of any county having jurisdiction over the other corporation may, upon the application of any person, unincorporated body or corporation adversely affected, enjoin the other corporation from continuing to use its name or a name descriptively similar thereto.

Section 904,
amended May 23,
1949, P. L. 1763,
further amended.

Section 904, amended May 23, 1949 (P. L. 1763).

Section 904. Application for a Certificate of Authority.—The foreign nonprofit corporation, or its representative, shall deliver to the Department of State [a copy of its articles and all amendments thereto, duly certified by the proper public officer of the state or county of its incorporation, or, if the corporation is created by a special law and has no articles, a duly certified copy of such law, a verified translation of any part of such articles, amendments, or law which is in a foreign language,] proof of the advertisement heretofore required by this article, and 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) The name of the state or country under the laws of which it is formed.

(3) 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.

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

(5) 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, and 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.

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

(7) 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 907, amended May 24, 1945 (P. L. 957), and August 17, 1951 (P. L. 1287).

Section 907,
amended May 24,
1945, P. L. 957,
and August 17,
1951, P. L. 1287,
further amended.

Section 907. Amended Certificate of Authority.—

A. After receiving a certificate of authority, a foreign nonprofit 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, [together with a copy of the amendment, merger or change of name duly authenticated by the proper official of the state or country under the laws of which such corporation is organized,] proof of the advertisement hereinafter required by this section [, and a certificate or certificates from the proper department or departments of this Commonwealth evidencing payment by the corporation of all taxes, bonus and charges as required by law]. Such application shall be executed under the seal of the corporation, 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 nonprofit corporation shall, before making application to the Department of State, advertise its intention to apply 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 at least three days prior to 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, that the certificate herein required evidencing payment of all taxes or bonus or charges is in proper form, and that the applicant corporation is entitled to an amended certificate of authority, it shall, upon payment of the filing fee, forthwith, but not prior to the day specified in the advertisement heretofore required by this section, endorse its approval upon the application, issue to the applicant corporation an amended certificate of authority setting forth the desired changes, to which the application shall be attached, and shall make and retain a copy thereof. The amended certificate of authority shall be recorded in the office of the recorder of deeds of the county in which the original certificate of authority was recorded.

Section 908,
amended May 24,
1945, P. L. 957,
further amended.

Section 908, amended May 24, 1945 (P. L. 957).

[Section 908. Amendments to Articles of Foreign Nonprofit Corporations.—Upon amendment of the articles of any foreign nonprofit corporation authorized by a certificate of authority to transact business in this Commonwealth, or upon the filing by the corporation of a certificate of change of principal office, or other instrument, required to be filed under the laws of the state or country in which such corporation is organized, such

corporation shall forthwith file with the Department of State a copy of such amendment or certificate, duly authenticated by the proper official of such state or country under the laws of which such corporation is organized, and shall also file a verified copy thereof in the office of the recorder of deeds of the county in which its registered office is located in this Commonwealth: Provided, however, That if a certified copy of such amendment is filed in the Department of State with an application for an amended certificate of authority, as required by section nine hundred seven of this act, it shall not be necessary to file an additional copy of such amendment in the Department of State as otherwise required by this section. The filing of any such amendment shall not of itself enlarge or alter the nature or kind of business which such corporation is authorized to transact in this Commonwealth, nor authorize such corporation to transact business in this Commonwealth under any other name than the name set forth in its certificate of authority, unless such corporation shall apply for and receive an amended certificate of authority as hereinbefore provided in this article.]

Section 909, amended May 24, 1945 (P. L. 957).

Section 909. Merger or Consolidation of Foreign Nonprofit Corporations.—Whenever a foreign nonprofit corporation authorized by a certificate of authority to transact business in this Commonwealth shall be a party to a statutory merger or consolidation permitted by the laws of the state or country under which it is organized, such corporation, if it be the surviving corporation to such merger, or the new or consolidated corporation formed or created thereby, shall forthwith file with the Department of State [a copy of the articles of merger or consolidation, duly authenticated by the proper officer of the state or country under the laws of which such statutory merger was effected, and shall also file a verified copy thereof in the office of the recorder of deeds of the county in which its registered office is located in this Commonwealth.] *a statement of merger or consolidation on a form to be prescribed by the Department of State. The filing of such statement shall operate to cancel the certificate of authority of any constituent corporations other than the surviving corporation which may have held such certificates in Pennsylvania as of the effective date of the merger or consolidation. The Department of State shall thereupon issue a certificate of withdrawal to each constituent corporation whose certificate of authority has been so cancelled.* It shall not be necessary for such corporation to procure either a new or amended certificate of authority to transact business in this Commonwealth, unless the name of such cor-

Section 909,
amended May 24,
1945, P. L. 957,
further amended.

poration be changed thereby, or unless the corporation desires to transact in this Commonwealth other or additional business than that which it is then authorized to transact in this Commonwealth.

