

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 276 Session of
2003INTRODUCED BY GREENLEAF, COSTA, LEMMOND, O'PAKE AND THOMPSON,
FEBRUARY 10, 2003SENATOR THOMPSON, APPROPRIATIONS, RE-REPORTED AS AMENDED,
MARCH 30, 2004

AN ACT

1 Amending Titles 15 (Corporations and Unincorporated
2 Associations) and 54 (Names) of the Pennsylvania Consolidated
3 Statutes, further providing for associations, for procedures <—
4 in the Department of State, for electronic notices and
5 communications, for issuance of shares of business
6 corporations, for fundamental transactions involving business
7 corporations, for limited liability companies and for
8 nonprofit corporations and unincorporated nonprofit
9 associations; making revisions, corrections and additions;
10 repealing certain acts and parts of acts; and making
11 editorial corrections. STATUTES, FURTHER PROVIDING FOR <—
12 ASSOCIATIONS; FURTHER PROVIDING FOR PRELIMINARY GENERAL
13 PROVISIONS; FURTHER PROVIDING, IN CORPORATIONS, FOR GENERAL
14 PROVISIONS, FOR CORPORATE FUNCTIONS, FOR MANAGERS AND OWNERS,
15 FOR FUNDAMENTAL CHANGES, FOR REGISTERED CORPORATIONS, FOR
16 INSURANCE CORPORATIONS, FOR FOREIGN BUSINESS CORPORATIONS,
17 FOR DOMESTIC NONPROFIT CORPORATIONS GENERALLY AND FOR FOREIGN
18 NONPROFIT CORPORATIONS; FURTHER PROVIDING, IN PARTNERSHIPS
19 AND LIMITED LIABILITY COMPANIES, FOR GENERAL PROVISIONS, FOR
20 REGISTERED LIMITED LIABILITY PARTNERSHIPS, FOR GENERAL
21 PARTNERSHIPS, FOR LIMITED PARTNERSHIPS AND FOR LIMITED
22 LIABILITY COMPANIES; FURTHER PROVIDING FOR UNINCORPORATED
23 ASSOCIATIONS GENERALLY; FURTHER PROVIDING FOR BUSINESS
24 TRUSTS; MAKING EDITORIAL CHANGES; FURTHER PROVIDING FOR
25 REENACTMENTS OF NONPROFIT CORPORATION LAWS; PROVIDING FOR
26 TRANSFER OF FUNDS; AND REPEALING PROVISIONS RELATING TO
27 RAILROAD CONDEMNATION PROCEDURES, TO NONPROFIT CORPORATIONS
28 AND TO YOUNG MEN'S CHRISTIAN ASSOCIATIONS.

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

1 Section 1. Short title.

2 This act shall be known and may be cited as the GAA
3 Amendments Act of ~~2003~~ 2004.

<—

4 Section 2. Amendment of Title 15.

5 As much of Title 15 of the Pennsylvania Consolidated Statutes
6 as is hereinafter set forth is reenacted, amended or added to
7 read:

8 § 102. Definitions.

9 Subject to additional or inconsistent definitions contained
10 in subsequent provisions of this title that are applicable to
11 specific provisions of this title, the following words and
12 phrases when used in this title shall have, unless the context
13 clearly indicates otherwise, the meanings given to them in this
14 section:

15 * * *

16 "Banking [institution." A banking institution as defined in
17 section 1103 (relating to definitions).] institution" or
18 "domestic banking institution." A domestic corporation for
19 profit that is an institution as defined in the act of November
20 30, 1965 (P.L.847, No.356), known as the Banking Code of 1965.

21 * * *

22 "Execute." When used with respect to authenticating a
23 filing, document or other record, means "sign."

24 * * *

25 "Insurance [corporation."] corporation" or "domestic
26 insurance corporation." An insurance corporation as defined in
27 section 3102 (relating to definitions).

28 * * *

29 "Limited liability company." A domestic or foreign limited
30 liability company as defined in section 8903 (relating to

1 definitions [and index of definitions]).

2 * * *

<—

3 "Obligation." Includes a note or other form of indebtedness,
4 whether secured or unsecured.

5 "Officially publish." Publish in two newspapers of general
6 circulation in the English language in the county in which the
7 registered office of the association is located or, in the case
8 of a proposed association, will be located, one of which shall
9 be the legal newspaper, if any, designated by the rules of court
10 for the publication of legal notices or, if there is no legal
11 newspaper, in two newspapers of general circulation in the
12 county. When there is but one newspaper of general circulation
13 in the county, advertisement in that newspaper shall be
14 sufficient. Where no other frequency is specified, the notice
15 shall be published one time in the appropriate newspaper or
16 newspapers. See section 109(a)(2) (relating to name of
17 commercial registered office provider in lieu of registered
18 address).

19 * * *

20 "Record form." Inscribed on a tangible medium or stored in
21 an electronic or other medium and retrievable in tangible and
22 reasonably legible form.

23 "Representative." [A representative as defined in section
24 1103 (relating to definitions).] When used with respect to an
25 association, joint venture, trust or other enterprise, the term
26 means a person occupying the position or discharging the
27 functions of a director, officer, employee or agent thereof,
28 regardless of the name or title by which the person may be
29 designated. The term does not imply that a director, as such, is
30 an agent of a corporation.

1 "Savings [association." A savings association as defined in
2 section 1103.] association" or "domestic savings association."
3 A domestic corporation for profit that is an association as
4 defined in the act of December 14, 1967 (P.L.746, No.345), known
5 as the Savings Association Code of 1967.

6 "Sign." Includes:

7 (1) to sign manually or adopt a tangible symbol with the
8 present intent to authenticate or subscribe to a record; or

9 (2) to attach to, or logically associate with, a record
10 an electronic symbol, sound or process with the present
11 intent to authenticate or subscribe to the record.

12 * * *

13 § 107. Form of records.

14 (a) General rule.--Any records maintained by a corporation
15 or other association in the regular course of its business,
16 including shareholder or membership records, books of account
17 and minute books, may be kept [on, or be in the form of, punch
18 cards, magnetic storage media, photographs, microphotographs or
19 any other information storage device if the records so kept can
20 be converted into reasonably legible written form within a
21 reasonable time] in record form. Any corporation or other
22 association shall [so] convert any of its records [so kept] into
23 a tangible and reasonably legible form to the extent they are
24 not kept in that form upon the request of any person entitled to
25 inspect the records. Where records are kept in [this manner, a]
26 record form, a tangible and reasonably legible [written] form
27 [produced from the information storage device] that accurately
28 portrays the record shall be admissible in evidence, and shall
29 be accepted for all other purposes, to the same extent as an
30 original written record of the same information would have been

1 accepted.

2 (b) Meaning of "written."--References in this title to a
3 document in writing or to a written provision of an agreement or
4 other document shall be deemed to include and be satisfied by a
5 document or provision of an agreement or document in record
6 form.

7 § 131. Application of subchapter.

8 As used in this subchapter, the term "this title" includes
9 Titles 17 (relating to credit unions) and 54 (relating to names)
10 and any other provision of law that makes reference to the
11 powers and procedures of this subchapter or, to the extent not
12 inconsistent with this subchapter, requires a filing in the
13 Corporation Bureau of the Department of State and does not
14 specify some or all of the necessary procedures therefor
15 provided in this subchapter.

16 § 133. Powers of Department of State.

17 (a) General rule.--The Department of State shall have the
18 power and authority reasonably necessary to enable it to
19 administer this subchapter efficiently and to perform the
20 functions specified in section 132 (relating to functions of
21 Department of State), in 13 Pa.C.S. (relating to commercial
22 code) and in 17 Pa.C.S. (relating to credit unions). The
23 following shall not be agency regulations for the purposes of
24 section 612 of the act of April 9, 1929 (P.L.177, No.175), known
25 as The Administrative Code of 1929, the act of October 15, 1980
26 (P.L.950, No.164), known as the Commonwealth Attorneys Act, the
27 act of June 25, 1982 (P.L.633, No.181), known as the Regulatory
28 Review Act, or any similar provision of law, but shall be
29 subject to the opportunity of public comment requirement under
30 section 201 of the act of July 31, 1968 (P.L.769, No.240),

1 referred to as the Commonwealth Documents Law:

2 (1) Sample filing forms promulgated by the department
3 under subsection (d).

4 (2) Instructions accompanying sample filing forms and
5 other explanatory material published in the Pennsylvania Code
6 that is intended to substantially track applicable statutory
7 provisions relating to the particular filing or to any of the
8 functions of the department covered by this subsection, if a
9 regulation of the department expressly states that such
10 instructions or explanatory materials shall not have the
11 force of law.

12 (3) Regulations, which the department is hereby
13 authorized to promulgate, that:

14 (i) Authorize payment of fees and other remittances
15 through or by a credit or debit card issuer or other
16 financial intermediary.

17 (ii) Authorize contracts with credit or debit card
18 issuers and other financial intermediaries relating to
19 the collection, transmission and payment of fees and
20 other remittances.

21 [(iii) Adjust the level of fees and other
22 remittances as otherwise fixed by law so as to facilitate
23 their transmission through or by a credit card issuer or
24 other financial intermediary pursuant to such regulations
25 without net cost to the department.]

26 (IV) ADJUST, NOT MORE THAN ONCE PER YEAR, THE FEES <—
27 SET FORTH IN SECTION 153(A) (RELATING TO FEE SCHEDULE)
28 AND 13 PA.C.S. § 9525 (RELATING TO FEES) FOR FILINGS
29 TRANSMITTED TO THE DEPARTMENT ELECTRONICALLY.

30 * * *

1 (D) [PHYSICAL CHARACTERISTICS AND COPIES OF DOCUMENTS]
2 FORMAT OF FILINGS.--ALL ARTICLES AND OTHER DOCUMENTS AUTHORIZED
3 OR REQUIRED TO BE FILED IN THE DEPARTMENT UNDER THIS TITLE SHALL
4 BE IN SUCH FORMAT AS [TO SIZE, SHAPE AND OTHER PHYSICAL
5 CHARACTERISTICS AS SHALL BE] PRESCRIBED BY REGULATIONS
6 PROMULGATED BY THE DEPARTMENT. [THE REGULATIONS MAY REQUIRE THE
7 SUBMISSION OF NOT TO EXCEED THREE CONFORMED COPIES OF ANY
8 DOCUMENT IN ADDITION TO THE ORIGINAL AND ANY COPIES THEREOF
9 OTHERWISE REQUIRED BY LAW.] ALL FORMATS PROMULGATED BY THE
10 DEPARTMENT FOR USE UNDER THIS TITLE SHALL [INCLUDE A STATEMENT
11 OF THE NUMBER OF COPIES REQUIRED TO BE FILED AND SHALL] BE
12 PUBLISHED IN THE PENNSYLVANIA CODE.

13 * * *

14 § 135. REQUIREMENTS TO BE MET BY FILED DOCUMENTS.

15 (A) GENERAL RULE.--A DOCUMENT SHALL BE ACCEPTED FOR FILING
16 BY THE DEPARTMENT OF STATE IF IT SATISFIES THE FOLLOWING
17 REQUIREMENTS:

18 * * *

19 (7) IT IS IN RECORD FORM AND EXECUTED. THE DEPARTMENT
20 SHALL NOT EXAMINE A DOCUMENT TO DETERMINE WHETHER THE
21 DOCUMENT HAS BEEN EXECUTED BY AN AUTHORIZED PERSON OR BY
22 SUFFICIENT AUTHORIZED PERSONS OR OTHERWISE IS DULY EXECUTED.
23 [A DOCUMENT SHALL BE DEEMED EXECUTED IF IT CONTAINS A
24 FACSIMILE SIGNATURE, SO LONG AS THE OPERATIVE PORTIONS OF THE
25 DOCUMENT MEET ANY APPLICABLE REQUIREMENTS PRESCRIBED UNDER
26 SECTION 133(D) (RELATING TO PHYSICAL CHARACTERISTICS AND
27 COPIES OF DOCUMENTS).]

28 * * *

29 § 136. PROCESSING OF DOCUMENTS BY DEPARTMENT OF STATE.

30 * * *

1 (B) IMMEDIATE CERTIFIED COPY.--

2 * * *

3 [(2) IF THE DUPLICATE COPY IS DELIVERED BY HAND TO THE
4 OFFICE OF THE DEPARTMENT AT THE SEAT OF GOVERNMENT AT LEAST
5 FOUR HOURS BEFORE THE CLOSE OF BUSINESS ON ANY DAY NOT A
6 HOLIDAY AND RELATES TO A MATTER OTHER THAN A LABEL OR OTHER
7 MARK REQUIRING EXAMINATION UNDER TITLE 54 (RELATING TO NAMES)
8 OR THE RESERVATION OR REGISTRATION OF A NAME UNDER THIS TITLE
9 AND, IN THE CASE OF A DOCUMENT THAT CREATES A NEW
10 ASSOCIATION, EFFECTS OR REFLECTS A CHANGE IN NAME OR
11 QUALIFIES A FOREIGN ASSOCIATION TO DO BUSINESS IN THIS
12 COMMONWEALTH, IF THE DUPLICATE COPY IS ACCOMPANIED BY
13 EVIDENCE THAT THE PROPOSED NAME HAS BEEN RESERVED OR
14 REGISTERED BY OR ON BEHALF OF THE APPLICANT, THE DEPARTMENT
15 BEFORE THE CLOSE OF BUSINESS ON THAT DAY SHALL EITHER:

16 (I) CERTIFY THE DUPLICATE COPY AS REQUIRED BY THIS
17 SUBSECTION AND MAKE SUCH CERTIFIED COPY AVAILABLE AT THE
18 OFFICE OF THE DEPARTMENT TO OR UPON THE ORDER OF THE
19 PERSON WHO DELIVERED IT TO THE DEPARTMENT.

20 (II) MAKE AVAILABLE AT THE OFFICE OF THE DEPARTMENT
21 TO OR UPON THE ORDER OF THE PERSON WHO DELIVERED IT TO
22 THE DEPARTMENT A BRIEF STATEMENT IN WRITING OF THE
23 REASONS OF THE DEPARTMENT FOR REFUSING TO CERTIFY SUCH
24 DUPLICATE COPY.

25 SEE SECTION 153(A)(10) (RELATING TO CERTIFICATION FEES).]

26 * * *

27 § 152. Definitions.

28 The following words and phrases when used in this subchapter
29 shall have the meanings given to them in this section unless the
30 context clearly indicates otherwise:

"Ancillary transaction." Includes:

- (1) preclearance of document[,];
- (2) amendment of articles, charter, certificate or other organic document, restatement of articles, charter, certificate or other organic document[, change in registered or principal office, change in share structure,];
- (3) dissolution, cancellation or termination[, reorganization,] of an association;
- (4) withdrawal by foreign association[,];
- (5) withdrawal by a partner[, or];
- (6) any [similar transaction,] transaction similar to any of the foregoing; or
- (7) the deposit in the Department of State for filing in, by or with the Department of State or the Secretary of the Commonwealth of any articles, statements, proceedings, agreements or any like papers affecting associations under the statutes of this Commonwealth[.] for which a specific fee is not set forth in section 153 (relating to fee schedule) or other applicable statute.

"Bureau." The Corporation Bureau of the Department of State or any successor agency within the department.

§ 153. Fee schedule.

~~(a) General rule. The fees of the Corporation Bureau of the department, including fees for the public acts and transactions of the Secretary of the Commonwealth administered through the bureau, shall be as follows:~~ <—

~~***~~

~~(5) Fictitious names:~~

~~(i) Registration.....~~

~~(ii) Each ancillary transaction, other~~

52

1	than one described in subparagraph (iii)...	52
2	(iii) Amendment of a fictitious name	
3	registration limited to changing one or	
4	more of the addresses set forth therein....	4
5	* * *	
6	(13) Change of registered office [by	
7	agent]:	
8	(i) Each statement of change of	
9	registered office by agent.....	4
10	(ii) Statement or certificate of	
11	change of registered office.....	4
12	* * *	
13	(15) Unincorporated nonprofit	
14	associations:	
15	(i) Statement appointing an agent to	
16	receive service of process.....	52
17	(ii) Resignation of appointed agent...	28
18	(iii) Each ancillary transaction.....	52
19	<u>(A) GENERAL RULE.--THE FEES OF THE CORPORATION BUREAU OF THE</u>	<—
20	<u>DEPARTMENT, INCLUDING FEES FOR THE PUBLIC ACTS AND TRANSACTIONS</u>	
21	<u>OF THE SECRETARY OF THE COMMONWEALTH ADMINISTERED THROUGH THE</u>	
22	<u>BUREAU SHALL BE AS FOLLOWS:</u>	
23	<u>(1) DOMESTIC CORPORATIONS:</u>	
24	<u>(I) ARTICLES OF INCORPORATION, LETTERS</u>	
25	<u>PATENT OR LIKE INSTRUMENT INCORPORATING A</u>	
26	<u>CORPORATION OR ASSOCIATION.....</u>	\$125
27	<u>(II) ARTICLES OF AGREEMENT OR LIKE</u>	
28	<u>INSTRUMENT OF MERGER, CONSOLIDATION OR</u>	
29	<u>DIVISION.....</u>	70
30	<u>(III) ADDITIONAL FEE FOR EACH</u>	

1	<u>ASSOCIATION THAT IS A PARTY TO A MERGER OR</u>	
2	<u>CONSOLIDATION.....</u>	<u>40</u>
3	<u>(IV) ADDITIONAL FEE FOR EACH NEW</u>	
4	<u>ASSOCIATION RESULTING FROM A DIVISION.....</u>	<u>125</u>
5	<u>(V) ARTICLES OF CONVERSION OR LIKE</u>	
6	<u>INSTRUMENT.....</u>	<u>70</u>
7	<u>(VI) EACH ANCILLARY TRANSACTION.....</u>	<u>70</u>
8	<u>(2) FOREIGN CORPORATIONS:</u>	
9	<u>(I) CERTIFICATES OF AUTHORITY OR LIKE</u>	
10	<u>QUALIFICATION TO DO BUSINESS.....</u>	<u>250</u>
11	<u>(II) AMENDED CERTIFICATE OF AUTHORITY</u>	
12	<u>OR LIKE CHANGE IN QUALIFICATION TO DO</u>	
13	<u>BUSINESS.....</u>	<u>250</u>
14	<u>(III) DOMESTICATION.....</u>	<u>125</u>
15	<u>(IV) STATEMENT OF MERGER OR</u>	
16	<u>CONSOLIDATION OR LIKE INSTRUMENT REPORTING</u>	
17	<u>OCCURRENCE OF MERGER OR CONSOLIDATION NOT</u>	
18	<u>EFFECTED BY A FILING IN THE DEPARTMENT.....</u>	<u>70</u>
19	<u>(V) ADDITIONAL FEE FOR EACH QUALIFIED</u>	
20	<u>FOREIGN CORPORATION THAT IS NAMED IN A</u>	
21	<u>STATEMENT OF MERGER OR CONSOLIDATION OR</u>	
22	<u>LIKE INSTRUMENT.....</u>	<u>40</u>
23	<u>(VI) EACH ANCILLARY TRANSACTION.....</u>	<u>70</u>
24	<u>(3) PARTNERSHIPS AND LIMITED LIABILITY</u>	
25	<u>COMPANIES:</u>	
26	<u>(I) CERTIFICATE OF LIMITED PARTNERSHIP</u>	
27	<u>OR CERTIFICATE OF ORGANIZATION OF A LIMITED</u>	
28	<u>LIABILITY COMPANY OR LIKE INSTRUMENT</u>	
29	<u>FORMING A LIMITED PARTNERSHIP OR ORGANIZING</u>	
30	<u>A LIMITED LIABILITY COMPANY.....</u>	<u>125</u>

1	<u>(II) CERTIFICATE OF MERGER OR</u>	
2	<u>CONSOLIDATION.....</u>	<u>70</u>
3	<u>(III) ADDITIONAL FEE FOR EACH</u>	
4	<u>ASSOCIATION THAT IS A PARTY TO THE MERGER</u>	
5	<u>OR CONSOLIDATION.....</u>	<u>40</u>
6	<u>(IV) APPLICATION FOR REGISTRATION OF</u>	
7	<u>FOREIGN LIMITED PARTNERSHIP OR LIMITED</u>	
8	<u>LIABILITY COMPANY.....</u>	<u>250</u>
9	<u>(V) CERTIFICATE OF AMENDMENT OF</u>	
10	<u>REGISTRATION OF FOREIGN LIMITED PARTNERSHIP</u>	
11	<u>OR LIMITED LIABILITY COMPANY.....</u>	<u>250</u>
12	<u>(VI) STATEMENT OF REGISTRATION OF</u>	
13	<u>REGISTERED LIMITED LIABILITY PARTNERSHIP OR</u>	
14	<u>STATEMENT OF ELECTION AS AN ELECTING</u>	
15	<u>PARTNERSHIP.....</u>	<u>125</u>
16	<u>(VII) DOMESTICATION OF FOREIGN LIMITED</u>	
17	<u>LIABILITY COMPANY.....</u>	<u>125</u>
18	<u>(VIII) ADDITIONAL FEE FOR EACH NEW</u>	
19	<u>ASSOCIATION RESULTING FROM A DIVISION.....</u>	<u>125</u>
20	<u>(IX) EACH ANCILLARY TRANSACTION.....</u>	<u>70</u>
21	<u>(4) BUSINESS TRUSTS:</u>	
22	<u>(I) DEED OF TRUST OR OTHER INITIAL</u>	
23	<u>INSTRUMENT FOR A BUSINESS TRUST.....</u>	<u>125</u>
24	<u>(II) EACH ANCILLARY TRANSACTION.....</u>	<u>70</u>
25	<u>(5) FICTITIOUS NAMES:</u>	
26	<u>(I) REGISTRATION.....</u>	<u>70</u>
27	<u>(II) EACH ANCILLARY TRANSACTION.....</u>	<u>70</u>
28	<u>(6) SERVICE OF PROCESS:</u>	
29	<u>(I) EACH DEFENDANT NAMED OR SERVED....</u>	<u>70</u>
30	<u>(II) (RESERVED)</u>	

