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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL  
No. 949

Session of  
1977

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INTRODUCED BY MESSRS. BENNETT, L. E. SMITH, MCGINNIS, PRATT,  
ARTHURS, ZWIKL, SPENCER, FEE, HALVERSON, REED, LETTERMAN,  
DeVERTER, GRIECO, MILLIRON AND DOMBROWSKI, APRIL 25, 1977

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AS AMENDED ON THIRD CONSIDERATION, IN SENATE, OCTOBER 25, 1977

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AN ACT

1 Amending the act of May 5, 1933 (P.L.364, No.106), entitled, as  
2 amended, "An act relating to corporations; defining and  
3 providing for the organization, merger, consolidation,  
4 reorganization, winding up and dissolution of certain  
5 corporations for profit; conferring certain rights, powers,  
6 duties and immunities upon them and their officers and  
7 shareholders; prescribing the conditions on which such  
8 corporations may exercise their powers; providing for the  
9 inclusion of certain existing corporations and associations  
10 within the provisions of this act; prescribing the terms and  
11 conditions upon which certain foreign corporations may be  
12 admitted, or may continue, to do business within the  
13 Commonwealth; conferring powers and imposing duties on the  
14 courts of common pleas, and certain State departments,  
15 commissions, and officers; authorizing certain State  
16 departments, boards, commissions, or officers to collect fees  
17 for services required to be rendered by this act; imposing  
18 penalties; and repealing certain acts and parts of acts  
19 relating to corporations and other entities," further  
20 providing for the approval of a plan of merger or  
21 consolidation for certain domestic corporations.

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

24 Section 1. Subsection C of section 902, act of May 5, 1933  
25 (P.L.364, No.106), known as the "Business Corporation Law,"  
26 amended July 20, 1968 (P.L.459, No.216), is amended to read:

Section 902. Approval of Plan of Merger or Consolidation.--

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C. The plan of merger or consolidation for domestic  
~~corporations having twenty five or less shareholders~~ shall be  
approved upon receiving the affirmative vote of the shareholders  
entitled to cast at least [a majority] SIXTY-SIX AND TWO-THIRDS  
PERCENT of the votes which all shareholders are entitled to cast  
thereon of each of the merging or consolidating domestic  
corporations, and if any class of shares of any of such  
corporations is entitled to vote thereon as a class, the  
affirmative vote of the holders of at least [a majority] SIXTY-  
SIX AND TWO-THIRDS PERCENT of the outstanding shares of each  
class of shares entitled to vote thereon as a class. ~~The plan of~~  
~~merger or consolidation for domestic corporations having twenty~~  
~~five or more THAN TWENTY FIVE shareholders shall be approved~~  
~~upon receiving the affirmative vote of shareholders entitled to~~  
~~cast at least sixty six and two thirds per cent of the votes~~  
~~which all shareholders are entitled to cast thereon of each of~~  
~~the merging or consolidating domestic corporations, and if any~~  
~~class of shares of any such corporations is entitled to vote~~  
~~thereon as a class, the affirmative vote of the holders of at~~  
~~least sixty six and two thirds per cent of the outstanding~~  
~~shares of each class of shares entitled to vote thereon as a~~  
~~class.~~ Any plan of merger or consolidation may contain a  
provision that at any time prior to the filing of articles of  
merger or consolidation with the Department of State the plan  
may be terminated by the board of directors of any corporation  
which is a party to the plan notwithstanding approval of the  
plan by the shareholders of all or any of the corporations which  
are parties to the plan.

1       Section 2.   This act shall take effect immediately.