

seventh grade, shall be given a dental examination by a school dentist: *Provided, however, That this requirement shall not apply to those school districts or joint school boards which have instituted a program of dental hygiene services as provided in subsection (b) of this section.*

(b) Any school district or joint school board may institute a program of dental hygiene services for children of school age, which program shall be approved by the Secretary of Health, and for that purpose may employ dental hygienists.

Section 2. Section 2505.1 of the act is amended by adding, after subsection (a), a new subsection to read:

Section 2505.1 of act, amended by adding a new subsection (a.1).

Section 2505.1. State Reimbursement for Health Services.—* * *

(a.1) Every school district or joint school board which employs one or more dental hygienists for the purpose of dental hygiene services to children of school age shall be reimbursed by the Commonwealth on account of such services which conform to standards approved by the Secretary of Health. Reimbursement shall be made by the Secretary of Health. The amount thereof shall be the actual cost of the dental hygiene services as certified to the Secretary of Health, less any charges that shall be deemed unreasonable by him, but for any school year shall not exceed the sum of one dollar (\$1) multiplied by the actual number of children enrolled in the school for the entire school term who receive such dental hygiene services, and a proportionate part of one dollar (\$1) for each child enrolled for a part of the school term of that school year and who actually receives dental hygiene services. Reimbursement under this subsection shall be in lieu of any reimbursement provided in subsection (a) of this section for dental services.

* * * * *

Section 3. This act shall take effect immediately.

Act effective immediately.

APPROVED—The 27th day of August, A. D. 1963.

WILLIAM W. SCRANTON

No. 536

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," defining certain additional terms, specifying certain corporations as subject to the act, authorizing certain corporations to elect to accept the act, imposing additional duties upon the Department of State, establishing procedures for the validation of certain corporate acts and transactions for the extension and unification of certain corporate franchises and for the transfer of certain corporate rights, permitting the use of certain corporate names, making certain transactions subject to the prior approval of the Public Utility Commission, conferring the power of eminent domain upon certain corporations, and limiting the right of certain corporations to merge or consolidate.

Foreign Business Corporation.

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

Definition "Foreign Business Corporation," section 2, act of May 5, 1933, P. L. 364, amended November 10, 1959, P. L. 1406, further amended.

Section 1. The definition of "Foreign Business Corporation" in section 2, act of May 5, 1933 (P. L. 364), known as the "Business Corporation Law," amended November 10, 1959 (P. L. 1406), is amended to read:

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

* * * * *

"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 and not excluded from the scope of this act by section 4* of this act.

* * * * *

Section 2 of act, amended by adding a new definition "Public Utility Corporation."

Section 2. Section 2 of the act is amended by adding, after the definition of "Open-end Investment Company," a new definition to read:

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

* * * * *

"Public Utility Corporation" means any domestic corporation to which this act applies by reason of the exceptions contained in clause (4) of subsection A of section 4 of this act.

* * * * *

Section 3. Subsection A of section 3 of the act is amended to read: Subsection A,
section 3 of act,
amended.

Section 3. Applicability and Acceptance of Act.—
A. Every corporation of the second class, heretofore organized and incorporated under the Corporation Act of 1874, its amendments and supplements, and every corporation heretofore created by any special act or formed under any general act *and* which *either* (1) has accepted in any manner whatsoever the Constitution of Pennsylvania and [which], if not existing, would be required to incorporate under this act, *or* (2) *elects to accept the provisions of this act in the manner set forth in section 4 of this act*, shall hereafter be subject to the provisions of this act without formal reorganization hereunder, and shall be deemed to exist under this act. The provisions of this act shall govern all such corporations heretofore incorporated in this Commonwealth.

* * * * *

Section 4. Section 4 of the act, amended July 11, 1957 (P. L. 711), is amended to read:

Section 4 of act,
amended July 11,
1957, P. L. 711,
further amended.

Section 4. Scope of Act.—A. This act does not relate to, does not affect, and does not apply to:

(1) Cooperative associations, whether for profit or not for profit.

(2) Any corporation which may be organized under the Nonprofit Corporation Law, or which, if not existing, would be required to incorporate under that act.