1	<u>(7) TRADEMARKS, EMBLEMS, UNION LABELS,</u>	
2	<u>DESCRIPTION OF BOTTLES AND LIKE MATTERS:</u>	
3	<u>(I) TRADEMARK REGISTRATION.....</u>	<u>50</u>
4	<u>(II) EACH ANCILLARY TRADEMARK</u>	
5	<u>TRANSACTION.....</u>	<u>50</u>
6	<u>(III) ANY OTHER REGISTRATION UNDER</u>	
7	<u>THIS PARAGRAPH.....</u>	<u>70</u>
8	<u>(IV) ANY OTHER ANCILLARY TRANSACTION</u>	
9	<u>UNDER THIS PARAGRAPH.....</u>	<u>70</u>
10	<u>(8) UNIFORM COMMERCIAL CODE: AS PROVIDED</u>	
11	<u>IN 13 PA.C.S. § 9525 (RELATING TO FEES).</u>	
12	<u>(9) COPY FEES (INCLUDING COPIES FURNISHED</u>	
13	<u>UNDER THE UNIFORM COMMERCIAL CODE):</u>	
14	<u>(I) EACH PAGE OF PHOTOCOPY FURNISHED..</u>	<u>3</u>
15	<u>(II) (RESERVED).</u>	
16	<u>(10) CERTIFICATION FEES:</u>	
17	<u>(I) FOR CERTIFYING COPIES OF ANY</u>	
18	<u>DOCUMENT OR PAPER ON FILE, THE FEE</u>	
19	<u>SPECIFIED IN PARAGRAPH (9), IF THE</u>	
20	<u>DEPARTMENT FURNISHED THE COPY, PLUS.....</u>	<u>40</u>
21	<u>(II) (RESERVED).</u>	
22	<u>(III) FOR ISSUING ANY OTHER</u>	
23	<u>CERTIFICATE OF THE SECRETARY OF THE</u>	
24	<u>COMMONWEALTH OR THE DEPARTMENT (OTHER THAN</u>	
25	<u>AN ENGROSSED CERTIFICATE).....</u>	<u>40</u>
26	<u>(11) REPORT OF RECORD SEARCH (OTHER THAN</u>	
27	<u>SEARCH UNDER PARAGRAPH (8)):</u>	
28	<u>(I) FOR PREPARING AND PROVIDING A</u>	
29	<u>WRITTEN OR PHOTOCOPY, OR BOTH, REPORT OF A</u>	
30	<u>RECORD SEARCH, THE FEE SPECIFIED IN</u>	

1	<u>PARAGRAPH (9), IF ANY, PLUS.....</u>	<u>15</u>
2	<u>(II) (RESERVED).</u>	
3	<u>(12) RESERVATION AND REGISTRATION OF</u>	
4	<u>NAMES:</u>	
5	<u>(I) RESERVATION OF ASSOCIATION NAME...</u>	<u>70</u>
6	<u>(II) REGISTRATION OF FOREIGN OR OTHER</u>	
7	<u>CORPORATION NAME.....</u>	<u>70</u>
8	<u>(13) CHANGE OF REGISTERED OFFICE BY AGENT:</u>	
9	<u>(I) EACH STATEMENT OF CHANGE OF</u>	
10	<u>REGISTERED OFFICE BY AGENT.....</u>	<u>5</u>
11	<u>(II) (RESERVED).</u>	
12	<u>(14) CONTINGENT DOMESTICATION:</u>	
13	<u>(I) STATEMENT OF CONTINGENT</u>	
14	<u>DOMESTICATION.....</u>	<u>125</u>
15	<u>(II) EACH YEAR, OR PORTION THEREOF,</u>	
16	<u>DURING WHICH A CONTINGENT DOMESTICATION OR</u>	
17	<u>TEMPORARY DOMICILIARY STATUS IS IN EFFECT..</u>	<u>1,500</u>
18	<u>(15) EXPEDITED SERVICE:</u>	
19	<u>(I) FOR THE PROCESSING OF ANY FILING</u>	
20	<u>UNDER THIS TITLE OR TITLE 13 THAT IS</u>	
21	<u>RECEIVED BY THE BUREAU BEFORE 4 P.M. AND</u>	
22	<u>THAT IS REQUESTED TO BE COMPLETED WITHIN</u>	
23	<u>ONE HOUR, AN ADDITIONAL FEE OF.....</u>	<u>1,000</u>
24	<u>(II) FOR THE PROCESSING OF ANY FILING</u>	
25	<u>UNDER THIS TITLE OR TITLE 13 THAT IS</u>	
26	<u>RECEIVED BY THE BUREAU BEFORE 2 P.M. AND</u>	
27	<u>THAT IS REQUESTED TO BE COMPLETED WITHIN</u>	
28	<u>THREE HOURS, AN ADDITIONAL FEE OF.....</u>	<u>300</u>
29	<u>(III) FOR PROCESSING OF ANY FILING</u>	
30	<u>UNDER THIS TITLE OR TITLE 13 THAT IS</u>	

1 § 1103. Definitions.

2 (a) General definitions.--Subject to additional definitions
3 contained in subsequent provisions of this subpart that are
4 applicable to specific provisions of this subpart, the following
5 words and phrases when used in this subpart shall have the
6 meanings given to them in this section unless the context
7 clearly indicates otherwise:

8 ["Act" or "action." Includes failure to act.]

9 * * *

10 ["Banking institution" or "domestic banking institution." A
11 domestic corporation for profit that is an institution as
12 defined in the act of November 30, 1965 (P.L.847, No.356), known
13 as the Banking Code of 1965.]

14 * * *

15 ["Corporation for profit." A corporation incorporated for a
16 purpose or purposes involving pecuniary profit, incidental or
17 otherwise, to its shareholders or members.

18 "Corporation not-for-profit." A corporation not incorporated
19 for a purpose or purposes involving pecuniary profit, incidental
20 or otherwise.

21 "Court." Subject to any inconsistent general rule prescribed
22 by the Supreme Court of Pennsylvania:

23 (1) the court of common pleas of the judicial district
24 embracing the county where the registered office of the
25 corporation is or is to be located; or

26 (2) where a corporation results from a merger,
27 consolidation, division or other transaction without
28 establishing a registered office in this Commonwealth or
29 withdraws as a foreign corporation, the court of common pleas
30 in which venue would have been laid immediately prior to the

transaction or withdrawal.

"Credit union." A credit union as defined in 17 Pa.C.S. § 102 (relating to application of title).

"Department." The Department of State of the Commonwealth.]

* * *

"Distribution." A direct or indirect transfer of money or other property (except its own shares or options, rights or warrants to acquire its own shares) or incurrence of indebtedness by a corporation to or for the benefit of any or all of its shareholders in respect of any of its shares whether by dividend or by purchase, redemption or other acquisition of its shares or otherwise. Neither the making of, nor payment or performance upon, a guaranty or similar arrangement by a corporation for the benefit of any or all of its shareholders nor a direct or indirect transfer or allocation of assets or liabilities effected under Chapter 19 (relating to fundamental changes) with the approval of the shareholders shall constitute a distribution for the purposes of this subpart.

* * *

["Domestic corporation for profit." A corporation for profit incorporated under the laws of this Commonwealth.

"Domestic corporation not-for-profit." A corporation not-for-profit incorporated under the laws of this Commonwealth.]

* * *

["Foreign corporation for profit." A corporation for profit incorporated under any laws other than those of this Commonwealth.

"Foreign corporation not-for-profit." A corporation not-for-profit incorporated under any laws other than those of this Commonwealth.]

1 * * *

2 ["Insurance corporation" or "domestic insurance corporation."
3 An insurance corporation as defined in section 3102 (relating to
4 definitions).

5 "Internal Revenue Code of 1986." The Internal Revenue Code
6 of 1986 (Public Law 99-514, 26 U.S.C. § 1 et seq.).]

7 * * *

8 ["OBLIGATION." INCLUDES A NOTE OR OTHER FORM OF
9 INDEBTEDNESS, WHETHER SECURED OR UNSECURED.]

<—

10 * * *

11 ["Officially publish." Publish in two newspapers of general
12 circulation in the English language in the county in which the
13 registered office of the corporation is located, or in the case
14 of a proposed corporation is to be located, one of which shall
15 be the legal newspaper, if any, designated by the rules of court
16 for the publication of legal notices or, if there is no legal
17 newspaper, in two newspapers of general circulation in the
18 county. When there is but one newspaper of general circulation
19 in any county, advertisement in that newspaper shall be
20 sufficient. Where no other frequency is specified, the notice
21 shall be published one time in the appropriate newspaper or
22 newspapers. See section 109(a)(2) (relating to name of
23 commercial registered office provider in lieu of registered
24 address).]

25 * * *

26 ["Representative." When used with respect to an association,
27 joint venture, trust or other enterprise, means a person
28 occupying the position or discharging the functions of a
29 director, officer, employee or agent thereof, regardless of the
30 name or title by which the person may be designated. The term

1 does not imply that a director, as such, is an agent of a
2 corporation.

3 "Savings association" or "domestic savings association." A
4 domestic corporation for profit that is an association as
5 defined in the act of December 14, 1967 (P.L.746, No.345), known
6 as the Savings Association Code of 1967.]

7 * * *

8 "Voting" or "casting a vote." Includes the giving of
9 [written] consent in lieu of voting. The term does not include
10 either recording the fact of abstention or failing to vote for a
11 candidate or for approval or disapproval of a matter, whether or
12 not the person entitled to vote characterizes the conduct as
13 voting or casting a vote.

14 (b) Index of other definitions.--The following is a
15 nonexclusive list of words and phrases used in this subpart as
16 defined in section 102:

17 "Act" or "action."

18 "Banking institution" or "domestic banking institution."

19 "Corporation for profit."

20 "Corporation not-for-profit."

21 "Court."

22 "Credit union."

23 "Department."

24 "Domestic corporation for profit."

25 "Domestic corporation not-for-profit."

26 "Execute."

27 "Foreign corporation for profit."

28 "Foreign corporation not-for-profit."

29 "Insurance corporation" or "domestic insurance corporation."

30 "Internal Revenue Code of 1986."

1 "Obligation."
2 "Officially publish."
3 "Record form."
4 "Representative."
5 "Savings association" or "domestic savings association."
6 "Sign."

7 [§ 1104. OTHER GENERAL PROVISIONS.

<—

8 THE FOLLOWING PROVISIONS OF THIS TITLE ARE APPLICABLE TO
9 CORPORATIONS SUBJECT TO THIS SUBPART:

10 SECTION 101 (RELATING TO SHORT TITLE AND APPLICATION OF
11 TITLE).

12 SECTION 102 (RELATING TO DEFINITIONS).

13 SECTION 103 (RELATING TO SUBORDINATION OF TITLE TO
14 REGULATORY LAWS).

15 SECTION 104 (RELATING TO EQUITABLE REMEDIES).

16 SECTION 105 (RELATING TO FEES).

17 SECTION 106 (RELATING TO EFFECT OF FILING PAPERS REQUIRED
18 TO BE FILED).

19 SECTION 107 (RELATING TO FORM OF RECORDS).

20 SECTION 108 (RELATING TO CHANGE IN LOCATION OR STATUS OF
21 REGISTERED OFFICE PROVIDED BY AGENT).

22 SECTION 109 (RELATING TO NAME OF COMMERCIAL REGISTERED
23 OFFICE PROVIDER IN LIEU OF REGISTERED ADDRESS).

24 SECTION 110 (RELATING TO SUPPLEMENTARY GENERAL PRINCIPLES
25 OF LAW APPLICABLE).

26 SECTION 132 (RELATING TO FUNCTIONS OF DEPARTMENT OF
27 STATE).

28 SECTION 133 (RELATING TO POWERS OF DEPARTMENT OF STATE).

29 SECTION 134 (RELATING TO DOCKETING STATEMENT).

30 SECTION 135 (RELATING TO REQUIREMENTS TO BE MET BY FILED

DOCUMENTS).

SECTION 136 (RELATING TO PROCESSING OF DOCUMENTS BY
DEPARTMENT OF STATE).

SECTION 137 (RELATING TO COURT TO PASS UPON REJECTION OF
DOCUMENTS BY DEPARTMENT OF STATE).

SECTION 138 (RELATING TO STATEMENT OF CORRECTION).

SECTION 139 (RELATING TO TAX CLEARANCE OF CERTAIN
FUNDAMENTAL TRANSACTIONS).

SECTION 140 (RELATING TO CUSTODY AND MANAGEMENT OF ORPHAN
CORPORATE AND BUSINESS RECORDS).

SECTION 152 (RELATING TO DEFINITIONS).

SECTION 153 (RELATING TO FEE SCHEDULE).

SECTION 154 (RELATING TO ENFORCEMENT AND COLLECTION).

SECTION 155 (RELATING TO DISPOSITION OF FUNDS).

SECTION 162 (RELATING TO CONTINGENT DOMESTICATION OF
CERTAIN FOREIGN ASSOCIATIONS).

SECTION 501 (RELATING TO RESERVED POWER OF GENERAL
ASSEMBLY).

SECTION 503 (RELATING TO ACTIONS TO REVOKE CORPORATE
FRANCHISES).

SECTION 504 (RELATING TO VALIDATION OF CERTAIN DEFECTIVE
CORPORATIONS).

SECTION 505 (RELATING TO VALIDATION OF CERTAIN DEFECTIVE
CORPORATE ACTS).

SECTION 506 (RELATING TO SCOPE AND DURATION OF CERTAIN
FRANCHISES).

SECTION 507 (RELATING TO VALIDATION OF CERTAIN SHARE
AUTHORIZATIONS).]

§ 1521. Authorized shares.

* * *

1 (d) Status and rights.--Shares of a business corporation
2 shall be deemed personal property. Except as otherwise provided
3 by the articles or, when so permitted by subsection (c), by one
4 or more bylaws adopted by the shareholders, the terms of each
5 share shall be in all respects equal to every other share. See
6 section 1906(d)(4) (relating to special treatment of holders of
7 shares of same class or series).

8 § 1523. Pricing and issuance of shares.

9 Except as otherwise restricted in the bylaws, shares of a
10 business corporation may be issued at a price determined by the
11 board of directors, or the board may [set a minimum price or
12 establish a formula or method by which the price may be
13 determined] authorize one or more officers, acting alone or with
14 the participation of one or more directors, to determine the
15 purchasers, number of shares, price and other terms on which
16 shares will be issued, within limits or subject to relevant
17 criteria which shall be specifically prescribed by the board.

18 § 1704. Place and notice of meetings of shareholders.

19 (a) Place.--Meetings of shareholders may be held at such
20 geographic location within or without this Commonwealth as may
21 be provided in or fixed pursuant to the bylaws. Unless otherwise
22 provided in or pursuant to the bylaws, all meetings of the
23 shareholders shall be held at the executive office of the
24 corporation wherever situated. If a meeting of the shareholders
25 is held by means of the Internet or other electronic
26 communications technology in a fashion pursuant to which the
27 shareholders have the opportunity to read or hear the
28 proceedings substantially concurrently with their occurrence,
29 vote on matters submitted to the shareholders [and], pose
30 questions to the directors, make appropriate motions and comment

1 on the business of the meeting, the meeting need not be held at
2 a particular geographic location.

3 (b) Notice.--[Written notice] Notice IN RECORD FORM of every <—
4 meeting of the shareholders shall be given by, or at the
5 direction of, the secretary or other authorized person to each
6 shareholder of record entitled to vote at the meeting at least:

7 (1) ten days prior to the day named for a meeting that
8 will consider a fundamental change under Chapter 19 (relating
9 to fundamental changes); or

10 (2) five days prior to the day named for the meeting in
11 any other case.

12 If the secretary or other authorized person neglects or refuses
13 to give notice of a meeting, the person or persons calling the
14 meeting may do so.

15 * * *

16 (d) Cross reference.--See section 2528 (relating to notice
17 of shareholder meetings).

18 § 1705. Waiver of notice.

19 (a) [Written waiver] General rule.--Whenever any [written]
20 notice is required to be given under the provisions of this
21 subpart or the articles or bylaws of any business corporation, a
22 waiver thereof [in writing, signed] that is filed with the
23 secretary of the corporation in record form signed by the person
24 or persons entitled to the notice, whether before or after the
25 time stated therein, shall be deemed equivalent to the giving of
26 the notice. Neither the business to be transacted at, nor the
27 purpose of, a meeting need be specified in the waiver of notice
28 of the meeting.

29 * * *

30 § 1727. Quorum of and action by directors.

1 * * *

2 (b) Action by consent.--Unless otherwise restricted in the
3 bylaws, any action required or permitted to be taken at a
4 meeting of the directors may be taken without a meeting if,
5 prior or subsequent to the action, a consent or consents thereto
6 in record form signed by all of the directors in office is filed
7 with the secretary of the corporation.

8 § 1759. Voting and other action by proxy.

9 (a) General rule.--

10 (1) Every shareholder entitled to vote at a meeting of
11 shareholders or to express consent or dissent to corporate
12 action [in writing] without a meeting may authorize another
13 person to act for him by proxy.

14 (2) The presence of, or vote or other action at a
15 meeting of shareholders, or the expression of consent or
16 dissent to corporate action [in writing], by a proxy of a
17 shareholder shall constitute the presence of, or vote or
18 action by, or [written] consent or dissent of the shareholder
19 for the purposes of this subpart.

20 (3) Where two or more proxies of a shareholder are
21 present, the corporation shall, unless otherwise expressly
22 provided in the proxy, accept as the vote or other action of
23 all shares represented thereby the vote cast or other action
24 taken by a majority of them and, if a majority of the proxies
25 cannot agree whether the shares represented shall be voted or
26 upon the manner of voting the shares or taking the other
27 action, the voting of the shares or right to take other
28 action shall be divided equally among those persons.

29 * * *

30 (c) Revocation.--A proxy, unless coupled with an interest,

1 shall be revocable at will, notwithstanding any other agreement
2 or any provision in the proxy to the contrary, but the
3 revocation of a proxy shall not be effective until notice
4 thereof has been given to the secretary of the corporation or
5 its designated agent in writing or by electronic transmission.
6 An unrevoked proxy shall not be valid after three years from the
7 date of its execution, authentication or transmission unless a
8 longer time is expressly provided therein. A proxy shall not be
9 revoked by the death or incapacity of the maker unless, before
10 the vote is counted or the authority is exercised, [written]
11 notice IN RECORD FORM of the death or incapacity is given to the <—
12 secretary of the corporation or its designated agent.

13 * * *

14 (e) Cross [reference] references.--See [section] sections
15 1702 (relating to manner of giving notice) and 3135 (relating to
16 proxies of members of mutual insurance companies).

17 § 1764. Voting lists.

18 (a) General rule.--The officer or agent having charge of the
19 transfer books for shares of a business corporation shall make a
20 complete list of the shareholders entitled to vote at any
21 meeting of shareholders, arranged in alphabetical order, with
22 the address of and the number of shares held by each. This
23 section does not require the corporation to include electronic
24 mail addresses or other electronic contact information on the
25 list. The list shall be produced and kept open at the time and
26 place of [the] each meeting of shareholders of a nonregistered
27 corporation held at a geographic location and shall be subject
28 to the inspection of any shareholder during the whole time of
29 the meeting for the purposes thereof [except that, if a business
30 corporation has 5,000 or more shareholders, in lieu of the

1 making of the list the corporation may make the information
2 therein available at the meeting by any other means]. See
3 section 2529 (relating to voting lists).

4 * * *

5 (c) Electronic meetings.--If a meeting of shareholders of a
6 nonregistered corporation is not held at a geographic location,
7 the corporation shall make the list of shareholders required by
8 subsection (a) available on a reasonably accessible electronic
9 network during the whole time of the meeting and shall provide
10 the information required to gain access to the list with the
11 notice of the meeting.

12 § 1766. Consent of shareholders in lieu of meeting.

13 (a) Unanimous consent.--Unless otherwise restricted in the
14 bylaws, any action required or permitted to be taken at a
15 meeting of the shareholders or of a class of shareholders of a
16 business corporation may be taken without a meeting if, prior or
17 subsequent to the action, a consent or consents thereto signed
18 by all of the shareholders who would be entitled to vote at a
19 meeting for such purpose shall be filed in record form with the
20 secretary of the corporation.

21 (b) Partial consent.--If the bylaws so provide, any action
22 required or permitted to be taken at a meeting of the
23 shareholders or of a class of shareholders may be taken without
24 a meeting upon the signed consent of shareholders who would have
25 been entitled to cast the minimum number of votes that would be
26 necessary to authorize the action at a meeting at which all
27 shareholders entitled to vote thereon were present and voting.
28 The consents shall be filed in record form with the secretary of
29 the corporation.

30 * * *

(d) Cross [reference] references.--See [section] sections 1702 (relating to manner of giving notice) and 2524 (relating to consent of shareholders in lieu of meeting).

§ 1906. Special treatment of holders of shares of same class or series.

* * *

(c.1) Determination of groups.--For purposes of applying the provisions of subsections (a)(1) and (b), the determination of which shareholders are part of each group receiving special treatment shall be made as of the record date for shareholder action on the plan.

(d) Exceptions.--This section shall not apply to:

* * *

(3) A plan that contains an express provision that this section shall not apply or that fails to contain an express provision that this section shall apply. [The shareholders of a corporation that proposes a plan to which this section is not applicable by reason of this paragraph shall have the remedies contemplated by section 1105 (relating to restriction on equitable relief).]

* * *

§ 1907. Purpose of fundamental transactions.

It shall not be necessary for a transaction under this chapter to have an independent business purpose in order for the transaction to be lawful.

§ 1911. Amendment of articles authorized.

(a) General rule.--A business corporation, in the manner provided in this subchapter, may from time to time amend its articles for one or more of the following purposes:

* * *

(4) To cancel or otherwise affect the right of holders of the shares of any class or series to receive dividends that have accrued but have not been declared or to otherwise effect a reclassification of or otherwise affect the substantial rights of the holders of any shares, including, without limitation, by providing special treatment of shares held by any shareholder or group of shareholders [as authorized by, and subject to the provisions of,] consistent with section 1906 (relating to special treatment of holders of shares of same class or series).

* * *

§ 1913. Notice of meeting of shareholders.

(a) General rule.--[Written notice] Notice IN RECORD FORM of the meeting of shareholders of a business corporation that will act on the proposed amendment shall be given to each shareholder entitled to vote thereon. [There shall be included in, or enclosed with, the notice] The notice shall include a copy of the proposed amendment or a summary of the changes to be effected thereby and, if Subchapter D of Chapter 15 (relating to dissenters rights) is applicable, a copy of that subchapter.

(b) Cross [reference] references.--See Subchapter A of Chapter 17 (relating to notice and meetings generally) and section 2528 (relating to notice of shareholder meetings).

§ 1923. Notice of meeting of shareholders.

(a) General rule.--[Written notice] Notice IN RECORD FORM of the meeting of shareholders that will act on the proposed plan shall be given to each shareholder of record, whether or not entitled to vote thereon, of each domestic business corporation that is a party to the merger or consolidation. [There shall be included in, or enclosed with, the notice] The notice shall

1 include or be accompanied by a copy of the proposed plan or a
2 summary thereof [and, if]. If Subchapter D of Chapter 15
3 (relating to dissenters rights) is applicable to the holders of
4 shares of any class or series, a copy of that subchapter and of
5 section 1930 (relating to dissenters rights) shall be furnished
6 to the holders of shares of that class or series. If the
7 surviving or new corporation will be a nonregistered
8 corporation, the notice shall state that a copy of its bylaws as
9 they will be in effect immediately following the merger or
10 consolidation will be furnished to any shareholder on request
11 and without cost.