Section 911,
amended July 2,
1937, P. L. 2838,
further amended.

Section 911, amended July 2, 1937 (P. L. 2838).

Section 911. Revocation of Certificate of Authority.—Whenever the Department of State shall find that a foreign nonprofit corporation is doing in this Commonwealth a business which a domestic nonprofit corporation could not do, or is exceeding the authority contained in its original or amended certificate of authority, or has changed its name without first securing an amended certificate of authority from the Department of State, or has failed to file [a copy of its articles, or a copy of any amendments thereto, or] its certificate of authority, or any amended certificate of authority, or any *statement of merger or consolidation*, in the office of the recorder of deeds of the county in which its registered office is situated, or has changed the location of its registered office without filing with the Department of State, and recording with the recorder of deeds of the proper county, the statement required by this act, or is violating any of the laws of this Commonwealth, the Department of State shall give notice by registered mail to such corporation that such default exists and that its certificate of authority, including any amendments thereto, will be revoked and cancelled unless such default shall be cured within thirty days after the mailing of such notice. If such default shall not be cured within such period of thirty days, the Department of State shall revoke and cancel the certificate of authority of such foreign corporation, including any amendments thereto. Upon revoking and cancelling any such certificate of authority, the Department of State shall mail to such corporation, at its registered office in this Commonwealth, a certificate of revocation, and shall mail a copy of such certificate to the recorder of deeds of the county in which the registered office of the corporation is situated, who shall record the same without any fee therefor. Upon the issuance of such certificate of revocation, the authority of the corporation to transact business in this Commonwealth shall cease, and such corporation shall not thereafter transact any business in this Commonwealth unless it applies for and receives a new certificate of authority.

Section 1004,
amended July 2,
1937, P. L. 2838,
further amended.

Section 1004, amended July 2, 1937 (P. L. 2838).

Section 1004. Continuation of Corporation After Dissolution.—A. All nonprofit corporations, whether they expire by their own limitations or are otherwise dissolved shall nevertheless continue to exist for a period of

two years after the date of dissolution for the purpose of winding up their affairs, instituting, prosecuting and defending actions by or against them, collecting and discharging obligations, disposing of and conveying their property, and collecting and dividing their assets, but not for the purpose of continuing business, except in so far as necessary for the winding up of the corporation. No action or proceeding to which a nonprofit corporation is a party shall abate by the dissolution of the corporation.

B. The dissolution of a nonprofit corporation shall not take away or impair any property right, tangible or intangible, including any right of action of such corporation. Should any such property right be discovered after the dissolution of the corporation, the surviving member or members of the board of directors which wound up the affairs of the corporation, or a receiver appointed by the court wherein the dissolution proceedings were had, shall have authority to enforce such property right and to collect its assets so discovered among the persons entitled thereto, and to prosecute suits in the corporate name of the corporation. Any assets so collected shall be distributed and disposed of in accordance with the final decree of dissolution, if applicable, otherwise in accordance with an additional decree of the court wherein the dissolution proceedings were had.

APPROVED—The 11th day of July, A. D. 1957.

GEORGE M. LEADER

—
No. 368

AN ACT

Relating to the form and manner of service of corporate notices required to be given by certain corporations organized or existing under the laws of the Commonwealth of Pennsylvania, and authorizing the waiver of such notices and consent to corporate action without a meeting.

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

Section 1. This act shall apply to all corporations organized or existing under any general or special law of the Commonwealth of Pennsylvania except those corporations which are governed by the act of May 5, 1933 (P. L. 289), known as the "Nonprofit Corporation Law," and its amendments, the act of May 5, 1933 (P. L. 364), known as the "Business Corporation Law," and its amendments, the act of May 5, 1933 (P. L. 457), known as the "Building and Loan Code," and its Applicability.