(3) Any corporation which, by the laws of this Commonwealth, is subject to the supervision of the Department of Banking *or* the Insurance Department [, the Pennsylvania Public Utility Commission, or the Water and Power Resources Board], except a corporation formed for the purpose of acting as—

(i) an insurance agent, insurance broker, public adjuster or public adjuster solicitor as defined in the Insurance Department Act of one thousand nine hundred and twenty-one;

[(ii) contract carrier by motor vehicle or as broker as defined in the Public Utility Law;]

(iii) a small loan company or loan broker regulated by the act of June 17, 1915 (P. L. 1012), and its amendments and supplements; or

(iv) a consumer discount company regulated by the Consumer Discount Company Act.

(4) *Any corporation which, by the laws of this Commonwealth, is subject to the supervision of the Pennsylvania Public Utility Commission or the Water and Power Resources Board, except—*

(i) *a corporation formed for the purpose of acting*

as a motor carrier or broker or both as defined in the Public Utility Law;

(ii) a proposed or existing domestic corporation or a foreign corporation which elects to accept the provisions of this act in the manner set forth in subsection B of this section: Provided, That this exception shall not apply to any corporation formed for the purpose of acting as a railroad as defined in the Public Utility Law.

B. The acceptance provided for in subclause (ii) of clause (4) of subsection A of this section shall be effected—

(1) In the case of a proposed domestic corporation or a foreign corporation not qualified to do business in this Commonwealth, by the insertion in the articles of incorporation or application for certificate of authority of a statement that the incorporators or corporation have elected to proceed with the formation or qualification of a corporation under this act.

(2) In the case of an existing domestic corporation or a qualified foreign corporation, by the filing with the Department of State of a certificate which shall be executed under the seal of the corporation, shall be signed by two duly authorized officers of the corporation, and shall set forth:

(i) the name of the corporation;

(ii) the act of Assembly by or under which it was created or qualified; and

(iii) a statement that the board of directors of the corporation have elected to accept the provision of this act for the government and regulation of the affairs of the corporation, or for the regulation of its affairs in this Commonwealth, in the case of a qualified foreign corporation.

This act shall become applicable to the corporation upon the filing of such certificate with the Department of State.

C. The Department of State shall maintain a distinct register of the names of the corporations which have elected, pursuant to subclause (ii) of clause (4) of subsection A of this section, to accept the provisions of this act.

Subsection C of section 6 of act, amended.

Section 5. Subsection C of section 6 of the act is amended to read:

Section 6. Interpretation of Act.—* * *

C. [No] Except as provided in section 4 of this act, no corporation which might be incorporated under this act shall hereafter be incorporated except under the provisions of this act.

* * * * *

Section 6. The act is amended by adding, after section 11, five new sections to read:

Act amended by adding five new sections 12, 13, 14, 15 and 16.

Section 12. Validation of Certain Defective Corporations.—Where heretofore or hereafter any act has been or may be done or any transfer or conveyance of any property has been or may be made to or by any corporation created or intended to be created under any act hereby supplied or repealed, in good faith, after the issuing of letters patent but without the actual recording of the original certificate with the endorsements thereon, or a certified copy thereof, in the office of any recorder of deeds, as provided in such acts of Assembly then in force, such acts, transfers, and conveyances shall, upon this section becoming applicable to such corporation in the manner provided in section 15 of this act, be deemed and taken to be valid and effectual for all purposes, regardless of the omission to record such original certificate with the endorsements thereon, or a certified copy thereof, as heretofore required by such acts of Assembly and every such corporation shall, upon this section becoming applicable to it, thereafter be deemed and taken to have been incorporated on the date of issuance of such letters patent.

Section 13. Validation of Certain Defective Corporate Acts.—Where any corporation created or intended to be created or governed by any act hereby supplied or repealed has, in good faith, extended its territory or term of existence, changed its name, merged, consolidated or otherwise altered or amended its charter or articles under any act hereby supplied or repealed but without the actual recording of a document or documents evidencing such corporate action in the office of any recorder of deeds, as provided in such act or acts of Assembly then in force and a record of such corporate action is on file in the Department of State, such corporate action, if this section shall have become applicable to such corporation, or its successor by merger, consolidation or otherwise in the manner provided in section 15 of this act, shall be deemed and taken to be valid for all purposes, regardless of the omission to record such document or documents as heretofore required by such acts of Assembly, and every such corporate action shall be deemed and taken to have been effected upon the filing of such corporate action in the Department of State, or upon the approval of such action, if required, by the Governor, Secretary of the Commonwealth, or other officer performing corresponding functions with respect to corporate affairs, whichever event shall have last occurred.