12 (b) Cross references.--See Subchapter A of Chapter 17
13 (relating to notice and meetings generally) and [section]
14 sections 2512 (relating to dissenters rights procedure) and 2528
15 (relating to notice of shareholder meetings).
16 § 1957. Effect of division.

17 * * *

18 (b) Property rights; allocations of assets and
19 liabilities.--

20 (1) * * *

21 (iv) [To] Except as provided in section 1952(g)
22 (relating to proposal and adoption of plan of division),
23 to the extent allocations of liabilities are contemplated
24 by the plan of division, the liabilities of the dividing
25 corporation shall be deemed without further action to be
26 allocated to and become the liabilities of the resulting
27 corporations on such a manner and basis and with such
28 effect as is specified in the plan; and one or more, but
29 less than all, of the resulting corporations shall be
30 free of the liabilities of the dividing corporation to

1 the extent, if any, specified in the plan, if in either
2 case:

3 (A) no fraud on minority shareholders or
4 shareholders without voting rights or violation of
5 law shall be effected thereby; and

6 (B) the plan does not constitute a fraudulent
7 transfer under 12 Pa.C.S. Ch. 51 (relating to
8 fraudulent transfers).

9 * * *

10 § 1973. Notice of meeting of shareholders.

11 (a) General rule.--[Written notice] Notice IN RECORD FORM of <—
12 the meeting of shareholders that will consider the resolution
13 recommending dissolution of the business corporation shall be
14 given to each shareholder of record entitled to vote thereon
15 [and the purpose shall be included]. The purpose of the meeting
16 shall be stated in the notice [of the meeting].

17 (b) Cross [reference] references.--See Subchapter A of
18 Chapter 17 (relating to notice and meetings generally) and
19 section 2528 (relating to notice of shareholder meetings).

20 § 1978. Winding up of corporation after dissolution.

21 * * *

22 (b) Standard of care of directors and officers.--The
23 dissolution of the corporation shall not subject its directors
24 or officers to standards of conduct different from those
25 prescribed by or pursuant to Chapter 17 (relating to officers,
26 directors and shareholders). Directors of a dissolved
27 corporation who have complied with section 1975 (relating to
28 predissolution provision for liabilities) or Subchapter H
29 (relating to postdissolution provision for liabilities) and
30 governing persons of a successor entity who have complied with

1 Subchapter H shall not be personally liable to the creditors or
2 claimants of the dissolved corporation.

3 § 2528. Notice of shareholder meetings.

4 If a registered corporation solicits proxies generally with
5 respect to a meeting of its shareholders, the corporation need
6 not give notice of the meeting to any shareholder to whom the
7 corporation is not required to send a proxy statement pursuant
8 to the rules of the Securities and Exchange Commission.

9 § 2529. Voting lists.

10 A registered corporation shall not be required to produce or
11 make available to its shareholders a list of shareholders in
12 connection with any meeting of its shareholders for which a
13 judge or judges of election are appointed, but such a list shall
14 be furnished to the judge or judges of election.

15 § 2545. Notice to shareholders.

16 * * *

17 (b) Obligations of the corporation.--If the controlling
18 person or group so requests, the corporation shall, at the
19 option of the corporation and at the expense of the person or
20 group, either furnish a list of all such shareholders and their
21 postal addresses to the person or group or [mail] provide the
22 notice to all such shareholders.

23 * * *

24 (e) Cross reference.--See section 1702 (relating to manner
25 of giving notice).

26 § 3133. Notice of meetings of members of mutual insurance
27 companies.

28 (a) General rule.--Unless otherwise restricted in the
29 bylaws, persons authorized or required to give notice of an
30 annual meeting of members of a mutual insurance company for the

1 election of directors or of a meeting of members of a mutual
2 insurance company called for the purpose of considering
3 amendment of the articles or bylaws, or both, of the corporation
4 may, in lieu of any [written] notice of meeting of members
5 required to be given by this subpart, give notice of such
6 meeting by causing notice of such meeting to be officially
7 published. Such notice shall be published each week for at
8 least:

9 (1) Three successive weeks, in the case of an annual
10 meeting.

11 (2) Four successive weeks, in the case of a meeting to
12 consider amendment of the articles or bylaws, or both.

13 (b) Cross reference.--See 1 Pa.C.S. § 1909 (relating to
14 time; publication for successive weeks).

15 § 3135. Proxies of members of mutual insurance companies.

16 In no event shall a proxy given by a member of a mutual
17 insurance company, unless coupled with an interest, be voted on
18 or utilized to express consent or dissent to corporate action
19 [in writing] after 11 months from the date of execution of the
20 proxy.

21 § 4127. Merger, consolidation or division of qualified foreign
22 corporations.

23 (a) General rule.--Whenever a qualified foreign business
24 corporation is a nonsurviving party to a statutory merger,
25 consolidation or division permitted by the laws of the
26 jurisdiction under which it is incorporated, the corporation or
27 other association surviving the merger, or the new corporation
28 or other association resulting from the consolidation or
29 division, as the case may be, shall file in the Department of
30 State a statement of merger, consolidation or division, which

1 shall be executed by the surviving or new corporation or other
2 association and shall set forth:

3 * * *

4 (5) In the case of a merger, consolidation or division
5 in which any of the new or resulting associations is a
6 corporation, or if the surviving corporation in a merger was
7 a nonqualified foreign business corporation prior to the
8 merger, the statements on the part of the surviving or each
9 new or resulting corporation required by section 4124(a)
10 (relating to application for a certificate of authority).

11 (b) Effect of filing.--The filing of the statement shall
12 operate, as of the effective date of the merger, consolidation
13 or division, to cancel the certificate of authority of each
14 nonsurviving constituent corporation that was a qualified
15 foreign business corporation and to qualify the surviving [or
16 new corporation], new or resulting corporations, if any, under
17 this subchapter. If the surviving [or new corporation does], new
18 or resulting corporations do not desire to continue as [a]
19 qualified foreign business [corporation, it] corporations, they
20 may thereafter withdraw in the manner provided by section 4129
21 (relating to application for termination of authority).

22 * * *

23 (d) Cross [reference] references.--See [section] sections
24 134 (relating to docketing statement) and 135 (relating to
25 requirements to be met by filed documents).

26 § 5103. Definitions.

27 (a) General definitions.--Subject to additional definitions
28 contained in subsequent provisions of this subpart that are
29 applicable to specific provisions of this subpart, the following
30 words and phrases when used in this subpart shall have the

1 meanings given to them in this section unless the context
2 clearly indicates otherwise:

3 ["Act" or "action." Includes failure to act.]

4 * * *

<—

5 "Amendment." An amendment of the articles.

6 * * *

7 "Board of directors" or "board." The group of persons
8 [vested with the management of] under the direction of whom the
9 business and affairs of the corporation are managed irrespective
10 of the name by which [such] the group is designated in the
11 articles. The term does not include an other body. [The term,
12 when used in any provision of this subpart relating to the
13 organization or procedures of or the manner of taking action by
14 the board of directors, shall be construed to include and refer
15 to any executive or other committee of the board. Any provision
16 of this subpart relating or referring to action to be taken by
17 the board of directors or the procedure required therefor shall
18 be satisfied by the taking of corresponding action by a
19 committee of the board of directors to the extent authority to
20 take such action has been delegated to such committee pursuant
21 to section 5731 (relating to executive and other committees of
22 the board).] See section 5731(c) (relating to status of
23 committee action).

24 * * *

25 "Business corporation." A domestic corporation for profit
26 defined in section 1103 (relating to definitions).

27 "Bylaws." The code or codes of rules adopted for the
28 regulation or management of the business and affairs of the
29 corporation irrespective of the name or names by which [such]
30 the rules are designated. The term includes provisions of the

1 articles as provided by section 5504(c) (relating to bylaw
2 provisions in articles).

3 "Charitable purposes." The relief of poverty, the
4 advancement and provision of education, including without
5 limitation postsecondary education, the advancement of religion,
6 [the promotion of health,] the prevention and treatment of
7 disease or injury, including without limitation mental
8 retardation and mental disorders, governmental or municipal
9 purposes, and any other [purposes] purpose the accomplishment of
10 which is recognized as important and beneficial to the
11 [community] public and which advances social, moral or physical
12 objectives.

13 * * *

14 ["Corporation for profit." A corporation incorporated for a
15 purpose or purposes involving pecuniary profit, incidental or
16 otherwise, to its shareholders or members.

17 "Corporation not-for-profit." A corporation not incorporated
18 for a purpose or purposes involving pecuniary profit, incidental
19 or otherwise.

20 "Court." Subject to any inconsistent general rule prescribed
21 by the Supreme Court of Pennsylvania:

22 (1) the court of common pleas of the judicial district
23 embracing the county where the registered office of the
24 corporation is or is to be located; or

25 (2) where a corporation results from a merger,
26 consolidation, division or other transaction without
27 establishing a registered office in this Commonwealth or
28 withdraws as a foreign corporation, the court of common pleas
29 in which venue would have been laid immediately prior to the
30 transaction or withdrawal.

1 "Department." The Department of State of the Commonwealth.]

2 "Directors." [Persons] Individuals designated, elected or
3 appointed, by that or any other name or title, to act as
4 directors, and their successors. The term does not include a
5 member of an other body, as such. The term, when used in
6 relation to any power or duty requiring collective action, shall
7 be construed to mean "board of directors."

8 * * *

9 ["Domestic corporation for profit." A corporation for profit
10 incorporated under the laws of this Commonwealth.

11 "Domestic corporation not-for-profit." A corporation not-
12 for-profit incorporated under the laws of this Commonwealth.]

13 "Employee." Does not include members, directors or members
14 of an other body, as such. See section 5730 (relating to
15 compensation of directors) as to acceptance by a director of
16 duties that make him also an employee.

17 * * *

18 ["Foreign corporation for profit." A corporation for profit
19 incorporated under any laws other than those of this
20 Commonwealth.

21 "Foreign corporation not-for-profit." A corporation not-for-
22 profit incorporated under any laws other than those of this
23 Commonwealth.]

24 * * *

25 "Fraternal benefit society." A domestic corporation not-for-
26 profit that is a society as defined in the [act of July 29, 1977
27 (P.L.105, No.38) known as the Fraternal Benefit Society Code]
28 act of December 14, 1992 (P.L.835, No.134), known as the
29 Fraternal Benefit Societies Code.

30 * * *

1 "Member." [One having membership rights in a corporation in
2 accordance with the provisions of its bylaws. The term, when
3 used in relation to the taking of corporate action includes:

4 (1) the proxy of a member, if action by proxy is
5 permitted under the bylaws of the corporation; and

6 (2) a delegate to any convention or assembly of
7 delegates of members established pursuant to any provision of
8 this subpart.

9 If and to the extent the bylaws confer rights of members upon
10 holders of securities evidencing indebtedness or governmental or
11 other entities pursuant to any provision of this subpart the
12 term shall be construed to include such security holders and
13 governmental or other entities. The term shall be construed to
14 include "shareholder" if the corporation issues shares of
15 stock.] Any of the following:

16 ~~(1) A person who is selected or otherwise qualifies as a~~ <—
17 ~~member of a corporation in accordance with an express~~
18 ~~provision of the bylaws of the corporation, if the articles~~
19 ~~of incorporation of the corporation do not provide that the~~
20 ~~corporation will have no members.~~

21 ~~(2) A person who has at least one membership right in a~~
22 ~~corporation, if the bylaws of the corporation do not contain~~
23 ~~any provision for the selection or qualification of members.~~

24 ~~(3) When used in relation to the taking of corporate~~
25 ~~action:~~

26 ~~(i) A person acting as a proxy of a member of a~~
27 ~~corporation, if action by proxy is permitted under the~~
28 ~~bylaws of the corporation.~~

29 ~~(ii) A person acting as a delegate to a convention~~
30 ~~or assembly of delegates of members established pursuant~~

~~to any provision of this subpart.~~

~~(4) A person who is a holder of an obligation of a corporation, if and to the extent the bylaws of a corporation confer membership rights upon such persons pursuant to any provision of this subpart or other provision of law.~~

~~(5) A governmental or other entity, if and to the extent the bylaws of a corporation confer membership rights upon governmental or other entities pursuant to any provision of this subpart or other provision of law.~~

~~(6) A shareholder of a corporation, if the corporation issues shares of stock. The term does not include a person who is referred to as a "member" by a corporation, if the person does not otherwise satisfy the provisions of this definition.~~

~~"Membership rights." Any of the following rights with respect to a nonprofit corporation:~~

~~(1) to vote on the election or removal of directors or members of another body;~~

~~(2) to vote on approval of an amendment, plan or the dissolution of the corporation; or~~

~~(3) to receive a distribution from the net assets of the corporation upon its dissolution.~~

~~(1) A PERSON THAT IS SELECTED OR OTHERWISE QUALIFIES AS A MEMBER OF A MEMBERSHIP CORPORATION IN ACCORDANCE WITH ITS BYLAWS.~~

~~(2) A PERSON THAT HAS VOTING RIGHTS IN A MEMBERSHIP CORPORATION.~~

~~(3) WHEN USED IN RELATION TO THE TAKING OF CORPORATE ACTION BY A MEMBERSHIP CORPORATION, A DELEGATE TO A CONVENTION OR ASSEMBLY OF DELEGATES OF MEMBERS ESTABLISHED~~

1 PURSUANT TO ANY PROVISION OF THIS SUBPART WHO HAS THE RIGHT
2 TO VOTE AT THE CONVENTION OR ASSEMBLY IN ACCORDANCE WITH THE
3 RULES OF THE CONVENTION OR ASSEMBLY.

4 (4) A PERSON THAT HAS BEEN GIVEN VOTING RIGHTS OR OTHER
5 MEMBERSHIP RIGHTS IN A MEMBERSHIP CORPORATION BY A BYLAW
6 ADOPTED BY THE MEMBERS PURSUANT TO SECTION 5770 (RELATING TO
7 VOTING POWERS AND OTHER RIGHTS OF CERTAIN SECURITYHOLDERS AND
8 OTHER ENTITIES) OR OTHER PROVISION OF LAW, BUT ONLY TO THE
9 EXTENT OF THOSE RIGHTS.

10 (5) A SHAREHOLDER OF A CORPORATION, IF THE CORPORATION
11 ISSUES SHARES OF STOCK.

12 "MEMBERSHIP CORPORATION." A NONPROFIT CORPORATION THE
13 ARTICLES OF INCORPORATION OF WHICH DO NOT PROVIDE THAT THE
14 CORPORATION IS TO HAVE NO MEMBERS.

15 "Nonprofit corporation" or "domestic nonprofit corporation."
16 A domestic corporation not-for-profit [which] that is not
17 excluded from the scope of this subpart by section 5102
18 (relating to application of subpart).

19 "Nonqualified foreign corporation" or "nonqualified foreign
20 nonprofit corporation." A foreign corporation not-for-profit
21 [which] that is not a qualified foreign corporation, as defined
22 in this section.

23 "Other body." A term employed in this subpart to denote a
24 person or group, other than the board of directors or a
25 committee thereof, who pursuant to authority expressly conferred
26 by this subpart may be vested by the bylaws of the corporation
27 with powers [which] that, if not vested by the bylaws in [such]
28 the person or group, would by this subpart be required to be
29 exercised by [either]:

30 (1) the [membership of a corporation taken as a whole]

1 members;

2 (2) a convention or assembly of delegates of members
3 established pursuant to any provision of this subpart; or

4 (3) the board of directors.

5 Except as otherwise provided in this subpart, a corporation may
6 establish distinct persons or groups to exercise different
7 powers [which] that this subpart authorizes a corporation to
8 vest in an other body.

9 "Plan." A plan of merger, consolidation, asset transfer,
10 division or conversion.

11 * * *

12 ~~"Registered office." That office maintained by a corporation <—~~
13 ~~in this Commonwealth, the address of which is filed [in] with~~
14 ~~the Department of State or which was recorded in the office of~~
15 ~~the recorder of deeds in the manner formerly required by~~
16 ~~statute. See section 109 (relating to name of commercial~~
17 ~~registered office provider in lieu of registered address).~~

18 * * *

19 ["Representative." When used with respect to a corporation,
20 partnership, joint venture, trust or other enterprise, means a
21 director, officer, employee or agent thereof.]

22 "Trust instrument." Any lawful deed of gift, grant, will or
23 other document by which the donor, grantor or testator [shall
24 give, grant or devise] gives, grants or devises any real or
25 personal property or the income therefrom in trust for any
26 charitable purpose.

27 "Unless otherwise provided" or "except as otherwise
28 provided." When used to introduce or modify a rule, implies
29 that the alternative provisions contemplated may either relax or
30 restrict the stated rule.

1 "Unless otherwise restricted" or "except as otherwise
2 restricted." When used to introduce or modify a rule, implies
3 that the alternative provisions contemplated may further
4 restrict, but may not relax, the stated rule.

5 "Voting" or "casting a vote." Includes the giving of consent
6 in lieu of voting. The term does not include either recording
7 the fact of abstention or failing to vote for a candidate or for
8 approval or disapproval of a matter, whether or not the person
9 entitled to vote characterizes the conduct as voting or casting
10 a vote.

11 "VOTING RIGHTS." THE RIGHT OF A PERSON IN A MEMBERSHIP <—
12 CORPORATION, OTHER THAN IN THE CAPACITY OF A DIRECTOR OR MEMBER
13 OF AN OTHER BODY, TO VOTE ON THE ELECTION OR REMOVAL OF
14 DIRECTORS OR MEMBERS OF AN OTHER BODY OR ON APPROVAL OF AN
15 AMENDMENT, A PLAN OR THE DISSOLUTION OF THE CORPORATION.

16 (b) Index of other definitions.--The following is a
17 nonexclusive list of words and phrases used in this subpart as
18 defined in section 102 (relating to definitions):

19 "Act" or "action."

20 "Corporation for profit."

21 "Corporation not-for-profit."

22 "Court."

23 "Department."

24 "Domestic corporation for profit."

25 "Domestic corporation not-for-profit."

26 "Execute."

27 "Foreign corporation for profit."

28 "Foreign corporation not-for-profit."

29 "Internal Revenue Code of 1986."

30 "Obligation."

1 "Officially publish."

2 "Record form."

3 "Representative."

4 "Sign."

5 [§ 5104. OTHER GENERAL PROVISIONS.

<—

6 THE FOLLOWING PROVISIONS OF THIS TITLE ARE APPLICABLE TO
7 CORPORATIONS SUBJECT TO THIS SUBPART:

8 SECTION 101 (RELATING TO SHORT TITLE AND APPLICATION OF
9 TITLE).

10 SECTION 102 (RELATING TO DEFINITIONS).

11 SECTION 103 (RELATING TO SUBORDINATION OF TITLE TO
12 REGULATORY LAWS).

13 SECTION 104 (RELATING TO EQUITABLE REMEDIES).

14 SECTION 105 (RELATING TO FEES).

15 SECTION 106 (RELATING TO EFFECT OF FILING PAPERS REQUIRED
16 TO BE FILED).

17 SECTION 107 (RELATING TO FORM OF RECORDS).

18 SECTION 108 (RELATING TO CHANGE IN LOCATION OR STATUS OF
19 REGISTERED OFFICE PROVIDED BY AGENT).

20 SECTION 109 (RELATING TO NAME OF COMMERCIAL REGISTERED
21 OFFICE PROVIDER IN LIEU OF REGISTERED ADDRESS).

22 SECTION 110 (RELATING TO SUPPLEMENTARY GENERAL PRINCIPLES
23 OF LAW APPLICABLE).

24 SECTION 132 (RELATING TO FUNCTIONS OF DEPARTMENT OF
25 STATE).

26 SECTION 133 (RELATING TO POWERS OF DEPARTMENT OF STATE).

27 SECTION 134 (RELATING TO DOCKETING STATEMENT).

28 SECTION 135 (RELATING TO REQUIREMENTS TO BE MET BY FILED
29 DOCUMENTS).

30 SECTION 136 (RELATING TO PROCESSING OF DOCUMENTS BY

DEPARTMENT OF STATE).

SECTION 137 (RELATING TO COURT TO PASS UPON REJECTION OF DOCUMENTS BY DEPARTMENT OF STATE).

SECTION 138 (RELATING TO STATEMENT OF CORRECTION).

SECTION 139 (RELATING TO TAX CLEARANCE OF CERTAIN FUNDAMENTAL TRANSACTIONS).

SECTION 140 (RELATING TO CUSTODY AND MANAGEMENT OF ORPHAN CORPORATE AND BUSINESS RECORDS).

SECTION 152 (RELATING TO DEFINITIONS).

SECTION 153 (RELATING TO FEE SCHEDULE).

SECTION 154 (RELATING TO ENFORCEMENT AND COLLECTION).

SECTION 155 (RELATING TO DISPOSITION OF FUNDS).

SECTION 162 (RELATING TO CONTINGENT DOMESTICATION OF CERTAIN FOREIGN ASSOCIATIONS).

SECTION 501 (RELATING TO RESERVED POWER OF GENERAL ASSEMBLY).

SECTION 503 (RELATING TO ACTIONS TO REVOKE CORPORATE FRANCHISES).

SECTION 504 (RELATING TO VALIDATION OF CERTAIN DEFECTIVE CORPORATIONS).

SECTION 505 (RELATING TO VALIDATION OF CERTAIN DEFECTIVE CORPORATE ACTS).

SECTION 2552 (RELATING TO DEFINITIONS) (DEFINITIONS OF "AFFILIATE" AND "ASSOCIATE").]

§ 5105. [Saving clause and restriction] Restriction on equitable relief.

[(a) General rule.--Except as otherwise provided in subsection (b) of this section, this subpart and its amendments shall not impair or affect any act done, offense committed, or substantial right accruing, accrued, or acquired, or liability,

1 duty, obligation, penalty, judgment or punishment incurred prior
2 to the time this subpart or any amendment thereto takes effect,
3 but the same may be enjoyed, asserted, enforced, prosecuted, or
4 inflicted as fully and to the same extent as if this subpart or
5 any amendment thereto had not been enacted.

6 (b) Exception.--] A member of a nonprofit corporation shall
7 not have any right to claim the right to valuation [of] and
8 payment [for] of the fair value of his membership interest or
9 shares because of any proposed plan or amendment [of articles]
10 authorized under any provision of this subpart, or to obtain, in
11 the absence of fraud or fundamental unfairness, an injunction
12 against [any such] the plan or amendment.

13 § 5106. [Limited uniform] Uniform application of subpart.

14 (a) General rule.--Except as provided in subsection (b),
15 this subpart and its amendments are intended to provide uniform
16 rules for the government and regulation of the affairs of
17 nonprofit corporations and of their officers, directors and
18 members, regardless of the date or manner of incorporation or
19 qualification, or of the issuance of any evidences of membership
20 in or shares thereof.

21 (b) Exceptions.--

22 (1) Unless expressly provided otherwise in any amendment
23 to this subpart [any such], the amendment shall take effect
24 only prospectively.

25 (2) Any existing corporation lawfully using a name[,]
26 or, as a part of its name, a word[, which] that could not be
27 used as or included in the name of a corporation [hereafter]
28 subsequently incorporated or qualified under this subpart[,]
29 may continue to use [such] the name[, or word as part of its
30 name[, provided] if the use or inclusion of [such] the word

1 or name was lawful when first adopted by the corporation in
2 this Commonwealth.

3 (3) [Nothing in subsection] Subsection (a) shall not
4 adversely affect the rights specifically provided for or
5 saved [by the general terms of section 5105 (relating to
6 saving clause and restriction on equitable relief)] in this
7 subpart, including, without limiting the generality of the
8 foregoing, the provisions of section 5952(d) (relating to
9 proposal and adoption of plan of division).

10 § 5107. Subordination of subpart to canon law.

11 If and to the extent canon law applicable to a corporation
12 incorporated for religious purposes shall set forth provisions
13 relating to the government and regulation of the affairs of the
14 corporation [which] that are inconsistent with the provisions of
15 this subpart on the same subject, the provisions of canon law
16 shall control to the extent, and only to the extent, required by
17 the Constitution of the United States or the Constitution of
18 Pennsylvania, or both.

19 § 5108. Limitation on incorporation.

20 [No corporation which might] A corporation that can be
21 incorporated under this subpart shall [hereafter] not be
22 incorporated except under the provisions of this subpart.

23 § 5109. Execution of documents.

24 (a) General rule.--Any document filed in the Department of
25 State under this title by a domestic or foreign nonprofit
26 corporation [or a foreign corporation not-for-profit] subject to
27 this subpart may be executed on behalf of the corporation by any
28 one duly authorized officer thereof. The corporate seal may be
29 affixed and attested, but the affixation or attestation of the
30 corporate seal shall not be necessary for the due execution of

1 any filing by a corporation under this title.

2 (b) Cross reference.--See section 135 (relating to
3 requirements to be met by filed documents).

4 [(c) Transitional provision.--This section supersedes any
5 contrary provision of this subpart enacted prior to the
6 enactment of the act of December 21, 1988 (P.L.1444, No.177),
7 known as the General Association Act of 1988.]

8 § 5302. Number and qualifications of incorporators.

9 One or more corporations for profit or not-for-profit or
10 natural persons of full age may incorporate a nonprofit
11 corporation under the provisions of this [article] subpart.

12 § 5306. ARTICLES OF INCORPORATION.

<—

13 (A) GENERAL RULE.--ARTICLES OF INCORPORATION SHALL BE SIGNED
14 BY EACH OF THE INCORPORATORS AND SHALL SET FORTH IN THE ENGLISH
15 LANGUAGE:

16 * * *

17 (6) [A] IF THE CORPORATION IS A MEMBERSHIP CORPORATION,
18 A STATEMENT WHETHER THE CORPORATION IS TO BE ORGANIZED UPON A
19 NONSTOCK BASIS OR A STOCK SHARE BASIS, AND, IF IT IS TO BE
20 ORGANIZED ON A STOCK SHARE BASIS:

21 * * *

22 (11) ANY OTHER PROVISIONS THAT THE INCORPORATORS MAY
23 CHOOSE TO INSERT IF:

24 * * *

25 (II) SUCH PROVISIONS ARE NOT INCONSISTENT WITH THIS
26 SUBPART AND RELATE TO THE PURPOSE OR PURPOSES OF THE
27 CORPORATION, THE MANAGEMENT OF ITS BUSINESS OR AFFAIRS OR
28 THE RIGHTS, POWERS OR DUTIES OF ITS MEMBERS, SECURITY
29 HOLDERS, DIRECTORS, MEMBERS OF AN OTHER BODY OR OFFICERS.

30 * * *

1 § 5307. Advertisement.

2 The incorporators or the corporation shall officially publish
3 a notice of intention to file or of the filing of articles of
4 incorporation. The notice may appear prior to or after the day
5 the articles of incorporation are filed in the Department of
6 State[,] and shall set forth briefly:

7 (1) The name of the proposed corporation.

8 (2) A statement that the corporation is to be or has
9 been incorporated under the provisions of [this article] the
10 Nonprofit Corporation Law of 1988.

11 [(3) A brief summary of the purpose or purposes of the
12 corporation.

13 (4) A date on or before which the articles will be filed
14 in the Department of State or the date the articles were
15 filed.]

16 § 5308. Filing of articles.

17 (a) General rule.--The articles of incorporation shall be
18 filed in the Department of State.

19 (b) Cross [reference] references.--See [section] sections
20 134 (relating to docketing statement) and 135 (relating to
21 requirements to be met by filed documents).

22 § 5309. Effect of filing of articles of incorporation.

23 (a) Corporate existence.--Upon the filing of the articles of
24 incorporation in the Department of State or upon the effective
25 date specified in the articles of incorporation, whichever is
26 later, the corporate existence shall begin.

27 (b) Evidence of incorporation.--Subject to the provisions of
28 section 503 (relating to actions to revoke corporate
29 franchises), the articles of incorporation filed in the
30 [Department of State, or approved by the court and] department,

1 or recorded in the office of the recorder of deeds under the
2 former provisions of law, shall be conclusive evidence of the
3 fact that the corporation has been incorporated.

4 § 5310. Organization meeting.

5 (a) General rule.--After the [filing of the articles of
6 incorporation] corporate existence begins, an organization
7 meeting of the initial directors[, or, if directors are not
8 named in the articles, of the incorporator or incorporators[,]
9 shall be held, within or without this Commonwealth, for the
10 purpose of adopting bylaws[, which they shall have authority to
11 do at [such] the meeting, of electing directors [to hold office
12 as provided in the bylaws], if directors are not named in the
13 articles, and the transaction of such other business as may come
14 before the meeting. A bylaw adopted at [such] the organization
15 meeting of directors or incorporators shall be deemed to be a
16 bylaw adopted by the members for the purposes of this [article]
17 subpart and of any other provision of law.

18 (b) Call of and action at meeting.--The meeting may be held
19 at the call of any director or, if directors are not named in
20 the articles, of any incorporator, who shall give at least five
21 days' [written] notice thereof to each other director or
22 incorporator, which notice shall set forth the time and place of
23 the meeting. For the purposes of this section [an], any
24 incorporator may act in person, by consent or by proxy signed by
25 him or his [attorney in fact] attorney-in-fact.

26 (c) Death or incapacity of directors or incorporators.--If a
27 designated director or an incorporator dies or is for any reason
28 unable to act at the meeting, the other or others may act. If
29 there is no other designated director or incorporator able to
30 act, any person for whom an incorporator was acting as agent may

1 act or appoint another to act in his stead.

2 § 5331. [Unincorporated] Incorporation of unincorporated
3 associations.

4 In the case of the incorporation as a nonprofit corporation
5 under this [article] subpart of an unincorporated association
6 the articles of incorporation shall contain, in addition to the
7 provisions heretofore required in this chapter, a statement that
8 the incorporators constitute a majority of the members of the
9 committee authorized to incorporate [such] the association by
10 the requisite vote required by the organic law of the
11 association for the amendment of such organic law.

12 § 5501. Corporate capacity.

13 Except as provided in section 103 [of this title] (relating
14 to subordination of title to regulatory laws), a nonprofit
15 corporation shall have the legal capacity of natural persons to
16 act.

17 § 5504. Adoption, amendment and contents of bylaws.

18 * * *

19 (b) Exception.--Except as provided in section 5310(a)
20 (relating to organization meeting), the board of directors or
21 other body shall not have the authority to adopt or change a
22 bylaw on any subject that is committed expressly to the members
23 by any of the provisions of this subpart. See:

24 Subsection (d) (relating to amendment of voting
25 provisions).

26 Section 5713 (relating to personal liability of
27 directors).

28 Section 5721 (relating to board of directors).

29 Section 5725(b) (relating to selection of directors).

30 Section 5726(a) (relating to removal of directors by the

members).

Section 5726(b) (relating to removal of directors by the board).

Section 5729 (relating to voting rights of directors).

Section 5751(a) (relating to classes and qualifications of membership).

Section 5752(c) (relating to rights of shareholders).

Section 5754(a) (relating to members grouped in local units).

Section 5755(a) (relating to regular meetings).

Section 5756 (relating to quorum).

Section 5757 (relating to action by members).

Section 5758 (relating to voting rights of members).

Section 5759(a) (relating to voting and other action by proxy).

Section [5760(a)] 5762(a) (relating to voting in nonprofit corporation matters).

Section [5762] 5765 (relating to judges of election).

Section [5766(a)] 5769(a) (relating to termination and transfer of membership).

Section [5767] 5770 (relating to voting powers and other rights of certain security holders and other entities).

Section 5975(c) (relating to winding up and distribution).

* * *

(d) Amendment of voting provisions.--

(1) Unless otherwise restricted in a bylaw adopted by the members, whenever the bylaws require for the taking of any action by the members or a class of members a specific number or percentage of votes, the provision of the bylaws

1 setting forth that requirement shall not be amended or
2 repealed by any lesser number or percentage of votes of the
3 members or of the class of members.

4 (2) Paragraph (1) shall not apply to a bylaw setting
5 forth the right of members to act by unanimous written
6 consent as provided in section 5766(a) (relating to unanimous
7 consent).

8 (e) Cross reference.--See section 6145 (relating to
9 applicability of certain safeguards to foreign domiciliary
10 corporations).

11 § 5509. Bylaws and other powers in emergency.

12 (a) General rule.--[The] Except as otherwise restricted in
13 the bylaws, the board of directors or other body of any
14 nonprofit corporation may adopt emergency bylaws, subject to
15 repeal or change by action of the members, which shall,
16 notwithstanding any different provisions of law or of the
17 articles or bylaws, be [operative] effective during any
18 emergency resulting from [warlike damage or] an attack on the
19 United States [or any], a nuclear [or atomic] disaster or
20 another catastrophe as a result of which a quorum of the board
21 cannot readily be assembled. The emergency bylaws may make any
22 provision that may be [practical and necessary] appropriate for
23 the circumstances of the emergency, including [provisions that]:

24 (1) [A meeting of the board of directors or other body
25 may be called by any officer or director or member of such
26 other body in such manner and under such conditions as shall
27 be prescribed in the emergency bylaws.] Procedures for
28 calling meetings of the board or other body.

29 (2) [The director or directors or the member or members
30 of such other body in attendance at the meeting, or any other

1 number fixed in the emergency bylaws, shall constitute a
2 quorum.] Quorum requirements for meetings.

3 (3) [The officers or other persons designated on a list
4 approved by the board of directors or other body before the
5 emergency, all in such order of priority and subject to such
6 conditions and for such period of time, not longer than
7 reasonably necessary after the termination of the emergency
8 as may be provided in the emergency bylaws or in the
9 resolution approving the list, shall, to the extent required
10 to provide a quorum at any meeting of the board of directors
11 or such other body, be deemed directors or members of such
12 other body for such meeting.] Procedures for designating
13 additional or substitute directors or members of an other
14 body.

15 (b) Lines of succession; head office.--The board of
16 directors or [such] other body, either before or during any
17 [such] emergency, may provide, and from time to time modify,
18 lines of succession in the event that during [such an] the
19 emergency any or all officers or agents of the corporation shall
20 for any reason be rendered incapable of discharging their
21 duties[,] and may, effective in the emergency, change the head
22 offices or designate several alternative head offices or
23 regional offices of the corporation[,] or authorize the officers
24 [so] to do so.

25 (c) Personnel not liable.--[No officer, director, member of
26 such other body, or employee acting in accordance with any
27 emergency bylaws shall be liable except for wilful misconduct.]

28 A representative of the corporation:

29 (1) Acting in accordance with any emergency bylaws shall
30 not be liable except for willful misconduct.

1 (2) Shall not be liable for any action taken by him in
2 good faith in an emergency in furtherance of the ordinary
3 business affairs of the corporation even though not
4 authorized by the emergency or other bylaws then in effect.

5 (d) Effect on regular bylaws.--To the extent not
6 inconsistent with any emergency bylaws so adopted, the bylaws of
7 the corporation shall remain in effect during any emergency[,]
8 and, upon its termination, the emergency bylaws shall cease to
9 be [operative] effective.

10 (e) Procedure in absence of emergency bylaws.--Unless
11 otherwise provided in emergency bylaws, notice of any meeting of
12 the board of directors or [such] an other body during [such] an
13 emergency shall be given only to [such of the] those directors
14 or members of [such] an other body [as it may be] it is feasible
15 to reach at the time and by such means as [may be] are feasible
16 at the time, including publication [or], radio or television. To
17 the extent required to constitute a quorum at any meeting of the
18 board of directors or [such] an other body during [such an] any
19 emergency, the officers of the corporation who are present
20 shall, unless otherwise provided in emergency bylaws, be deemed,
21 in order of rank and within the same rank in order of seniority,
22 directors or members of [such] the other body, as the case may
23 be, for [such] the meeting.

24 § 5511. Establishment of subordinate units.

25 A nonprofit corporation may establish and terminate local
26 branches, chapters, councils, clubs, churches, lodges, parishes
27 or other subordinate units regardless of their designation, form
28 of government, incorporated or unincorporated status or
29 relationship to the corporation or other supervising and
30 controlling organization of which the corporation is a member or

1 with which it is in allegiance and to which it is subordinate.

2 § 5541. Capital contributions of members.

3 (a) General rule.--A nonprofit corporation organized on a
4 nonstock basis may provide in its bylaws that members, upon or
5 subsequent to admission, shall make capital contributions. The
6 amount shall be specified in, or fixed by the board of directors
7 or other body pursuant to authority granted by, the bylaws. The
8 requirement of a capital contribution may apply to all members,
9 or to the members of a single class, or to members of different
10 classes in different amounts or proportions.

11 (b) Consideration receivable.--[The capital contribution of
12 a member shall consist of money or other property, tangible or
13 intangible, or labor or services actually received by or
14 performed for the corporation or for its benefit or in its
15 formation or reorganization, or a combination thereof. In the
16 absence of fraud in the transaction, the judgment of the board
17 of directors or other body as to the value of the consideration
18 received by the corporation shall be conclusive.] The capital
19 contribution of a member, unless otherwise provided in the
20 bylaws:

21 (1) May consist of money, obligations (including an
22 obligation of a member), services performed whether or not
23 contracted for, contracts for services to be performed,
24 memberships in or securities or obligations of the
25 corporation, or any other tangible or intangible property or
26 benefit to the corporation. If a capital contribution is made
27 in a form other than money, the value of the contribution
28 shall be determined by or in the manner provided by the board
29 of directors or other body.

30 (2) Shall be provided or paid to or as ordered by the

1 corporation.

2 (c) Evidence of contribution.--The capital contribution of a
3 member shall be recorded on the books of the corporation and may
4 be evidenced by a written instrument delivered to the member,
5 but [such] the instrument shall not be denominated a "share
6 certificate" or by any other word or term implying that the
7 instrument is a share certificate subject to section 5752
8 (relating to organization on a stock share basis).

9 (d) Transferability of interest.--Unless otherwise provided
10 in the bylaws, the capital contribution of a member shall not be
11 transferable.

12 (e) Repayment of contribution.--The capital contribution of
13 a member shall not be repaid by the corporation except upon
14 dissolution of the corporation or as provided in this [article]
15 subpart. A corporation may provide in its bylaws that its
16 capital contributions, or some of them, shall be repayable, in
17 whole or in part, at the option of the corporation only, [at] in
18 such amount or amounts (not to exceed the amount of the capital
19 contribution), within such period or periods[,] and on such
20 terms and conditions, not inconsistent with this [article]
21 subpart, as are stated in, or fixed by the board of directors or
22 other body pursuant to authority granted by, the bylaws.

23 § 5542. Subventions.

24 (a) General rule.--The bylaws of a nonprofit corporation may
25 provide that the corporation shall be authorized by resolution
26 of the board of directors or other body to accept subventions
27 from members or nonmembers on terms and conditions not
28 inconsistent with this [article, and to issue certificates
29 therefor] subpart. The resolution of the board or other body may
30 provide that [holders of] the maker of a subvention

1 [certificates] shall be entitled to a fixed or contingent
2 periodic payment out of the corporate assets equal to a
3 percentage of the original amount or value of the subvention.
4 The rights of [holders of subvention certificates] makers of
5 subventions shall at all times be subordinate to the rights of
6 creditors of the corporation.

7 (b) Consideration receivable.--[A subvention shall consist
8 of money or other property, tangible or intangible, actually
9 received by the corporation or expended for its benefit or in
10 its formation or reorganization, or a combination thereof. In
11 the absence of fraud in the transaction, the judgment of the
12 board of directors or other body as to the value of the
13 consideration received by the corporation shall be conclusive.

14 (c) Form of certificate.--Each subvention certificate shall
15 be signed by two duly authorized officers of the corporation,
16 and may be sealed with the seal of the corporation or a
17 facsimile thereof. The signatures of the officers upon a
18 certificate may be facsimiles if the certificate is
19 countersigned by a transfer agent or registered by a registrar
20 other than the corporation itself or its employees. In case any
21 officer who has signed or whose facsimile signature has been
22 placed upon a certificate shall have ceased to be such officer
23 before such certificate is issued, it may be issued by the
24 corporation with the same effect as if he were such officer at
25 the date of issue. The fact that the corporation is a nonprofit
26 corporation shall be noted conspicuously on the face or back of
27 each certificate.] Consideration for subventions, unless
28 otherwise provided in the bylaws:

29 (1) May consist of money, obligations (including an
30 obligation of a subventor), services performed whether or not

1 contracted for, contracts for services to be performed,
2 memberships in or securities or obligations of the
3 corporation, or any other tangible or intangible property or
4 benefit to the corporation. If subventions are issued for
5 other than money, the value of the consideration shall be
6 determined by or in the manner provided by the board of
7 directors or other body.

8 (2) Shall be provided or paid to or as ordered by the
9 corporation.

10 (c) Form of subventions.--Subventions shall be represented
11 by certificates or shall be uncertificated subventions. Each
12 subvention certificate shall be executed by or on behalf of the
13 corporation issuing the subvention in such manner as it may
14 determine. The fact that the corporation is a nonprofit
15 corporation shall be noted conspicuously on the face or back of
16 each certificate.

17 (d) Transferability of subvention.--[Subvention
18 certificates] Subventions shall be nontransferable unless the
19 resolution of the board of directors or other body [shall
20 provide] provides that they shall be transferable either at will
21 or subject to specified restrictions.

22 (e) Redemption at option of corporation.--The resolution of
23 the board of directors or other body may provide that a
24 subvention shall be redeemable, in whole or in part, at the
25 option of the corporation at such price or prices (not to exceed
26 the original amount or value of the subvention plus any periodic
27 payments due or accrued thereon), within such period or periods,
28 and on such terms and conditions, not inconsistent with this
29 [article] subpart, as are stated in the resolution.

30 (f) Redemption at option of holders.--The resolution of the

1 board of directors or other body may provide that makers or
2 holders of all or some [subvention certificates] subventions
3 shall have the right to require the corporation after a
4 specified period of time to redeem [such certificates] the
5 subventions, in whole or in part, at a price or prices that do
6 not exceed the original amount or value of the subvention plus
7 any periodic payments due or accrued thereon, upon an
8 affirmative showing that the financial condition of the
9 corporation will permit the required payment to be made without
10 impairment of its operations or injury to its creditors. The
11 right to require redemption may in addition be conditioned upon
12 the occurrence of a specified event. For the purpose of
13 enforcing their rights under this subsection, makers or holders
14 of [subvention certificates] subventions shall be entitled to
15 inspect the books and records of the corporation.

16 (g) Rights of makers or holders on dissolution.--[Holders]
17 Makers or holders of [subvention certificates] subventions, upon
18 dissolution of the corporation, shall be entitled, after the
19 claims of creditors have been satisfied, to repayment of the
20 original amount or value of the subvention plus any periodic
21 payments due or accrued thereon, unless a lesser sum is
22 specified in the resolution of the board of directors or other
23 body concerning [such] the subvention.

24 § 5543. Debt and security interests.

25 (a) General rule.--[No corporation shall issue bonds or
26 other evidences of indebtedness except for money or other
27 property, tangible or intangible, or labor or services actually
28 received by or performed for the corporation or for its benefit
29 or in its formation or reorganization, or a combination thereof.
30 In the absence of fraud in the transaction, the judgment of the

1 board of directors or other body as to the value of the
2 consideration received by the corporation shall be conclusive.]
3 Unless otherwise provided in the bylaws, a nonprofit corporation
4 may issue its bonds or other obligations for such amount and
5 form of consideration as may be determined by or in the manner
6 provided by the board of directors or other body.

7 (b) Creation of lien on real or personal property.--The
8 board of directors or other body may authorize any mortgage or
9 pledge of, or the creation of a security interest in, all or any
10 part of the real or personal property of the corporation, or any
11 interest therein. [Unless] No application to or confirmation by
12 a court shall be required and, unless otherwise restricted in
13 the bylaws, no vote or consent of the members shall be required
14 to make effective [such] the action by the board or other body.
15 § 5544. [Fees, dues] Dues and assessments.

16 (a) General rule.--A nonprofit corporation may levy dues or
17 assessments, or both, on its members, if authority to do so is
18 conferred by the bylaws, subject to any limitations therein
19 contained. [Such] The dues or assessments, or both, may be
20 imposed upon all members of the same class either alike or in
21 different amounts or proportions, and upon a different basis
22 upon different classes of members. Members of one or more
23 classes may be made exempt from either dues or assessments, or
24 both, in the manner or to the extent provided in the bylaws.

25 (b) Amount and method of collection.--The amount of the levy
26 and method of collection of [such] the dues or assessments, or
27 both, may be fixed in the bylaws, or the bylaws may authorize
28 the board of directors or other body to fix the amount thereof
29 from time to time, and make them payable at such time and by
30 such methods of collection as the board of directors or other

1 body may prescribe.

2 (c) Enforcement of payment.--A nonprofit corporation may
3 make bylaws necessary to enforce the collection of [such] dues
4 or assessments, including provisions for the termination of
5 membership, upon reasonable notice, for nonpayment of [such]
6 dues or assessments, and for reinstatement of membership.

7 § 5546. Purchase, sale, mortgage and lease of real property.