Section 14. Scope and Duration of Certain Franchises.—Except as hereinafter provided, whenever any

corporation shall have sold, assigned, disposed of and conveyed all or any part of its franchises and all or any part of its property, real, personal and mixed, to any other corporation, and said franchises and property shall have vested in the vendee corporation, or whenever any corporation shall have heretofore or may hereafter merge with and into or consolidate into a surviving or new corporation, such vendee, surviving or new corporation or its successor corporation shall, upon this section becoming applicable to any such corporation in the manner provided in section 15 of this act, be deemed to possess as a constituent of its own charter, and not as a direct or indirect acquisition from any such vendor or nonsurviving corporation, franchise rights of identical scope and character as those originally acquired by it and any of its predecessors in interest from every vendor or nonsurviving predecessor corporation regardless of the fact, if such be the case, that the franchises of any vendor or nonsurviving predecessor corporation, had they been separately existing, would have theretofore expired of their own limitations. Nothing in this section shall operate to revive any franchise rights heretofore or hereafter expressly surrendered by the affirmative action of any such vendee, surviving, new or successor corporation. The charter of any vendee, surviving, new or successor corporation to which this section may become applicable and all franchise rights thereof attributable under this section or otherwise to or acquired from any vendor or nonsurviving predecessor corporation shall expire upon the same date, which date shall be the later of the dates on which such charter or the most remotely limited of such franchise rights would otherwise expire, and every renewal, extension or change in the term of existence of such vendee, surviving, new or successor corporation by merger, consolidation or otherwise, shall enure to the franchise rights attributable to or acquired from all such vendor or nonsurviving predecessor corporations.

Section 15. Applicability of Sections 12 through 14. —A. Sections 12, 13 and 14 of this act shall become applicable to any business corporation upon its filing under this act with the Department of State after December 31, 1963, or after the date such corporation becomes subject to this act, whichever is later, of:

(1) Any document, a permanent record of which is retained by the Department of State, permitted or required to be filed under this act unless such document shall contain an express statement that sections 12, 13 and 14 of this act, or any of them, shall not become applicable to such corporation, or

(2) A statement, which shall be executed under the seal of the corporation, shall be signed by two duly authorized officers of the corporation, and shall set forth:

(i) the name of the corporation, and

(ii) a statement that sections 12, 13 and 14 of this act, or any of them, shall become applicable to the corporation.

B. It shall not be necessary or permissible to enumerate specifically, or to identify otherwise in such document or statement, the acts and transactions to be validated or the franchise rights to be acquired or extended by reason of such filing.

C. A filing under this section shall not affect any proceedings then pending, in which the validity of any act, transaction, franchise or conveyance affected by sections 12, 13 or 14 of this act may be in question.

Section 16. *Transfers of Certain Rights, Powers and Privileges.*—The granting by the Pennsylvania Public Utility Commission of a certificate of public convenience approving the transfer by a public utility corporation of all or any part of any rights, powers or privileges acquired by such corporation or a predecessor in interest on or before January 1, 1914, to any other public utility corporation, shall be sufficient to vest in the transferee corporation such of such rights, powers and privileges as have not been barred by the laws or Constitution of Pennsylvania.

Section 7. Subsection A of section 202 of the act, amended June 21, 1963 (Act No. 105), is amended to read:

Subsection A,
section 202 of
act, amended
June 21, 1963,
further amended.

Section 202. The Corporate Name.—A. The corporate name may be in any language, but must be expressed in English letters or characters, and shall contain the word "corporation," "company," or "incorporated," or an abbreviation thereof, except that the word "company" or the abbreviation "Co." may not be used where that word or abbreviation is immediately preceded by the word "and" or any symbol or substitute therefor, unless the word "incorporated," or any abbreviation thereof, immediately follows the word "company" or the abbreviation "Co." The corporate name shall not imply that the corporation is a governmental agency of the Commonwealth or of the United States or a bank, bank and trust company, or a trust company, as defined in the act of May 15, 1933 (P. L. 624), known as the "Banking Code," or an insurance company of any of the classes governed by the act of May 17, 1921 (P. L. 682), known as "The Insurance Company Law of 1921," or a public utility as defined in the act of May 28, 1937 (P. L.