8 [Except for an industrial development corporation whose
9 articles or bylaws otherwise provide, no purchase of real
10 property shall be made by a nonprofit corporation and no
11 corporation shall sell, mortgage, lease away or otherwise
12 dispose of its real property, unless authorized by the vote of
13 two-thirds of the members in office of the board of directors or
14 other body, except that if there are 21 or more directors or
15 members of such other body, the vote of a majority of the
16 members in office shall be sufficient. No application to or
17 confirmation of any court shall be required and, unless
18 otherwise restricted in the bylaws, no vote or consent of the
19 members shall be required to make effective such action by the
20 board or other body. If the real property is subject to a trust
21 the conveyance away shall be free of trust and the trust shall
22 be impinged upon the proceeds of such conveyance.] Except as
23 otherwise provided in this subpart and unless otherwise provided
24 in the bylaws, no application to or confirmation of any court
25 shall be required for the purchase by or the sale, lease or
26 other disposition of the real or personal property, or any part
27 thereof, of a nonprofit corporation, and, unless otherwise
28 restricted in section 5930 (relating to voluntary transfer of
29 corporate assets) or in the bylaws, no vote or consent of the
30 members shall be required to make effective such action by the

1 board or other body. If the property is subject to a trust, the
2 conveyance away shall be free of trust, and the trust shall be
3 impinged upon the proceeds of the conveyance.

4 § 5550. Devises, bequests and gifts after certain fundamental
5 changes.

6 A devise, bequest or gift to be effective in the future, in
7 trust or otherwise, to or for a nonprofit corporation which has:

8 (1) changed its purposes;

9 (2) sold, leased away or exchanged all or substantially
10 all its property and assets;

11 (3) been converted into a business corporation;

12 (4) become a party to a consolidation or a division;

13 (5) become a party to a merger which it did not survive;

14 or

15 (6) been dissolved;

16 after the execution of the document containing [such] the
17 devise, bequest or gift and before the nonprofit corporation
18 acquires a vested interest in the devise, bequest or gift shall
19 be effective only as a court having jurisdiction over the assets
20 may order under [the Estates Act of 1947] 20 Pa.C.S. Ch. 61
21 (relating to estates) or other applicable provisions of law.

22 § 5551. Dividends prohibited; compensation and certain payments
23 authorized.

24 (a) General rule.--A nonprofit corporation shall not pay
25 dividends or distribute any part of its income or profits to its
26 members, directors, or officers. Nothing herein contained shall
27 prohibit a fraternal benefit society operating under the
28 insurance laws of Pennsylvania from paying dividends or refunds
29 by whatever name known pursuant to the terms of its insurance
30 contracts.

1 (b) Reasonable compensation for services.--A nonprofit
2 corporation may pay compensation in a reasonable amount to
3 members, directors, or officers for services rendered.

4 (c) Certain payments authorized.--A nonprofit corporation
5 may confer benefits upon members or nonmembers in conformity
6 with its purposes, may repay capital contributions, and may
7 redeem its subvention certificates or evidences of indebtedness,
8 as authorized by this article, except when the corporation is
9 currently insolvent or would thereby be made insolvent or
10 rendered unable to carry on its corporate purposes, or when the
11 fair value of the assets of the corporation remaining after such
12 conferring of benefits, payment or redemption would be
13 insufficient to meet its liabilities. A nonprofit corporation
14 may make distributions of cash or property to members upon
15 dissolution or final liquidation as permitted by this article.

16 § 5552. (Reserved).

17 § [5552] 5553. Liabilities of members.

18 * * *

19 § [5553] 5554. Annual report of directors or other body.

20 (a) Contents.--The board of directors or other body of a
21 nonprofit corporation shall present annually to the members a
22 report, verified by the president and treasurer or by a majority
23 of the directors or members of [such] the other body, showing in
24 appropriate detail the following:

25 (1) The assets and liabilities, including [the] trust
26 funds, of the corporation as of the end of the fiscal year
27 immediately preceding the date of the report.

28 (2) The principal changes in assets and liabilities,
29 including trust funds, during the fiscal year immediately
30 preceding the date of the report.

1 (3) The revenue or receipts of the corporation, both
2 unrestricted and restricted to particular purposes, for the
3 fiscal year immediately preceding the date of the report,
4 including separate data with respect to each trust fund held
5 by or for the corporation.

6 (4) The expenses or disbursements of the corporation,
7 for both general and restricted purposes, during the fiscal
8 year immediately preceding the date of the report, including
9 separate data with respect to each trust fund held by or for
10 the corporation.

11 (5) The number of members of the corporation as of the
12 date of the report, together with a statement of increase or
13 decrease in [such] their number during the year immediately
14 preceding the date of the report, and a statement of the
15 place where the names and addresses of the current members
16 may be found.

17 (b) Place of filing.--The annual report of the board of
18 directors or other body shall be filed with the minutes of the
19 meetings of members.

20 (c) Report in absence of meeting of members.--The board of
21 directors or other body of a corporation having no members shall
22 direct the president and treasurer to present at the annual
23 meeting of the board or [of such] other body a report in
24 accordance with subsection (a) [of this section], but omitting
25 the requirement of paragraph (5) [thereof]. [Such] The report
26 shall be filed with the minutes of the annual meeting of the
27 board or [of such] other body.

28 (d) Cross reference.--See section 6145 (relating to
29 applicability of certain safeguards to foreign domiciliary
30 corporations).

1 § 5585. Establishment or use of common trust funds authorized.

2 (a) General rule.--Every nonprofit corporation may establish
3 and maintain one or more common trust funds, the assets of which
4 shall be held, invested and reinvested by the corporation itself
5 or by a corporate trustee to which the assets have been
6 transferred pursuant to section 5549 (relating to transfer of
7 trust or other assets to institutional trustee). Upon the
8 payment by the corporate trustee to the nonprofit corporation of
9 the net income from [such] the assets, which income may be
10 determined under section 5548(c) (relating to investment of
11 trust funds) if such election is properly made by the board of
12 directors or other body of the corporation, for use and
13 application to the several participating interests in [such] the
14 common trust fund, the proportionate participation of each
15 interest in [such] the net income shall be designated by the
16 corporate trustee. The nonprofit corporation may, at any time,
17 withdraw the whole or part of any participating interest in
18 [such] the common trust fund for distribution by it as provided
19 in this subchapter.

20 (b) Limitations in trust instrument.--Nothing contained in
21 this section shall be construed to authorize the corporation to
22 invest assets of a trust or fund in any [such] common trust fund
23 contrary to any specific limitation or restriction contained in
24 the trust instrument[,] nor to limit or restrict the authority
25 conferred upon the corporation with respect to investments by
26 [any such] the trust instrument.

27 (c) Effect of good faith mistakes.--[No mistakes] Mistakes
28 made in good faith[,] and in the exercise of due care and
29 prudence[,] in connection with the administration of any [such]
30 common trust fund[,] shall not be held to exceed any power

1 granted to or violate any duty imposed upon the corporation[,]
2 if, promptly after the discovery of the mistake, the corporation
3 takes such action as may be practicable under the circumstances
4 to remedy the mistake.

5 § 5586. Restrictions on investments.

6 (a) Legal investments.--If the trust instrument [shall limit
7 or restrict] limits or restricts the investment of [such] the
8 assets to investments of the class authorized by law as legal
9 investments, [the] a nonprofit corporation may invest and
10 reinvest the assets of the trust or fund in any [such] common
11 trust fund maintained by the corporation[, provided] if the
12 investments composing [such] the fund consist solely of
13 investments of the class authorized by [the Fiduciaries
14 Investment Act of 1949] 20 Pa.C.S. Ch. 72 (relating to prudent
15 investor rule) to be held by fiduciaries.

16 (b) Other than legal investments.--If the trust instrument
17 [shall] does not limit or restrict the investment of [such] the
18 assets to investments of the class authorized by law as legal
19 investments, the corporation may invest and reinvest the assets
20 of the trust or fund in any [such] common trust fund maintained
21 by the corporation[,] composed of such investments as in the
22 honest exercise of the judgment of the directors or other body
23 of the corporation they may, after investigation, determine to
24 be safe and proper investments.

25 § 5587. Determination of interests.

26 A nonprofit corporation shall invest the assets of a trust or
27 fund in a common trust fund authorized by this subchapter by
28 adding [such] those assets thereto, and by apportioning a
29 participation therein to [such] the trust or fund in the
30 proportion that the assets of the trust or fund added thereto

1 bears to the aggregate value of all the assets of [such] the
2 common trust fund at the time of [such] the investment,
3 including in [such] those assets the assets of the trust or fund
4 so added. The withdrawal of a participation from [such] the
5 common trust fund shall be on a basis of its proportionate
6 interest in the aggregate value of all the assets of [such] the
7 common trust fund at the time of [such] the withdrawal. The
8 participating interest of any trust or fund in [such] the common
9 trust fund may from time to time be withdrawn, in whole or in
10 part, by the corporation. Upon such withdrawals, the corporation
11 may make distribution in cash, or ratably in kind, or partly in
12 cash and partly in kind. Participations in such common trust
13 funds shall not be sold by the corporation to any other
14 corporation or person, but this sentence shall not prevent a
15 corporate trustee designated under section 5585 (relating to
16 establishment or use of common trust funds authorized) from
17 investing the assets of [such a] the common trust fund in any
18 collective investment fund established and maintained by it in
19 accordance with law and to which the assets comprising [such a]
20 the common trust fund are eligible contributions.

21 § 5588. Amortization of premiums on securities held.

22 If a bond or other obligation for the payment of money is
23 acquired as an investment for any common trust fund at a cost in
24 excess of the par or maturity value thereof, the nonprofit
25 corporation may, during (but not beyond) the period that [such]
26 the obligation is held as an investment in [such] the fund,
27 amortize [such] the excess cost out of the income on [such] the
28 obligation, by deducting from each payment of income and adding
29 to principal an amount equal to the sum obtained by dividing
30 [such] the excess cost by the number of periodic payments of

1 income to accrue on [such] the obligation from the date of
2 [such] the acquisition until its maturity date.

3 § 5589. Records; ownership of assets.

4 The nonprofit corporation shall designate clearly upon its
5 records the names of the trusts or funds on behalf of which
6 [such] the corporation, as fiduciary or otherwise, owns a
7 participation in any common trust fund and the extent of the
8 interest of the trust or fund therein. No such trust or fund
9 shall be deemed to have individual ownership of any asset in
10 [such] the common trust fund, but shall be deemed to have a
11 proportionate undivided interest in the common trust fund. The
12 ownership of the individual assets comprising any common trust
13 fund shall be solely in the nonprofit corporation as fiduciary
14 or otherwise.

15 § 5702. Manner of giving notice.

16 (a) General rule.--[Whenever written]

17 (1) Any notice [is] required to be given to any person
18 under the provisions of this subpart or by the articles or
19 bylaws of any nonprofit corporation[, it may] shall be given
20 to the person either personally or by sending a copy thereof
21 [by]:

22 (i) By first class or express mail, postage prepaid,
23 [or by telegram (with messenger service specified), telex
24 or TWX (with answer back received)] or courier service,
25 charges prepaid, [or by facsimile transmission,] to [his]
26 the person's postal address [(or to his telex, TWX or
27 facsimile number)] appearing on the books of the
28 corporation or, in the case of directors or members of an
29 other body, supplied by [him] the person to the
30 corporation for the purpose of notice. [If the notice is

1 sent by mail, telegraph or courier service, it shall be
2 deemed to have been given to the person entitled thereto
3 when deposited in the United States mail or with a
4 telegraph office or courier service for delivery to that
5 person or, in the case of telex or TWX, when dispatched.]
6 Notice under this subparagraph shall be deemed to have
7 been given to the person entitled thereto when deposited
8 in the United States mail or with a courier service for
9 delivery to that person.

10 (ii) By facsimile transmission, e-mail or other
11 electronic communication to the person's facsimile number
12 or address for e-mail or other electronic communications
13 supplied by the person to the corporation for the purpose
14 of notice. Notice under this subparagraph shall be deemed
15 to have been given to the person entitled thereto when
16 sent.

17 (2) A notice of meeting shall specify the [place,] day
18 [and], hour and geographic location, if any, of the meeting
19 and any other information required by any other provision of
20 this subpart.

21 * * *

22 § 5704. Place and notice of meetings of members.

23 (a) Place.--Meetings of members may be held at such [place]
24 geographic location within or without this Commonwealth as may
25 be provided in or fixed pursuant to the bylaws. Unless otherwise
26 provided in or pursuant to the bylaws, all meetings of the
27 members shall be held [in this Commonwealth at the registered
28 office of the corporation.] at the executive office of the
29 corporation wherever situated. If a meeting of members is held
30 by means of the Internet or other electronic communications

1 technology in a fashion pursuant to which the members have the
2 opportunity to read or hear the proceedings substantially
3 concurrently with their occurrence, vote on matters submitted to
4 the members, pose questions to the directors and members of any
5 other body, make appropriate motions and comment on the business
6 of the meeting, the meeting need not be held at a particular
7 geographic location.

8 (b) Notice.--[Written notice] Notice IN RECORD FORM of every <—
9 meeting of the members shall be given by, or at the direction
10 of, the secretary or other authorized person to each member of
11 record entitled to vote at the meeting at least:

12 (1) ten days prior to the day named for a meeting that
13 will consider a fundamental change under Chapter 59 (relating
14 to fundamental changes); or

15 (2) five days prior to the day named for the meeting in
16 any other case.

17 If the secretary or other authorized person neglects or refuses
18 to give notice of a meeting, the person or persons calling the
19 meeting may do so.

20 (c) Contents.--In the case of a special meeting of the
21 members, the notice shall specify the general nature of the
22 business to be transacted, and in all cases the notice shall
23 comply with the express requirements of this subpart. The
24 corporation shall not have a duty to augment the notice.

25 § 5705. Waiver of notice.

26 (a) [Written waiver] General rule.--Whenever any [written]
27 notice is required to be given under the provisions of this
28 subpart or the articles or bylaws of any nonprofit corporation,
29 a waiver thereof [in writing, signed] that is filed with the
30 secretary of the corporation in record form signed by the person

1 or persons entitled to the notice, whether before or after the
2 time stated therein, shall be deemed equivalent to the giving of
3 the notice. [Except as otherwise required by this subsection,
4 neither] Neither the business to be transacted at, nor the
5 purpose of, a meeting need be specified in the waiver of notice
6 of the meeting.

7 * * *

8 § 5708. Use of conference telephone [and similar equipment.] or
9 other electronic technology.

10 (a) Incorporators, directors and members of an other body.--

11 Except as otherwise provided in the bylaws, one or more persons
12 may participate in a meeting of the incorporators, the board of
13 directors or an other body[, or the members] of a nonprofit
14 corporation by means of conference telephone or [similar
15 communications equipment] other electronic technology by means
16 of which all persons participating in the meeting can hear each
17 other. Participation in a meeting pursuant to this section shall
18 constitute presence in person at the meeting.

19 (b) Members.--Except as otherwise provided in the bylaws,
20 the presence or participation, including voting and taking other
21 action, at a meeting of members, or the expression of consent or
22 dissent to corporate action, by a member by conference telephone
23 or other electronic means, including, without limitation, the
24 Internet, shall constitute the presence of, or vote or action
25 by, or consent or dissent of the member for the purposes of this
26 subpart.

27 § 5722. Qualifications of directors.

28 Each director of a nonprofit corporation shall be a natural
29 person of full age who, unless otherwise restricted in the
30 bylaws, need not be a resident of this Commonwealth or a member

1 of the corporation. Except as otherwise provided in this
2 section, the qualifications of directors may be prescribed in
3 the bylaws.

4 § 5723. Number of directors.

5 The board of directors of a nonprofit corporation shall
6 consist of one or more members. [Except as otherwise provided in
7 this section, the] The number of directors shall be fixed by[,]
8 or in the manner provided in[,] the bylaws[; or if]. If not so
9 fixed, the number of directors shall be the same as that stated
10 in the articles or three if no number is so stated.

11 § 5724. Term of office of directors.

12 (a) General rule.--Each director of a nonprofit corporation
13 shall hold office until the expiration of the term for which he
14 was selected and until his successor has been selected and
15 qualified or until his earlier death, resignation or removal.
16 Directors, other than those selected by virtue of their office
17 or former office in the corporation or in any other entity or
18 organization, shall be selected for the term of office provided
19 in the bylaws. In the absence of a provision fixing the term, it
20 shall be one year.

21 (b) Resignations.--Any director may resign at any time upon
22 written notice to the corporation. The resignation shall be
23 effective upon receipt thereof by the corporation or at such
24 subsequent time as shall be specified in the notice of
25 resignation.

26 (c) Decrease in number.--A decrease in the number of
27 directors shall not have the effect of shortening the term of
28 any incumbent director.

29 (d) Classified board of directors.--Except as otherwise
30 provided in the bylaws, if the directors are classified in

1 respect of the time for which they shall severally hold office:

2 (1) Each class shall be as nearly equal in number as
3 possible.

4 (2) The term of office of at least one class shall
5 expire in each year.

6 (3) The members of a class shall not be elected for a
7 longer period than four years.

8 § 5725. Selection of directors.

9 (a) General rule.--Except as otherwise provided in this
10 section, directors of a nonprofit corporation, other than those
11 [named in the articles, if any,] constituting the first board of
12 directors, shall be elected by the members.

13 (b) Other methods.--If a bylaw adopted by the members so
14 provides, directors may be elected, appointed, designated or
15 otherwise selected by such person or persons or by such method
16 or methods as shall be fixed by, or in the manner provided in,
17 [such] the bylaw, and the directors may be classified as to the
18 members who exercise the power to select directors.

19 (c) Vacancies.--Except as otherwise provided in the
20 bylaws[,]:

21 (1) [vacancies] Vacancies in the board of directors,
22 including vacancies resulting from an increase in the number
23 of directors, [shall] may be filled by a majority of the
24 remaining members of the board though less than a quorum, or
25 by a sole remaining director, and each person so [elected]
26 selected shall be a director to serve for the balance of the
27 unexpired term unless otherwise restricted in the bylaws.

28 (2) When one or more directors resign from the board
29 effective at a future date, the directors then in office,
30 including those who have so resigned, shall have power by the

1 applicable vote to fill the vacancies, the vote thereon to
2 take effect when the resignations become effective.

3 (3) In the case of a corporation having a board of
4 directors classified in respect of the time for which
5 directors shall severally hold office, any director chosen to
6 fill a vacancy, including a vacancy resulting from an
7 increase in the number of directors, shall hold office until
8 the next election of the class for which such director has
9 been chosen and until his successor has been selected and
10 qualified or until his earlier death, resignation or removal.

11 (d) Alternate directors.--If the bylaws so provide, a person
12 or group of persons entitled to elect, appoint, designate or
13 otherwise select one or more directors may select [one or more
14 alternates] an alternate for each [such] director. In the
15 absence of a director from a meeting of the board [one of], his
16 [alternates] alternate may, in the manner and upon such notice,
17 if any, as may be provided in the bylaws, attend [such] the
18 meeting or execute a written consent and exercise at the meeting
19 or in such consent such of the powers of the absent director as
20 may be specified by, or in the manner provided in, the bylaws.
21 When so exercising the powers of the absent director, [such] the
22 alternate shall be subject in all respects to the provisions of
23 this [article] subpart relating to directors.

24 (e) Nomination of directors.--Unless otherwise provided in
25 the bylaws [provide otherwise], directors shall be nominated by
26 a nominating committee or from the floor.

27 (f) Cross references.--See the definition of "member" in
28 section 5103 (relating to definitions) and section 5758(c)
29 (relating to cumulative voting).

30 § 5726. Removal of directors.

1 (a) [By] Removal by the members.--

2 (1) Unless otherwise provided in a bylaw adopted by the
3 members, the entire board of directors, or a class of the
4 board[,] where the board is classified with respect to the
5 power to select directors, or any individual director[,] of a
6 nonprofit corporation may be removed from office without
7 assigning any cause by the vote of members, or a class of
8 members, entitled to [cast at least a majority of the votes
9 which all members present would be entitled to cast at any
10 annual or other regular election of the directors or of such
11 class of directors] elect directors, or the class of
12 directors. In case the board or [such] a class of the board
13 or any one or more directors are so removed, new directors
14 may be elected at the same meeting. [If members are entitled
15 to vote cumulatively for the board or a class of the board,
16 no individual director shall be removed unless the entire
17 board or class of the board is removed in case sufficient
18 votes are cast against the resolution for his removal, which,
19 if cumulatively voted at an annual or other regular election
20 of directors, would be sufficient to elect one or more
21 directors to the board or to the class.]

22 (2) An individual director shall not be removed (unless
23 the entire board or class of the board is removed) from the
24 board of a corporation in which members are entitled to vote
25 cumulatively for the board or a class of the board if
26 sufficient votes are cast against the resolution for his
27 removal which, if cumulatively voted at an annual or other
28 regular election of directors, would be sufficient to elect
29 one or more directors to the board or to the class.

30 (b) [By] Removal by the board.--Unless otherwise provided in

1 a bylaw adopted by the members, the board of directors may
2 declare vacant the office of a director [if he is declared] who
3 has been judicially declared of unsound mind [by an order of
4 court or is convicted of felony] or who has been convicted of an
5 offense punishable by imprisonment for a term of more than one
6 year, or for any other proper cause which the bylaws may
7 specify, or if, within 60 days, or such other time as the bylaws
8 may specify, after notice of his selection, he does not accept
9 [such] the office either in writing or by attending a meeting of
10 the board of directors[,] and fulfill such other requirements of
11 qualification as the bylaws may specify.

12 (c) [By] Removal by the court.--[The court may, upon
13 petition of any member or director, remove from office any
14 director in case of fraudulent or dishonest acts, or gross abuse
15 of authority or discretion with reference to the corporation, or
16 for any other proper cause, and may bar from office any director
17 so removed for a period prescribed by the court. The corporation
18 shall be made a party to such action.] Upon application of any
19 member or director, the court may remove from office any
20 director in case of fraudulent or dishonest acts, or gross abuse
21 of authority or discretion with reference to the corporation, or
22 for any other proper cause, and may bar from office any director
23 so removed for a period prescribed by the court. The corporation
24 shall be made a party to the action and as a prerequisite to the
25 maintenance of an action under this subsection a member shall
26 comply with Subchapter G (relating to judicial supervision of
27 corporate action).

28 (d) Effect of reinstatement.--An act of the board done
29 during the period when a director has been suspended or removed
30 for cause shall not be impugned or invalidated if the suspension

1 or removal is thereafter rescinded by the members or by the
2 board or by the final judgment of a court.

3 § 5727. Quorum of and action by directors.

4 (a) General rule.--Unless otherwise provided in the bylaws,
5 a majority of the directors in office of a nonprofit corporation
6 shall be necessary to constitute a quorum for the transaction of
7 business, and the acts of a majority of the directors present
8 and voting at a meeting at which a quorum is present shall be
9 the acts of the board of directors.

10 (b) Action by [written] consent.--Unless otherwise
11 restricted in the bylaws, any action [which may] required or
12 permitted to be taken at a meeting of the directors may be taken
13 without a meeting[, if] if, prior or subsequent to the action, a
14 consent or consents [in writing setting forth the action so
15 taken shall be signed] thereto in record form signed by all of
16 the directors in office [and shall be] is filed with the
17 secretary of the corporation.

18 § 5728. Interested [members,] directors or officers; quorum.

19 (a) General rule.--[No] A contract or transaction between a
20 nonprofit corporation and one or more of its [members,]
21 directors or officers or between a nonprofit corporation and
22 [any other corporation, partnership, association, or other
23 organization] another domestic or foreign corporation for profit
24 or not-for-profit, partnership, joint venture, trust or other
25 association in which one or more of its directors or officers
26 are directors or officers[,] or have a financial or other
27 interest, shall not be void or voidable solely for [such] that
28 reason, or solely because the [member,] director or officer is
29 present at or participates in the meeting of the board of
30 directors [which] that authorizes the contract or transaction,

1 or solely because his or their votes are counted for [such] that
2 purpose, if:

3 (1) the material facts as to the relationship or
4 interest and as to the contract or transaction are disclosed
5 or are known to the board of directors and the board [in good
6 faith] authorizes the contract or transaction by the
7 affirmative votes of a majority of the disinterested
8 directors even though the disinterested directors are less
9 than a quorum;

10 (2) the material facts as to his relationship or
11 interest and as to the contract or transaction are disclosed
12 or are known to the members entitled to vote thereon, if any,
13 and the contract or transaction is specifically approved in
14 good faith by vote of [such] those members; or

15 (3) the contract or transaction is fair as to the
16 corporation as of the time it is authorized, approved or
17 ratified by the board of directors or the members.

18 (b) Quorum.--Common or interested directors may be counted
19 in determining the presence of a quorum at a meeting of the
20 board [which] that authorizes a contract or transaction
21 specified in subsection (a) [of this section].

22 (c) Applicability.--The provisions of this section shall be
23 applicable except as otherwise restricted in the bylaws.

24 § 5729. Voting rights of directors.

25 (a) General rule.--Unless otherwise provided in a bylaw
26 adopted by the members every director shall be entitled to one
27 vote.

28 (b) Multiple and fractional voting.--The requirement of this
29 article for the presence of or vote or other action by a
30 specified percentage of directors shall be satisfied by the

1 presence of or vote or other action by directors entitled to
2 cast such specified percentage of the votes which all directors
3 are entitled to cast.

4 § 5730. Compensation of directors.

5 Except as otherwise restricted in the bylaws, the board of
6 directors of a nonprofit corporation shall have the authority to
7 fix the compensation of directors for their services as [such]
8 directors, and a director may be a salaried officer of the
9 corporation.

10 § 5731. Executive and other committees of the board.

11 * * *

12 (c) Status of committee action.--The term "board of
13 directors" or "board," when used in any provision of this
14 subpart relating to the organization or procedures of or the
15 manner of taking action by the board of directors, shall be
16 construed to include and refer to any executive or other
17 committee of the board. Any provision of this subpart relating
18 or referring to action to be taken by the board of directors or
19 the procedure required therefor shall be satisfied by the taking
20 of corresponding action by a committee of the board of directors
21 to the extent authority to take the action has been delegated to
22 the committee under this section.

23 § 5733. Removal of officers and agents.

24 Unless otherwise provided in the bylaws, any officer or agent
25 of a nonprofit corporation may be removed by the board of
26 directors or other body [whenever in its judgment the best
27 interests of the corporation will be served thereby, but such]
28 with or without cause. The removal shall be without prejudice to
29 the contract rights, if any, of any person so removed. Election
30 or appointment of an officer or agent shall not of itself create

1 contract rights.

2 § 5746. Supplementary coverage.

3 (a) General rule.--The indemnification and advancement of
4 expenses provided by or granted pursuant to the other sections
5 of this subchapter shall not be deemed exclusive of any other
6 rights to which a person seeking indemnification or advancement
7 of expenses may be entitled under any bylaw, agreement, vote of
8 members or disinterested directors or otherwise, both as to
9 action in his official capacity and as to action in another
10 capacity while holding that office. Section 5728 (relating to
11 interested [members,] directors or officers; quorum) shall be
12 applicable to any bylaw, contract or transaction authorized by
13 the directors under this section. A corporation may create a
14 fund of any nature, which may, but need not, be under the
15 control of a trustee, or otherwise secure or insure in any
16 manner its indemnification obligations, whether arising under or
17 pursuant to this section or otherwise.

18 * * *

19 § 5751. Classes and qualifications of membership.

20 (a) General rule.--Membership in a nonprofit corporation
21 shall be of such classes, and shall be governed by such rules of
22 admission, retention, suspension and expulsion, as bylaws
23 adopted by the members shall prescribe, except that [all such]
24 the rules shall be reasonable, germane to the purpose or
25 purposes of the corporation[,] and equally enforced as to all
26 members of the same class. Unless otherwise provided by a bylaw
27 adopted by the members[, there]:

28 (1) There shall be one class of members whose voting and
29 other rights and interests shall be equal.

30 (2) If there is only one class of members, the members

1 shall have all the rights of members generally in a nonprofit
2 corporation.

3 (b) Corporations without voting members.--Where the articles
4 provide that the corporation shall have no members, as such, or
5 where a nonprofit corporation has under its bylaws or in fact no
6 members entitled to vote on a matter, any provision of this
7 [article] subpart or any other provision of law requiring notice
8 to, the presence of, or the vote, consent or other action by
9 members of the corporation in connection with [such] the matter
10 shall be satisfied by notice to, the presence of, or the vote,
11 consent or other action by the board of directors or other body
12 of the corporation.

13 (C) MEMBERSHIP STATUS.--REGARDLESS OF WHETHER A NONPROFIT <—
14 CORPORATION DESIGNATES OR REFERS TO A PERSON AS A MEMBER OF THE
15 CORPORATION, THE PERSON IS NOT A MEMBER OF THE CORPORATION
16 UNLESS THE PERSON SATISFIES THE DEFINITION OF "MEMBER" IN
17 SECTION 5103(A) (RELATING TO DEFINITIONS).

18 § 5752. Organization on a stock share basis.

19 (a) General rule.--A nonprofit corporation may be organized
20 upon either a nonstock basis or, if so provided in its articles,
21 upon a stock share basis[, as set forth in its articles].

22 (b) Form of certificates; uncertificated shares.--The shares
23 of nonprofit corporations organized upon a stock share basis
24 shall be of such denominations as the bylaws shall provide and
25 shall be represented by share certificates unless the articles
26 provide that any or all classes and series of shares, or any
27 part thereof, shall be uncertificated shares. A provision of the
28 articles providing for uncertificated shares shall not apply to
29 shares represented by a certificate until the certificate is
30 surrendered to the corporation. Except as otherwise expressly

1 provided by law, the rights and obligations of the holders of
2 shares represented by certificates and the rights and
3 obligations of the holders of uncertificated shares of the same
4 class and series shall be identical. The fact that the
5 corporation is a nonprofit corporation shall be noted
6 conspicuously on the face of each certificate. Within a
7 reasonable time after the issuance or transfer of uncertificated
8 shares, the corporation shall send to the registered owner
9 thereof a written notice stating:

10 (1) That the corporation is a nonprofit corporation
11 incorporated under the laws of this Commonwealth.

12 (2) The name of the registered owner.

13 (3) The denomination and class of shares and the
14 designation of the series, if any, of the shares issued or
15 transferred.

16 (c) Rights of shareholders.--Unless otherwise provided in a
17 bylaw adopted by the members, each share shall entitle the
18 holder thereof to one vote. No dividends shall be directly or
19 indirectly paid on [any such] the shares, nor shall the
20 shareholders be entitled to any portion of the earnings of
21 [such] the corporation derived through increment of value upon
22 its property, or otherwise incidentally made, until the
23 dissolution of [any such] the corporation.

24 (d) Transferability of shares.--Unless otherwise provided in
25 the bylaws, [such] the shares shall not be transferable by
26 operation of law or otherwise.

27 (e) Power to cancel shares.--A nonprofit corporation shall
28 have power to exclude from further membership any shareholder
29 who fails to comply with the reasonable and lawful bylaws of the
30 corporation, and may cancel the shares of any [such] offending

1 member without liability for an accounting[,] except as may be
2 provided in the bylaws.

3 (f) Applicability of the Uniform Commercial Code.--The
4 provisions of [Division 8 of Title 13] 13 Pa.C.S. Div. 8
5 (relating to investment securities) shall not apply in any
6 manner to the shares of a nonprofit corporation.

7 (g) Cross reference.--See the definition of "member" in
8 section 5103 (relating to definitions).

9 § 5753. Membership certificates.

10 A nonprofit corporation organized upon a nonstock basis shall
11 not issue shares of stock, but membership in [such] the
12 corporation may be evidenced by certificates of membership. The
13 fact that the corporation is a nonprofit corporation shall be
14 noted conspicuously on the face of each certificate.

15 § 5754. Members grouped in local units.

16 (a) General rule.--The bylaws of a nonprofit corporation may
17 provide that the members of the corporation shall be grouped in
18 incorporated or unincorporated local units formed upon the basis
19 of territorial areas, or such other basis as may be determined
20 in the bylaws, for the purpose of election of delegates or
21 representatives to represent the members of such local units at
22 any regular or special meetings of [such] the corporation.
23 Unless otherwise provided in a bylaw adopted by the members,
24 each local unit participating in a representative capacity by
25 means of one or more delegates or otherwise at a meeting of the
26 corporation shall have a number of votes equal to the total
27 membership of the local unit.

28 (b) Voting at meetings of delegates.--The requirements of
29 this [article] subpart for action by or the consent of a
30 specified number or percentage of the members shall be satisfied

1 by action by or the consent of [such] that number or percentage
2 of votes of delegates or representatives of members selected
3 pursuant to this section.

4 (c) Calling and holding meetings of delegates.--The
5 provisions of this [article] subpart relating to the manner of
6 the calling and holding of and the taking of action at meetings
7 of members shall be applicable to meetings of delegates or
8 representatives of members.

9 (d) Incorporation of local units.--A local unit of an
10 incorporated or unincorporated parent body [which] that is
11 incorporated or organized for a purpose or purposes not
12 involving pecuniary profit, incidental or otherwise, to its
13 members[,] may be incorporated under this [article] subpart by
14 an incorporated parent body or by the members of [such] the
15 local unit.

16 § 5755. Time of holding meetings of members.

17 (a) Regular meetings.--The bylaws of a nonprofit corporation
18 may provide for the number and the time of meetings of members,
19 but unless otherwise provided in a bylaw adopted by the members
20 at least one meeting of the members of a corporation [which]
21 that has members, as such, entitled to vote, shall be held in
22 each calendar year for the election of directors[,] at such time
23 as shall be provided in or fixed pursuant to authority granted
24 by the bylaws. Failure to hold the annual or other regular
25 meeting at the designated time shall not work a dissolution of
26 the corporation or affect otherwise valid corporate acts. If the
27 annual or other regular meeting [shall not be] is not called and
28 held within six months after the designated time, any member may
29 call [such] the meeting at any time thereafter.

30 (b) Special meetings.--Special meetings of the members may

1 be called at any time by:

2 (1) [by] the board of directors[, or];

3 (2) members entitled to cast at least 10% of the votes
4 [which] that all members are entitled to cast at the
5 particular meeting[, by]; or

6 (3) such other officers or persons as may be provided in
7 the bylaws.

8 At any time, upon written request of any person who has called a
9 special meeting, it shall be the duty of the secretary to fix
10 the time of the meeting[,] which, if the meeting is called
11 pursuant to a statutory right, shall be held not more than 60
12 days after the receipt of the request. If the secretary [shall
13 neglect or refuse] neglects or refuses to fix the time of the
14 meeting, the person or persons calling the meeting may do so.

15 (c) Adjournments.--Adjournments of any regular or special
16 meeting may be taken[,] but any meeting at which directors are
17 to be elected shall be adjourned only from day to day, or for
18 such longer periods not exceeding 15 days each, as the members
19 present and entitled to [cast at least a majority of the votes
20 which all members present and voting are entitled to cast] vote
21 shall direct, until [such] the directors have been elected.

22 (d) Cross reference.--See section 6145 (relating to
23 applicability of certain safeguards to foreign domiciliary
24 corporations).

25 § 5756. Quorum.

26 (a) General rule.--A meeting of members of a nonprofit
27 corporation duly called shall not be organized for the
28 transaction of business unless a quorum is present. Unless
29 otherwise provided in a bylaw adopted by the members:

30 (1) The presence of members entitled to cast at least a

majority of the votes [which] that all members are entitled to cast on [the matters] a particular matter to be acted upon at the meeting shall constitute a quorum for the purposes of consideration and action on the matter.

(2) The members present at a duly organized meeting can continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

(3) If a meeting cannot be organized because a quorum has not attended, those present may, except as otherwise provided in this [article] subpart, adjourn the meeting to such time and place as they may determine.

(b) Exceptions.--Notwithstanding any contrary provision in the articles or bylaws, those members entitled to vote who attend a meeting of members:

(1) [In the case of any meeting called for the election of directors those who attend the second of such adjourned meetings] at which directors are to be elected that has been previously adjourned for lack of a quorum, although less than a quorum as fixed in this section[,] or in the [articles or] bylaws, shall nevertheless constitute a quorum for the purpose of election of directors[.];

(2) [In the case of any meeting called for any other purpose those who attend the second of such adjourned meetings] that has been previously adjourned for one or more periods aggregating at least 15 days because of an absence of a quorum, although less than a quorum as fixed in this section[,] or in the [articles or] bylaws, shall nevertheless constitute a quorum for the purpose of acting upon any [resolution or other] matter set forth in the notice of the meeting[, if written notice of such second adjourned meeting,

1 stating] if the notice states that those members who attend
2 the adjourned meeting shall nevertheless constitute a quorum
3 for the purpose of acting upon [such resolution or other] the
4 matter[, is given to each member of record entitled to vote
5 at such second adjourned meeting at least ten days prior to
6 the day named for the second adjourned meeting].

7 § 5757. Action by members.

8 (a) General rule.--[Except as otherwise provided in this
9 article or in a bylaw adopted by the members, the acts at a duly
10 organized meeting of members present entitled to cast at least a
11 majority of the votes which all members present and voting are
12 entitled to cast shall be the acts of the members.

13 (b) Increased minimum vote.--Whenever in this article a
14 specified number or percentage of votes of members or of a class
15 of members is required for the taking of any action, a nonprofit
16 corporation may prescribe in a bylaw adopted by the members that
17 a higher number or percentage of votes shall be required for
18 such action.] Except as otherwise provided in this subpart or in
19 a bylaw adopted by the members, whenever any corporate action is
20 to be taken by vote of the members of a nonprofit corporation,
21 it shall be authorized upon receiving the affirmative vote of a
22 majority of the votes cast by the members entitled to vote
23 thereon and, if any members are entitled to vote thereon as a
24 class, upon receiving the affirmative vote of a majority of the
25 votes cast by the members entitled to vote as a class.

26 (b) Changes in required vote.--Whenever a provision of this
27 subpart requires a specified number or percentage of votes of
28 members or of a class of members for the taking of any action, a
29 nonprofit corporation may prescribe in a bylaw adopted by the
30 members that a higher number or percentage of votes shall be

1 required for the action. The number or percentage of members
2 necessary to call a special meeting of members or to petition
3 for the proposal of an amendment of articles under this subpart
4 may not be increased under this subsection. See sections 5504(d)
5 (relating to amendment of voting provisions) and 5914(e)
6 (relating to amendment of voting provisions).

7 (c) Expenses.--Unless otherwise restricted in the articles,
8 the corporation shall pay the reasonable expenses of
9 solicitation of votes, proxies or consents of members by or on
10 behalf of the board of directors or its nominees for election to
11 the board, including solicitation by professional proxy
12 solicitors and otherwise, and may pay the reasonable expenses of
13 a solicitation by or on behalf of other persons.

14 § 5758. Voting rights of members.

15 * * *

16 [(e) Voting lists.--Upon request of a member, the books or
17 records of membership shall be produced at any regular or
18 special meeting of the corporation. If at any meeting the right
19 of a person to vote is challenged, the presiding officer shall
20 require the books or records to be produced as evidence of the
21 right of the person challenged to vote, and all persons who
22 appear by the books or records to be members entitled to vote
23 may vote. See section 6145 (relating to applicability of certain
24 safeguards to foreign corporations).]

25 § 5759. Voting and other action by proxy.

26 (a) General rule.--Voting by members of a nonprofit
27 corporation shall be only in person unless a bylaw adopted by
28 the members provides for voting by proxy. [The presence of or
29 vote or other action at a meeting of members, or the expression
30 of consent or dissent to corporate action in writing, by a proxy

1 of a member pursuant to such a bylaw shall constitute the
2 presence of, or vote or action by, or written consent or dissent
3 of such member for the purposes of this article.] Unless
4 otherwise restricted by a bylaw adopted by the members:

5 (1) The presence of, or vote or other action at a
6 meeting of members, or the expression of consent or dissent
7 to corporate action, by a proxy of a member pursuant to a
8 bylaw shall constitute the presence of, or vote or action by,
9 or consent or dissent of the member for the purposes of this
10 subpart.

11 (2) Where two or more proxies of a member are present,
12 the corporation shall, unless otherwise expressly provided in
13 the proxy, accept as the vote or other action of all the
14 members or shares represented thereby the vote cast or other
15 action taken by a majority of them, and, if a majority of the
16 proxies cannot agree whether the memberships or shares
17 represented shall be voted or upon the manner of voting the
18 memberships or shares or taking the other action, the voting
19 of the memberships or shares or right to take other action
20 shall be divided equally among those persons.

21 (b) [Minimum requirements] Execution and filing.--Every
22 proxy shall be executed [in writing] or authenticated by the
23 member or by his duly authorized [attorney in fact] attorney-in-
24 fact and filed with or transmitted to the secretary of the
25 corporation[.] or its designated agent. A member or his duly
26 authorized attorney-in-fact may execute or authenticate a
27 writing or transmit an electronic message authorizing another
28 person to act for him by proxy. A telegram, telex, cablegram,
29 datagram, e-mail, Internet communication or other means of
30 electronic transmission from a member or attorney-in-fact, or a

photographic, facsimile or similar reproduction of a writing
executed by a member or attorney-in-fact:

(1) may be treated as properly executed or authenticated
for purposes of this subsection; and

(2) shall be so treated if it sets forth or utilizes a
confidential and unique identification number or other mark
furnished by the corporation to the member for the purposes
of a particular meeting or transaction.

(c) Revocation.--A proxy shall be revocable at will,
notwithstanding any other agreement or any provision in the
proxy to the contrary, but the revocation of a proxy shall not
be effective until notice thereof has been given to the
secretary of the corporation[. No] or its designated agent in
writing or by electronic transmission. An unrevoked proxy shall
not be valid after 11 months from the date of its execution,
authentication or transmission unless a longer time is expressly
provided therein[, but in no event shall a proxy be voted on
after three years from the date of its execution]. A proxy shall
not be revoked by the death or incapacity of the maker unless,
before the vote is counted or the authority is exercised,
[written] notice of [such] the death or incapacity is given to
the secretary of the corporation[.] or its designated agent. See
section 6145 (relating to applicability of certain safeguards to
foreign domiciliary corporations).

§ 5760. (Reserved).

§ 5761. (Reserved).

§ [5760] 5762. Voting by corporations.

(a) Voting in nonprofit corporation matters.--Unless
otherwise provided in a bylaw of a nonprofit corporation adopted
by the members, any other [corporation which is a member of such

1 a nonprofit corporation may vote therein by any of its
2 officers,] domestic or foreign corporation for profit or not-
3 for-profit that is a member of the nonprofit corporation may
4 vote by any of its officers or agents, or by proxy appointed by
5 any officer or agent, unless some other person, by resolution of
6 the board of directors of [such] the other corporation[,] or a
7 provision of its articles or bylaws, a copy of which resolution
8 or provision certified to be correct by one of its officers
9 [shall have] has been filed with the secretary of the nonprofit
10 corporation, [shall be] is appointed its general or special
11 proxy[,] in which case [such] that person shall be entitled to
12 vote [therein] as such proxy.

13 (b) Voting by nonprofit corporations.--Shares of or
14 memberships in a domestic or foreign corporation for profit or
15 not-for-profit other than a nonprofit corporation, standing in
16 the name of a shareholder or member [which] that is a nonprofit
17 corporation, may be voted by the persons and in the manner
18 provided for in the case of nonprofit corporations by subsection
19 (a) [of this section] unless the laws of the jurisdiction in
20 which the issuer of [any such] the shares or memberships is
21 incorporated [shall] require the shares or memberships to be
22 voted by some other person or persons or in some other manner[,]
23 in which case, to the extent that [such] those laws are
24 inconsistent herewith, this subsection shall not apply.

25 § [5761] 5763. Determination of members of record.

26 (a) Fixing record date.--Unless otherwise restricted in the
27 bylaws, the board of directors of a nonprofit corporation may
28 fix a time[, not more than 70 days] prior to the date of any
29 meeting of members [or any adjournment thereof,] as a record
30 date for the determination of the members entitled to notice of,

1 or to vote at, [such] the meeting[. In such case only], which
2 time, except in the case of an adjourned meeting, shall not be
3 more than 90 days prior to the date of the meeting of members.
4 Only members of record on the date [so] fixed shall [so] be so
5 entitled notwithstanding any increase or other change in
6 membership on the books of the corporation after any record date
7 fixed as [aforesaid] provided in this subsection. Unless
8 otherwise [restricted] provided in the bylaws, the board of
9 directors may similarly fix a record date for the determination
10 of members of record for any other purpose. When a determination
11 of members of record has been made as provided in this section
12 for purposes of a meeting, the determination shall apply to any
13 adjournment thereof unless otherwise restricted in the bylaws or
14 unless the board fixes a new record date for the adjourned
15 meeting.

16 (b) Determination when no record date fixed.--Unless
17 otherwise [restricted] provided in the bylaws, if [no] a record
18 date is not fixed:

19 (1) The record date for determining members entitled to
20 notice of or to vote at a meeting of members shall be at the
21 close of business on the day next preceding the day on which
22 notice is given, or, if notice is waived, at the close of
23 business on the day [next] immediately preceding the day on
24 which the meeting is held.

25 (2) The record date for determining members entitled to:

- 26 (i) express consent or dissent to corporate action
27 in writing without a meeting, when [no] prior action by
28 the board of directors or other body is not necessary[,];
29 (ii) call a special meeting of the members; or
30 (iii) propose an amendment of the articles;

1 shall be the close of business on the day on which the first
2 written consent or dissent, request for a special meeting or
3 petition proposing an amendment of the articles is
4 [expressed] filed with the secretary of the corporation.