1053), known as the "Public Utility Law" unless the corporation or proposed corporation has as a corporate purpose the furnishing of service subject to the jurisdiction of the Public Utility Commission, nor shall the corporate name contain the word "college" or "university" when used in such a way as to give the impression that it is an educational institution conforming to the standards and qualifications prescribed by the State Board of Education, unless there be submitted a certificate from the Department of Public Instruction certifying that the corporation or proposed corporation is entitled to use such designation.

* * * * *

Section 312 of act, amended by adding a new subsection C.

Section 8. Section 312 of the act is amended by adding, at the end thereof, a new subsection to read:

Section 312. Reorganization Upon Forced Sale of Corporate Property and Franchises.—* * *

C. The sale, transfer or acquisition of any franchises, property or assets, which by virtue of any other act, requires that prior approval of the Pennsylvania Public Utility Commission, shall take effect upon the granting of such approval by the commission, and not before.

Act amended by adding a new section 322.

Section 9. The act is amended by adding, after section 320, a new section to read:

*Section *322. Power of Eminent Domain.—A public utility corporation shall have the same powers and employ the same procedures to take or enter upon private or public property necessary for the rendition of its authorized service or each of its authorized services as it would have if it had been organized under any other act or acts of Assembly for the purpose of rendering such service or services, including the powers it would have if it had been created through the merger or consolidation of two or more corporations organized under such other acts of Assembly.*

Subsection B, section 810 of act, amended July 11, 1957, P. L. 711, further amended.

Section 10. Subsection B of section 810 of the act, amended July 11, 1957 (P. L. 711), is amended to read:

Section 810. Rights of Dissenting Shareholders.—

* * *

B. The provisions of this section shall apply only to those business corporations which are or may become subject to the provisions of this act but which were not incorporated hereunder and shall not apply to the holders of shares of a class issued after the date such corporation becomes subject to this act, in the case of a public utility corporation or July 3, 1933, in the case of any other business corporation.

* "321" in original.

Section 11. Section 901 of the act is amended by adding, at the end thereof, a new subsection to read:

Section 901 of act, amended by adding a new subsection C.

Section 901. Merger and Consolidation Authorized.

—* * *

C. Notwithstanding any other provision of this section, no domestic public utility corporation shall participate in a merger or consolidation prohibited by the Constitution of Pennsylvania as the same shall exist at the time of the proposed merger or consolidation, unless otherwise ordered by an officer or agency of the United States acting within his or its lawful jurisdiction.

Section 12. Section 905 of the act, amended July 11, 1957 (P. L. 711), is amended to read:

Section 905 of act, amended July 11, 1957, P. L. 711, further amended.

Section 905. Filing of Articles of Merger or Consolidation.—The articles of merger or articles of consolidation, as the case may be, 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, except that no such certificates shall be required if the surviving or new corporation is to be a domestic corporation, or shall, on the effective date of the merger or consolidation, be a foreign business corporation authorized, under Article X. of this act, to do business in this Commonwealth. If the Department of State finds that such articles conform to law, and that the certificate or certificates evidencing payment of [bonus or] taxes or charges delivered therewith if required is in proper form, it shall, upon payment of the filing fee, forthwith, endorse its approval thereon, and issue to the surviving or new corporation, or its representative, a certificate of merger or a certificate of consolidation, as the case may be, to which shall be attached the approved articles, and shall make and retain a copy thereof: *Provided, however, That in the case of any merger or consolidation of any corporations under this act which, by virtue of any other act, requires the prior approval of the Pennsylvania Public Utility Commission, the Department of State shall not endorse its approval on any such agreement or issue any certificate of merger or certificate of consolidation unless and until the approval of such commission is first obtained in the manner required by law.*

Section 13. This act shall take effect January 1, 1964.

Act effective January 1, 1964.

APPROVED—The 27th day of August, A. D. 1963.

WILLIAM W. SCRANTON