5 (3) The record date for determining members for any
6 other purpose shall be at the close of business on the day on
7 which the board of directors or other body adopts the
8 resolution relating thereto.

9 § 5764. (Reserved).

10 § [5762] 5765. Judges of election.

11 (a) General rule.--Unless otherwise provided in a bylaw
12 adopted by the members:

13 (1) In advance of any meeting of members of a nonprofit
14 corporation, the board of directors or other body may appoint
15 judges of election, who need not be members, to act at [such]
16 the meeting or any adjournment thereof. If judges of election
17 are not so appointed, the presiding officer of [any such] the
18 meeting may, and on the request of any member shall, [make
19 such appointment] appoint judges of election at the meeting.
20 The number of judges shall be one or three. [No] A person who
21 is a candidate for office to be filled at the meeting shall
22 not act as a judge.

23 (2) In case any person appointed as judge fails to
24 appear or fails or refuses to act, the vacancy may be filled
25 by appointment made by the board of directors or other body
26 in advance of the convening of the meeting, or at the meeting
27 by the presiding officer thereof.

28 (3) The judges of election shall determine the number of
29 members of record and the voting power of each, the members
30 present at the meeting, the existence of a quorum, the

1 authenticity, validity[,] and effect of proxies, if voting by
2 proxy is permitted under the bylaws, receive votes or
3 ballots, hear and determine all challenges and questions in
4 any way arising in connection with the right to vote, count
5 and tabulate all votes, determine the result[,] and do such
6 acts as may be proper to conduct the election or vote with
7 fairness to all members. The judges of election shall perform
8 their duties impartially, in good faith, to the best of their
9 ability[,] and as expeditiously as is practical. If there are
10 three judges of election, the decision, act or certificate of
11 a majority shall be effective in all respects as the
12 decision, act or certificate of all.

13 (4) On request of the presiding officer of the meeting,
14 or of any member, the judges shall make a report in writing
15 of any challenge or question or matter determined by them,
16 and execute a certificate of any fact found by them. Any
17 report or certificate made by them shall be prima facie
18 evidence of the facts stated therein.

19 (b) Cross reference.--See section 6145 (relating to
20 applicability of certain safeguards to foreign domiciliary
21 corporations).

22 § [5763] 5766. Consent of members in lieu of meeting.

23 (a) Unanimous consent.--Unless otherwise restricted in the
24 bylaws, any action [which may] required or permitted to be taken
25 at a meeting of the members or of a class of members of a
26 nonprofit corporation may be taken without a meeting[,] if,
27 prior or subsequent to the action, a consent or consents [in
28 writing, setting forth the action so taken, shall be signed]
29 thereto signed by all of the members who would be entitled to
30 vote at a meeting for such purpose [and] shall be filed in

1 record form with the secretary of the corporation.

2 (b) Partial consent.--If the bylaws so provide, any action
3 required or permitted to be taken at a meeting of the members or
4 of a class of members may be taken without a meeting upon the
5 signed consent of members who would have been entitled to cast
6 the minimum number of votes that would be necessary to authorize
7 the action at a meeting at which all members entitled to vote
8 thereon were present and voting. The consents shall be filed
9 with the secretary of the corporation.

10 (c) Effectiveness of action by partial consent.--An action
11 taken pursuant to subsection (b) shall not become effective
12 until after at least ten days' notice of the action has been
13 given to each member entitled to vote thereon who has not
14 consented thereto.

15 § [5764] 5767. Appointment of custodian of corporation on
16 deadlock or other cause.

17 (a) General rule.--[The court, upon] Upon application of any
18 member, the court may appoint one or more persons to be
19 custodians of and for any nonprofit corporation when it is made
20 to appear that:

21 (1) [that] at any meeting for the election of directors
22 or members of an other body, the members are so divided that
23 they have failed to elect successors to [directors] those
24 whose terms have expired or would have expired upon the
25 qualification of their successors; or

26 (2) [that] any of the conditions specified in section
27 5981 (relating to proceedings upon [petition of member, etc.]
28 exists] application of member or director), other than it is
29 beneficial to the interest of the members that the
30 corporation be wound up and dissolved, exist with respect to

1 the corporation.

2 (b) Exception.--The court shall not appoint a custodian to
3 resolve a deadlock if the members by agreement or otherwise have
4 provided for the appointment of a provisional director or member
5 of an other body or other means for the resolution of the
6 deadlock, but the court shall enforce the remedy so provided if
7 appropriate.

8 ~~[(b)]~~ (c) Power and title of custodian.--A custodian
9 appointed under this section shall have all the power and title
10 of a receiver appointed under Subchapter G of Chapter 59
11 (relating to involuntary liquidation and dissolution), but the
12 authority of the custodian shall be to continue the business of
13 the corporation and not to liquidate its affairs and distribute
14 its assets[,] except when the court shall otherwise order [and
15 except in cases arising under section 5981(1), (2) and (3)
16 (relating to proceedings upon petition of member, etc.)].

17 (d) Cross reference.--See section 6145 (relating to
18 applicability of certain safeguards to foreign domiciliary
19 corporations).

20 § [5765] 5768. Reduction of membership below stated number.

21 Whenever the membership of a nonprofit corporation having a
22 stated number of members [shall be] is reduced below [such] that
23 number by death, withdrawal[,] or otherwise, the corporation
24 shall not on that account be dissolved, but it shall be lawful
25 for the surviving or continuing members to continue the
26 corporate existence[,] unless otherwise restricted in the
27 bylaws.

28 § [5766] 5769. Termination and transfer of membership.

29 (a) General rule.--Membership in a nonprofit corporation
30 shall be terminated in the manner provided in a bylaw adopted by

1 the members. If [the] membership in any such corporation is
2 limited to persons who are members in good standing in another
3 corporation, or in any lodge, church, club, society or other
4 entity or organization, the bylaws shall in each case define
5 [such] the limitations, and may provide that failure on the part
6 of [any such] a member to keep himself in good standing in
7 [such] the other entity or organization shall be sufficient
8 cause for [expelling the member from] terminating the membership
9 of the member in the corporation requiring such eligibility.

10 (b) Expulsion.--

11 (1) [No] A member shall not be expelled from any
12 nonprofit corporation without notice, trial and conviction,
13 the form of which shall be prescribed by the bylaws.

14 (2) Paragraph (1) [of this subsection] shall not apply
15 to termination of membership pursuant to section 5544[(c)]
16 (relating to [enforcement of payment of fees,] dues and
17 assessments).

18 (3) See section 6145 (relating to applicability of
19 certain safeguards to foreign domiciliary corporations).

20 (c) Effect of termination of membership.--Unless otherwise
21 provided in the bylaws, the right of a member of a nonprofit
22 corporation to vote, and his right, title and interest in or to
23 the corporation or its property, shall cease on the termination
24 of his membership.

25 (d) Transfer of membership.--Unless otherwise provided in
26 the bylaws, [no] a member may not transfer his membership or any
27 right arising therefrom. The adoption of an amendment to the
28 articles or bylaws of a nonprofit corporation that changes the
29 identity of some or all of the members or the criteria for
30 membership does not constitute a transfer for purposes of this

1 subsection.

2 § [5767] 5770. Voting powers and other rights of certain
3 securityholders and other entities.

4 [Such] The power to vote in respect to the corporate affairs
5 and management of a [nonprofit] MEMBERSHIP corporation and other <—
6 membership rights as may be provided in a bylaw adopted by the
7 members may be conferred upon:

8 (1) Registered holders of [securities evidencing
9 indebtedness] obligations issued or to be issued by the
10 corporation.

11 (2) The United States of America, the Commonwealth, a
12 state, or any political subdivision [thereof or other] of any
13 of the foregoing, or any entity prohibited by law from
14 becoming a member of a corporation.

15 § 5791. Corporate action subject to subchapter.

16 (a) General rule.--This subchapter shall apply to, and the
17 term "corporate action" in this subchapter shall mean any of the
18 following actions:

19 (1) The election, appointment, designation or other
20 selection and the suspension, removal or expulsion of
21 members, directors, members of an other body or officers of a
22 nonprofit corporation.

23 (2) The taking of any action on any matter [which] that
24 is required under this [article] subpart or under any other
25 provision of law to be, or [which] that under the bylaws may
26 be, submitted for action to the members, directors, members
27 of an other body or officers of a nonprofit corporation.

28 (b) Cross reference.--See section 6145 (relating to
29 applicability of certain safeguards to foreign domiciliary
30 corporations).

1 § 5792. Proceedings prior to corporate action.

2 (a) General rule.--Where under applicable law or the bylaws
3 of a nonprofit corporation there has been a failure to hold a
4 meeting to take corporate action and [such] the failure has
5 continued for 30 days after the date designated or appropriate
6 therefor, the court may summarily order a meeting to be held
7 upon the application of any person entitled, either alone or in
8 conjunction with other persons similarly seeking relief under
9 this section, to call a meeting to consider the corporate action
10 in issue.

11 (b) Conduct of meeting.--The court may determine the right
12 to vote at [such] the meeting of persons claiming [such] that
13 right, may appoint a master to hold [such] the meeting under
14 such orders and powers as the court [may deem proper,] deems
15 proper and may take such action as may be required to give due
16 notice of the meeting and to convene and conduct the meeting in
17 the interests of justice.

18 (c) Cross reference.--See section 6145 (relating to
19 applicability of certain safeguards to foreign domiciliary
20 corporations).

21 § 5793. Review of contested corporate action.

22 (a) General rule.--Upon [petition] application of any person
23 [whose status as, or whose rights or duties as, a member,
24 director, member of an other body, officer or otherwise of a
25 nonprofit corporation are or may be affected] aggrieved by any
26 corporate action, the court may hear and determine the validity
27 of [such] the corporate action.

28 (b) Powers and procedures.--The court may make such orders
29 in any such case as may be just and proper, with power to
30 enforce the production of any books, papers and records of the

1 corporation and other relevant evidence [which] that may relate
2 to the issue. The court shall provide for notice of the pendency
3 of the proceedings under this section to all persons affected
4 thereby. If it is determined that no valid corporate action has
5 been taken, the court may order a meeting to be held in
6 accordance with section 5792 (relating to proceedings prior to
7 corporate action).

8 (c) Cross reference.--See section 6145 (relating to
9 applicability of certain safeguards to foreign domiciliary
10 corporations).

11 § 5911. Amendment of articles authorized.

12 (a) General rule.--A nonprofit corporation, in the manner
13 [hereinafter] provided in this subchapter, may from time to time
14 amend its articles for one or more of the following purposes:

15 (1) To adopt a new name, subject to the restrictions
16 [heretofore] provided in this [article] subpart.

17 (2) To modify any provision of the articles relating to
18 its term of existence.

19 (3) To change, add to[,] or diminish its purposes[,] or
20 to set forth different or additional purposes.

21 (4) To restate the articles in their entirety.

22 (5) In any and as many other respects as desired.

23 (b) Exceptions.--[No] An amendment adopted under this
24 section shall not amend articles in such a way that as so
25 amended they would not be authorized by this [article] subpart
26 as original articles of incorporation[,] except that:

27 (1) Restated articles shall, subject to section 109
28 (relating to name of commercial registered office provider in
29 lieu of registered address), state the address of the current
30 instead of the initial registered office of the corporation

1 in this Commonwealth[,] and need not state the names and
2 addresses [of the first directors or] of the incorporators.

3 (2) The corporation shall not be required to revise any
4 other provision of its articles if [such] the provision is
5 valid and operative immediately prior to the filing of [such]
6 the amendment in the Department of State.

7 § 5913. Notice of meeting of members.

8 [Written notice shall, not less than ten days before the
9 meeting of members called for the purpose of considering the

10 proposed amendment,] (a) General rule.--Notice IN RECORD FORM <—

11 of the meeting of members of a nonprofit corporation that will

12 act on the proposed amendment shall be given to each member of

13 record entitled to vote thereon. [There shall be included in, or

14 enclosed with, such notice] The notice shall include a copy of

15 the proposed amendment or a summary of the changes to be

16 effected thereby.

17 (b) Cross reference.--See Subchapter A of Chapter 57

18 (relating to notice and meetings generally).

19 § 5914. Adoption of amendments.

20 (a) General rule.--[The] Unless a bylaw adopted by the

21 members or a specific provision of this subpart requires a

22 greater vote, a proposed amendment of the articles of a

23 nonprofit corporation shall be adopted upon receiving the

24 affirmative vote of the members present entitled to cast at

25 least a majority of the votes [which] that all members present

26 are entitled to cast thereon, and if any class of members is

27 entitled to vote thereon as a class, the affirmative vote of the

28 members present of such class entitled to cast at least a

29 majority of the votes [which] that all members present of such

30 class are entitled to cast thereon. Any number of amendments may

1 be submitted to the members and voted upon by them at one
2 meeting.

3 (b) Adoption by board of directors or other body.--Unless
4 otherwise restricted in the bylaws, an amendment of articles
5 shall not require the approval of the members of the corporation
6 if:

7 (1) the amendment is to provide for perpetual existence;

8 (2) to the extent the amendment has not been approved by
9 the members, it restates without change all of the operative
10 provisions of the articles as theretofore amended or as
11 amended thereby; or

12 (3) the amendment accomplishes any combination of
13 purposes specified in this subsection.

14 Whenever a provision of this subpart authorizes the board of
15 directors or other body to take any action without the approval
16 of the members and provides that a statement, certificate, plan
17 or other document relating to such action shall be filed in the
18 Department of State and shall operate as an amendment of the
19 articles, the board upon taking such action may, in lieu of
20 filing the statement, certificate, plan or other document, amend
21 the articles under this subsection without the approval of the
22 members to reflect the taking of such action. The amendment of
23 articles shall be deemed adopted by the corporation when it has
24 been adopted by the board of directors or other body in the
25 manner provided by subsection (c).

26 [(b)] (c) Adoption in absence of voting members.--If the
27 corporation has no members entitled to vote thereon, or no
28 members entitled to vote thereon other than persons who also
29 constitute the board of directors or other body, the amendment
30 shall be deemed adopted by the corporation when it has been

1 adopted by the board of directors or other body pursuant to
2 section 5912 [(relating to proposal of amendments)].

3 [(c)] (d) Termination of proposal.--[The resolution or
4 petition may contain a provision that at any time prior to the
5 filing of articles of amendment in the Department of State the
6 proposal may be terminated by the board of directors or other
7 body notwithstanding the adoption of the amendment by the
8 corporation.] Prior to the time when an amendment becomes
9 effective, the amendment may be terminated pursuant to
10 provisions therefor, if any, set forth in the resolution or
11 petition. If articles of amendment have been filed in the
12 department prior to the termination, a statement under section
13 5902 (relating to statement of termination) shall be filed in
14 the department.

15 [(d)] (e) Amendment of voting provisions.--[Notwithstanding
16 any contrary provision of the articles or bylaws,] Unless
17 otherwise provided in the articles, whenever the articles
18 [shall] require for the taking of any action by the members or a
19 class of members a specific number or percentage of votes, the
20 provision of the articles setting forth [such] that requirement
21 shall not be amended or repealed by any lesser number or
22 percentage of votes of the members or of [such] the class of
23 members.

24 § 5921. Merger and consolidation authorized.

25 (a) Domestic surviving or new corporation.--Any two or more
26 domestic nonprofit corporations, or any two or more foreign
27 nonprofit corporations [not-for-profit], or any one or more
28 domestic nonprofit corporations[,] and any one or more foreign
29 nonprofit corporations [not-for-profit], may, in the manner
30 provided in this subchapter, be merged into one of [such] the

1 domestic nonprofit corporations, [hereinafter] designated in
2 this subchapter as the surviving corporation, or consolidated
3 into a new corporation to be formed under this [article]
4 subpart, if [such] the foreign corporations [not-for-profit] are
5 authorized by the [law or] laws of the jurisdiction under which
6 they are incorporated to effect [such] a merger or consolidation
7 with a corporation of another jurisdiction.

8 (b) Foreign surviving or new corporation.--Any one or more
9 domestic nonprofit corporations, and any one or more foreign
10 nonprofit corporations [not-for-profit], may, in the manner
11 [hereinafter] provided in this subchapter, be merged into one of
12 [such foreign corporations not-for-profit, hereinafter] the
13 foreign nonprofit corporations, designated in this subchapter as
14 the surviving corporation, or consolidated into a new
15 corporation to be incorporated under the [law or] laws of the
16 jurisdiction under which one of the foreign nonprofit
17 corporations [not-for-profit] is incorporated, if the laws of
18 [such] that jurisdiction authorize [such] a merger with or
19 consolidation into a corporation of another jurisdiction.

20 § 5923. Notice of meeting of members.

21 (a) General rule.--[Written notice] Notice IN RECORD FORM of <—
22 the meeting of members that will act on the proposed plan shall
23 be given to each member of record, whether or not entitled to
24 vote thereon, of each domestic nonprofit corporation that is a
25 party to the merger or consolidation. [There shall be included
26 in, or enclosed with, the notice] The notice shall include or be
27 accompanied by a copy of the proposed plan or a summary thereof.
28 The notice shall [state] provide that a copy of the bylaws of
29 the surviving or new corporation will be furnished to any member
30 on request and without cost.

1 * * *

2 § 5924. Adoption of plan.

3 (a) General rule.--The plan of merger or consolidation shall
4 be adopted upon receiving the affirmative vote of the members
5 present entitled to cast at least a majority of the votes
6 [which] that all members present are entitled to cast thereon of
7 each of the [merging or consolidating] domestic nonprofit
8 corporations[,] that is a party to the merger or consolidation
9 and, if any class of members is entitled to vote thereon as a
10 class, the affirmative vote of the members present of such class
11 entitled to cast at least a majority of the votes [which] that
12 all members present of such class are entitled to cast thereon.

13 (b) Adoption in absence of voting members.--If [the] a
14 merging or consolidating corporation has no members entitled to
15 vote thereon, or no members entitled to vote thereon other than
16 persons who also constitute the board of directors or other
17 body, a plan of merger or consolidation shall be deemed adopted
18 by the corporation when it has been adopted by the board of
19 directors or other body pursuant to section 5922 [(relating to
20 plan of merger or consolidation)].

21 (c) Termination of plan.--[Any plan of merger or
22 consolidation may contain a provision that at any time prior to
23 the filing of articles of merger or consolidation in the
24 Department of State the plan may be terminated by the board of
25 directors or other body of any corporation which is a party to
26 the plan notwithstanding adoption of the plan by all or any of
27 the corporations which are parties to the plan.] Prior to the
28 time when a merger or consolidation becomes effective, the
29 merger or consolidation may be terminated pursuant to provisions
30 therefor, if any, set forth in the plan. If articles of merger

1 or consolidation have been filed in the Department of State
2 prior to the termination, a statement under section 5902
3 (relating to statement of termination) shall be filed in the
4 department.

5 § 5925. Authorization by foreign corporations.

6 The plan of merger or consolidation shall be authorized,
7 adopted or approved by each foreign nonprofit corporation
8 [which] that desires to merge or consolidate[,] in accordance
9 with the laws of the jurisdiction in which it is incorporated
10 and, in the case of a foreign domiciliary corporation, the
11 provisions of this subpart to the extent provided by section
12 6145 (relating to applicability of certain safeguards to foreign
13 domiciliary corporations).

14 § 5926. Articles of merger or consolidation.

15 Upon the adoption of the plan of merger or consolidation by
16 the corporations desiring to merge or consolidate, as provided
17 in this subchapter, articles of merger or articles of
18 consolidation, as the case may be, shall be executed by each
19 corporation and shall, subject to section 109 (relating to name
20 of commercial registered office provider in lieu of registered
21 address), set forth:

22 * * *

23 (2) The name and address, including street and number,
24 if any, of the registered office of each other domestic
25 nonprofit corporation and qualified foreign nonprofit
26 corporation that is a party to the [plan] merger or
27 consolidation.

28 * * *

29 (4) The manner in which the plan was adopted by each
30 domestic corporation and, if one or more foreign corporations

1 are parties to the [plan] merger or consolidation, the fact
2 that the plan was authorized, adopted or approved, as the
3 case may be, by each of the foreign corporations in
4 accordance with the laws of the jurisdiction in which it is
5 incorporated.

6 * * *

7 § 5928. Effective date of merger or consolidation.

8 Upon the filing of the articles of merger or the articles of
9 consolidation in the Department of State[,] or upon the
10 effective date specified in the plan of merger or consolidation,
11 whichever is later, the merger or consolidation shall be
12 effective. The merger or consolidation of one or more domestic
13 nonprofit corporations into a foreign nonprofit corporation
14 shall be effective according to the provisions of law of the
15 jurisdiction in which [such] the foreign corporation is
16 incorporated, but not until articles of merger or articles of
17 consolidation have been adopted and filed, as provided in this
18 subchapter.

19 § 5930. Voluntary transfer of corporate assets.

20 (a) General rule.--[A nonprofit corporation shall not sell,
21 lease away or exchange all, or substantially all, its property
22 and assets, with or without good will, unless and until a plan
23 of sale, lease or exchange of assets with respect thereto shall
24 have been adopted by the corporation in the manner provided in
25 this subchapter with respect to the adoption of a plan of
26 merger.] A sale, lease, exchange or other disposition of all, or
27 substantially all, the property and assets, with or without
28 goodwill, of a nonprofit corporation, if not made pursuant to
29 Subchapter D (relating to division), may be made only pursuant
30 to a plan of asset transfer. The property or assets of a direct

1 or indirect subsidiary corporation that is controlled by a
2 parent corporation shall also be deemed the property or assets
3 of the parent corporation for the purposes of this subsection.
4 The plan of asset transfer shall set forth the terms and
5 consideration of the sale, lease, exchange or other disposition
6 or may authorize the board of directors or other body to fix any
7 or all of the terms and conditions, including the consideration
8 to be received by the corporation therefor. Any of the terms of
9 the plan may be made dependent upon facts ascertainable outside
10 of the plan if the manner in which the facts will operate upon
11 the terms of the plan is set forth in the plan. The plan of
12 asset transfer shall be proposed and adopted, and may be amended
13 after its adoption and terminated, by a nonprofit corporation in
14 the manner provided in this subchapter for the proposal,
15 adoption, amendment and termination of a plan of merger. There
16 shall be included in, or enclosed with, the notice of the
17 meeting of members to act on the plan a copy or summary of the
18 plan. In order to make effective any plan [of sale, lease or
19 exchange of assets] so adopted, it shall not be necessary to
20 file any articles or other document in the Department of State,
21 but the corporation shall comply with the requirements of
22 section [5547(b)] 5547(c) (relating to nondiversion of certain
23 property).

24 (b) Exceptions.--Subsection (a) [of this section] shall not
25 apply to a sale, lease [away or], exchange or other disposition
26 of all, or substantially all, the property and assets of a
27 nonprofit corporation [when made in connection with the
28 dissolution or liquidation of the corporation. Such a
29 transaction shall be governed by the provisions of Subchapter F
30 (relating to voluntary dissolution and winding up) or Subchapter

G (relating to involuntary liquidation and dissolution), as the case may be.]:

(1) that directly or indirectly owns all of the outstanding shares or other ownership interest of another corporation to the other corporation;

(2) when made in connection with the dissolution or liquidation of the corporation, which transaction shall be governed by the provisions of Subchapter F (relating to voluntary dissolution and winding up) or G (relating to involuntary liquidation and dissolution), as the case may be; or

(3) when made in connection with a transaction pursuant to which all the assets sold, leased, exchanged or otherwise disposed of are simultaneously leased back to the corporation.

(c) Mortgage.--A mortgage [or], pledge or grant of a security interest or dedication of property to the repayment of indebtedness, with or without recourse, shall not be deemed a sale, lease [or], exchange or other disposition for the purposes of this section.

(d) Restrictions.--[Nothing in this] This section shall not be construed to authorize the conversion or exchange of property or assets in fraud of corporate creditors or in violation of law.

§ 5951. Division authorized.

(a) Division of domestic corporation.--Any domestic nonprofit corporation may, in the manner provided in this subchapter, be divided into two or more domestic nonprofit corporations incorporated or to be incorporated under this article, or into one or more [such] domestic nonprofit

1 corporations and one or more foreign nonprofit corporations
2 [not-for-profit] to be incorporated under the laws of another
3 jurisdiction or jurisdictions, or into two or more [of such]
4 foreign nonprofit corporations [not-for-profit], if the [law or]
5 laws of [such] the other jurisdictions [authorized such]
6 authorize the division.

7 (b) Division of foreign corporation.--Any foreign nonprofit
8 corporation [not-for-profit] may, in the manner provided in this
9 subchapter, be divided into one or more domestic nonprofit
10 corporations to be incorporated under this [article] subpart and
11 one or more foreign nonprofit corporations [not-for-profit]
12 incorporated or to be incorporated under the laws of another
13 jurisdiction or jurisdictions, or into two or more [of such]
14 domestic nonprofit corporations, if such foreign nonprofit
15 corporation [not-for-profit] is authorized under the laws of the
16 jurisdiction under which it is incorporated to effect [such] a
17 division.

18 (c) Surviving and new corporations.--The corporation
19 effecting a division, if it [shall survive] survives the
20 division, is [hereinafter] designated in this subchapter as the
21 surviving corporation. All corporations originally incorporated
22 by a division are [hereinafter] designated in this subchapter as
23 new corporations. The surviving corporation, if any, and the new
24 corporation or corporations are [hereinafter] collectively
25 designated in this subchapter as the resulting corporations.

26 § 5956. Effective date of division.

27 Upon the filing of articles of division in the Department of
28 State[,] or upon the effective date specified in the plan of
29 division, whichever is later, the division shall become
30 effective. The division of a domestic nonprofit corporation into

1 one or more foreign nonprofit corporations [not-for-profit] or
2 the division of a foreign nonprofit corporation [not-for-profit]
3 shall be effective according to the laws of the jurisdictions
4 where [such] the foreign corporations are or are to be
5 incorporated and, in the case of a foreign domiciliary
6 corporation, the provisions of this subpart to the extent
7 provided by section 6145 (relating to applicability of certain
8 safeguards to foreign domiciliary corporations), but not until
9 articles of division have been adopted and filed[,] as provided
10 in this subchapter.

11 § 5957. Effect of division.

12 * * *

13 (b) Property rights; allocations of assets and
14 liabilities.--

15 (1) Except as otherwise provided by order, if any,
16 obtained pursuant to section 5547(b) (relating to
17 nondiversion of certain property):

18 (i) All the property, real, personal and mixed, and
19 franchises of the dividing corporation, and all debts due
20 on whatever account to it, including subscriptions for
21 membership and other choses in action belonging to it,
22 shall, to the extent allocations of assets are
23 contemplated by the plan of division, be deemed without
24 further action to be allocated to and vested in the
25 resulting corporations on such a manner and basis and
26 with such effect as is specified in the plan, or per
27 capita among the resulting corporations, as tenants in
28 common, if no specification is made in the plan, and the
29 title to any real estate, or interest therein, vested in
30 any of the corporations shall not revert or be in any way

1 impaired by reason of the division.

2 (ii) Upon the division becoming effective, the
3 resulting corporations shall each thenceforth be
4 responsible as separate and distinct corporations only
5 for such liabilities as each corporation may undertake or
6 incur in its own name, but shall be liable for the
7 liabilities of the dividing corporation in the manner and
8 on the basis provided in [paragraphs (4) and (5)]
9 subparagraphs (iv) and (v).

10 (iii) Liens upon the property of the dividing
11 corporation shall not be impaired by the division.

12 (iv) [To] Except as provided in section 5952(f)
13 (relating to proposal and adoption of plan of division),
14 to the extent allocations of liabilities are contemplated
15 by the plan of division, the liabilities of the dividing
16 corporation shall be deemed without further action to be
17 allocated to and become the liabilities of the resulting
18 corporations on such a manner and basis and with such
19 effect as is specified in the plan; and one or more, but
20 less than all, of the resulting corporations shall be
21 free of the liabilities of the dividing corporation to
22 the extent, if any, specified in the plan, if in either
23 case:

24 (A) no fraud on members without voting rights or
25 violation of law shall be effected thereby; and

26 (B) the plan does not constitute a fraudulent
27 transfer under 12 Pa.C.S. Ch. 51 (relating to
28 fraudulent transfers).

29 (v) If the conditions in subparagraph (iv) for
30 freeing one or more of the resulting corporations from

1 the liabilities of the dividing corporation or for
2 allocating some or all of the liabilities of the dividing
3 corporation are not satisfied, the liabilities of the
4 dividing corporation as to which those conditions are not
5 satisfied shall not be affected by the division nor shall
6 the rights of creditors thereunder be impaired by the
7 division and any claim existing or action or proceeding
8 pending by or against the corporation with respect to
9 those liabilities may be prosecuted to judgment as if the
10 division had not taken place, or the resulting
11 corporations may be proceeded against or substituted in
12 place of the dividing corporation as joint and several
13 obligors on those liabilities, regardless of any
14 provision of the plan of division apportioning the
15 liabilities of the dividing corporation.

16 (2) It shall not be necessary for a plan of division to
17 list each individual asset or liability of the dividing
18 corporation to be allocated to a new corporation so long as
19 those assets and liabilities are described in a reasonable
20 manner.

21 (3) Each new corporation shall hold any assets and
22 liabilities allocated to it as the successor to the dividing
23 corporation, and those assets and liabilities shall not be
24 deemed to have been assigned to the new corporation in any
25 manner, whether directly or indirectly or by operation of
26 law.

27 * * *

28 (h) Conflict of laws.--It is the intent of the General
29 Assembly that:

30 (1) The effect of a division of a domestic [business]

1 nonprofit corporation shall be governed solely by the laws of
2 this Commonwealth and any other jurisdiction under the laws
3 of which any of the resulting corporations is incorporated.

4 (2) The effect of a division on the assets and
5 liabilities of the dividing corporation shall be governed
6 solely by the laws of this Commonwealth and any other
7 jurisdiction under the laws of which any of the resulting
8 corporations is incorporated.

9 (3) The validity of any allocations of assets or
10 liabilities by a plan of division of a domestic [business]
11 nonprofit corporation, regardless of whether [or not] any of
12 the new corporations is a foreign [business] nonprofit
13 corporation, shall be governed solely by the laws of this
14 Commonwealth.

15 (4) In addition to the express provisions of this
16 subsection, this subchapter shall otherwise generally be
17 granted the protection of full faith and credit under the
18 Constitution of the United States.

19 § 5965. Effective date of conversion.

20 Upon the filing of articles of conversion in the Department
21 of State, or upon the effective date specified in the plan of
22 conversion, whichever is later, the conversion shall become
23 effective.

24 § 5972. Proposal of voluntary dissolution.

25 * * *

26 (b) Submission to members.--The board of directors or other
27 body or the petitioning members shall direct that the [question
28 of] resolution recommending dissolution be submitted to a vote
29 of the members of the corporation entitled to vote thereon at a
30 regular or special meeting of the members.

1 * * *

2 § 5973. Notice of meeting of members.

3 (a) General rule.--[Written notice] Notice IN RECORD FORM of <—
4 the meeting of members that will consider the [advisability of
5 voluntarily dissolving a] resolution recommending dissolution of
6 the nonprofit corporation shall be given to each member of
7 record entitled to vote thereon [and the purpose shall be
8 included]. The purpose of the meeting shall be stated in the
9 notice [of the meeting].

10 (b) Cross reference.--See Subchapter A of Chapter 57
11 (relating to notice and meetings generally).

12 § 5975. Predissolution provision for liabilities.

13 * * *

14 (c) Winding up and distribution.--The corporation shall, as
15 speedily as possible, proceed to collect all sums due it,
16 convert into cash all corporate assets the conversion of which
17 into cash is required to discharge its liabilities and, out of
18 the assets of the corporation, discharge or make adequate
19 provision for the discharge of all liabilities of the
20 corporation, according to their respective priorities. Except as
21 otherwise provided in a bylaw adopted by the members or in this
22 subpart or by any other provision of law, any surplus remaining
23 after paying or providing for all liabilities of the corporation
24 shall be distributed to the shareholders, if any, pro rata, or
25 if there be no shareholders, among the members per capita. See
26 section [1972(a)] 5972(a) (relating to proposal of voluntary
27 dissolution).

28 § 5976. Judicial supervision of proceedings.

29 (a) General rule.--A nonprofit corporation that has elected
30 to proceed under section [1975] 5975 (relating to predissolution

1 provision for liabilities), at any time during the winding up
2 proceedings, may apply to the court to have the proceedings
3 continued under the supervision of the court and thereafter the
4 proceedings shall continue under the supervision of the court as
5 provided in Subchapter G (relating to involuntary liquidation
6 and dissolution).

7 * * *

8 § 5977. Articles of dissolution.

9 (a) General rule.--Articles of dissolution and the
10 certificates or statement required by section 139 (relating to
11 tax clearance of certain fundamental transactions) shall be
12 filed in the Department of State when:

13 (1) all liabilities of the nonprofit corporation have
14 been discharged, or adequate provision has been made
15 therefor, in accordance with section 5975 (relating to
16 predissolution provision for liabilities), and all of the
17 remaining assets of the corporation have been distributed as
18 provided in section 5975 or in case its assets are not
19 sufficient to discharge its liabilities, when all the assets
20 have been fairly and equitably applied, as far as they will
21 go, to the payment of such liabilities; or

22 (2) an election to proceed under Subchapter H (relating
23 to postdissolution provision for liabilities) has been made.
24 [See section 134 (relating to docketing statement).]

25 * * *

26 § 5978. Winding up of corporation after dissolution.

27 * * *

28 (b) Standard of care of directors, members of an other body
29 and officers.--The dissolution of the corporation shall not
30 subject its directors, members of an other body or officers to

standards of conduct different from those prescribed by or pursuant to Chapter 57 (relating to officers, directors and members). Directors and members of another body of a dissolved corporation who have complied with section 5975 (relating to predissolution provision for liabilities) or Subchapter H (relating to postdissolution provision for liabilities) and governing persons of a successor entity who have complied with Subchapter H shall not be personally liable to the creditors or claimants of the dissolved corporation.

§ 5979. Survival of remedies and rights after dissolution.

(a) General rule.--The dissolution of a nonprofit corporation, either under this subchapter or under Subchapter G (relating to involuntary liquidation and dissolution) or by expiration of its period of duration or otherwise, shall not eliminate nor impair any remedy available to or against the corporation or its directors, members of an other body, officers or members for any right or claim existing, or liability incurred, prior to the dissolution, if an action thereon is brought on behalf of:

(1) the corporation within the time otherwise limited by law; or

(2) any other person before or within two years after the date of the dissolution or within the time otherwise limited by this subpart or other provision of law, whichever is less. See sections 5987 (relating to proofs of claims), 5993 (relating to acceptance or rejection of matured claims) and 5994 (relating to disposition of unmatured claims).

[The actions or proceedings may be prosecuted against and defended by the corporation in its corporate name.]

* * *

1 (e) Conduct of actions.--An action or proceeding may be
2 prosecuted against and defended by a dissolved corporation in
3 its corporate name.

4 § 5980. Dissolution by domestication.

5 Whenever a domestic nonprofit corporation has domesticated
6 itself under the laws of another jurisdiction by action similar
7 to that provided under section 6161 (relating to domestication)
8 and has authorized that action by the vote required by this
9 subchapter for the approval of a proposal that the corporation
10 dissolve voluntarily, the corporation may surrender its charter
11 under the laws of this Commonwealth by filing in the Department
12 of State articles of dissolution under this subchapter
13 containing the statements specified under section 5977(b)(1)
14 through (4) (relating to articles of dissolution). If the
15 corporation as domesticated in the other jurisdiction qualifies
16 to do business in this Commonwealth either prior to or
17 simultaneously with the filing of the articles of dissolution
18 under this section, the corporation shall not be required to
19 file with the articles of dissolution the tax clearance
20 certificates that would otherwise be required under section 139
21 (relating to tax clearance of certain fundamental transactions).

22 § 5981. Proceedings upon [petition] application of member[,
23 etc.] or director.

24 [The court may, upon petition] Upon application filed by a
25 member or director of a nonprofit corporation, the court may
26 entertain proceedings for the involuntary winding up and
27 dissolution of the corporation[,] when any of the following
28 [are] is made to appear:

29 (1) [That the] The objects of the corporation have
30 wholly failed[;], or are entirely abandoned, or [that] their

1 accomplishment is impracticable.

2 (2) [That the] The acts of the directors, or those in
3 control of the corporation, are illegal, oppressive[,] or
4 fraudulent[,] and [that] it is beneficial to the interests of
5 the members that the corporation be wound up and dissolved.

6 (3) [That the] The corporate assets are being misapplied
7 or wasted[,] and [that] it is beneficial to the interests of
8 the members that the corporation be wound up and dissolved.

9 (4) [That the] The directors or other body are
10 deadlocked in the direction of the management of the
11 [corporate] business and affairs of the corporation and the
12 members are unable to break the deadlock[,] and [that]
13 irreparable injury to the corporation is being suffered or is
14 threatened by reason thereof. The court shall not appoint a
15 receiver or grant other similar relief under this paragraph
16 if the members by agreement or otherwise have provided for
17 the appointment of a provisional director or member of an
18 other body or other means for the resolution of a deadlock
19 but the court shall enforce the remedy so provided if
20 appropriate.

21 § 5982. Proceedings upon [petition] application of creditor.

22 [The court may, upon petition] Upon application filed by a
23 creditor of a nonprofit corporation whose claim has either been
24 reduced to judgment and an execution thereon returned
25 unsatisfied[,] or whose claim is admitted by the corporation,
26 the court may entertain proceedings for the involuntary winding
27 up and dissolution of the corporation when, in either case, it
28 is made to appear that the corporation is unable to [pay its
29 debts and obligations] discharge its liabilities in the regular
30 course of business, as they mature, or is unable to afford

1 reasonable security to those who may deal with it.

2 § 5983. Proceedings upon petition of superior religious
3 organization.

4 The court may, in the case of any nonprofit corporation
5 organized for the support of public worship, upon [petition
6 filed by] application of the diocesan convention, presbytery,
7 synod, conference, council, or other supervising or controlling
8 organization of which the corporation is a member or with which
9 it is in allegiance and to which it is subordinate, entertain
10 proceedings for the involuntary winding up and dissolution of
11 the corporation when it is made to appear that by reason of
12 shifting population, withdrawal of membership[,] or any other
13 cause whatsoever, the corporation has ceased to support public
14 worship within the intent and meaning of its articles[,] and the
15 dissolution of the corporation may be effected without prejudice
16 to the public welfare and the interests of the members of the
17 corporation.

18 § 5984. Appointment of receiver pendente lite and other interim
19 powers.

20 Upon the filing of [a petition] an application under this
21 subchapter, the court [shall have all the ordinary powers of a
22 court of equity to] may issue injunctions, [to] appoint a
23 receiver [or receivers,] pendente lite[,] with such powers and
24 duties as the court from time to time may direct[,] and [to take
25 such other proceedings] proceed as may be requisite to preserve
26 the corporate assets wherever situated and to carry on the
27 business of the corporation until a full hearing can be had.

28 § 5986. Qualifications of receivers.

29 A receiver shall in all cases be a [resident of this
30 Commonwealth,] natural person of full age or a corporation

1 authorized to act as receiver, which corporation, if so
2 authorized, may be a domestic corporation for profit or not-for-
3 profit or a foreign corporation for profit or not-for-profit
4 authorized to do business in this Commonwealth, and shall give
5 such bond, if any, as the court may direct, with such sureties,
6 if any, as the court may require.

7 § 5987. Proofs of claims.

8 (a) General rule.--In a proceeding under this subchapter,
9 the court may require all creditors of the nonprofit corporation
10 to file with the [prothonotary] office of the clerk of the court
11 of common pleas, or with the receiver, in such form as the court
12 may prescribe, verified proofs[, under oath,] of their
13 respective claims. If the court requires the filing of claims,
14 it shall fix a date, which shall not be less than [four months]
15 120 days from the date of the order, as the last day for filing
16 of claims[,] and shall prescribe the notice that shall be given
17 to creditors and claimants of the date so fixed. Prior to or
18 after the date so fixed, the court may extend the time for the
19 filing of claims. Creditors and claimants [failing to] who do
20 not file proofs of claim on or before the date so fixed may be
21 barred, by order of court, from participating in the
22 distribution of the assets of the corporation.

23 (b) Cross reference.--See section 5979 (relating to survival
24 of remedies and rights after dissolution).

25 § 5988. Discontinuance of proceedings; reorganization.

26 [The proceedings under this subchapter may be discontinued at
27 any time during the winding up proceedings, in the following
28 manner:

29 (1) If the proceedings shall have been instituted by a
30 member or director and it is made to appear to the court that

1 the deadlock in the corporate affairs has been broken or the
2 management or control of the corporation has been changed,
3 the court, in its discretion, may dismiss the proceeding and
4 direct the receiver to redeliver to the corporation all its
5 remaining assets.

6 (2) If the proceedings shall have been instituted by a
7 creditor and it is made to appear that the debts of the
8 corporation have been paid or provided for, and that there
9 remain or can be obtained sufficient funds to enable the
10 corporation to resume its business, the court, in its
11 discretion, may dismiss the proceeding and direct the
12 receiver to redeliver to the corporation all its remaining
13 assets.

14 (3) When a compromise or reorganization of the
15 corporation is proposed, whether the proceedings shall have
16 been instituted by a member or director or by a creditor, the
17 court, upon the summary application of any member, director,
18 creditor, or receiver, may order a meeting of the creditors,
19 or members to be summoned in such manner as the court may
20 direct. If a majority in number, representing 75% in value of
21 the creditors or if 75% of the members present in person, or
22 if a majority in number, representing 75% in value of any
23 class of creditors, or if 75% of the members of any class
24 present in person, as the case may be, agree to any
25 compromise or reorganization of the corporation, such
26 compromise or reorganization, if approved by the court as
27 fair and feasible, shall be binding on all creditors or on
28 all members, or both, or on the class of creditors or class
29 of members, or both, as the case may be, and also on the
30 corporation and its receiver, if any.

1 (4) If the proceedings shall have been instituted by a
2 superior religious organization and it is made to appear that
3 appropriate arrangements for the conduct of the affairs of
4 the corporation have been made, the court, in its discretion,
5 may dismiss the proceedings and direct the receiver to
6 redeliver to the corporation its remaining assets.]

7 The proceedings under this subchapter may be discontinued at
8 any time when it is established that cause for liquidation no
9 longer exists. In that event, the court shall dismiss the
10 proceedings and direct the receiver to redeliver to the
11 nonprofit corporation all its remaining property and assets.

12 § 5992. Notice to claimants.

13 * * *

14 (c) Publication and service of notices.--

15 * * *

16 (2) Concurrently with or preceding the publication, the
17 corporation or successor entity shall send a copy of the
18 notice by certified or registered mail, return receipt
19 requested, to each:

20 (i) known creditor or claimant;

21 (ii) holder of a claim described in subsection (b);

22 and

23 (iii) municipal corporation in which [the registered
24 office or principal] a place of business of the
25 corporation in this Commonwealth was located at the time
26 of filing the articles of dissolution in the department.

27 * * *

28 § 5997. Payments and distributions.

29 * * *

30 [(d) Liability of directors.--Directors or members of an

1 other body of a dissolved corporation or governing persons of a
2 successor entity that has complied with this section shall not
3 be personally liable to the claimants of the dissolved
4 corporation.]

5 § 6101. Application of article.

6 * * *

7 (c) Admitted foreign fraternal benefit society exclusion.--
8 This article shall not apply to any foreign corporation not-for-
9 profit qualified to do business in this Commonwealth under
10 section [603] 605 of the act of [July 29, 1977 (P.L.105, No.38)]
11 December 14, 1992 (P.L.835, No.134), known as the Fraternal
12 Benefit [Society] Societies Code.

13 § 6102. Foreign domiciliary corporations.

14 A foreign nonprofit corporation is a foreign domiciliary
15 corporation if it is a corporation:

16 (1) which derived more than one-half of its revenues for
17 the preceding three fiscal years, or such portion thereof as
18 the corporation was in existence, from sources in this
19 Commonwealth and was at any time during that period doing
20 business in this Commonwealth on the basis of the most
21 minimal contacts with this Commonwealth permitted under the
22 Constitution of the United States; or

23 (2) at least a majority of the bona fide members of
24 which are residents of this Commonwealth.

25 § 6103. Acquisition of foreign domiciliary corporation status.

26 (a) General rule.--A foreign nonprofit corporation shall
27 become a foreign domiciliary corporation under section 6102
28 (relating to foreign domiciliary corporations) on the first day
29 of the month following the month in which the corporation first
30 has knowledge that either test has been met or upon entry of an

1 order by any court of competent jurisdiction declaring that
2 either test has been met.

3 (b) Newly incorporated corporations.--Where the test or
4 tests under section 6102 are met at the time of the admission of
5 the first members of the corporation and continuously
6 thereafter, foreign domiciliary corporation status when
7 established shall be retroactive to the incorporation of the
8 corporation.

9 § 6104. Termination of foreign domiciliary corporation status.

10 A foreign domiciliary corporation shall cease to have that
11 status on the first day of the month following the month in
12 which the corporation first has knowledge that it no longer
13 meets either test under section 6102 (relating to foreign
14 domiciliary corporations) or upon entry of an order of any court
15 of competent jurisdiction declaring that the corporation no
16 longer meets either test.

17 § 6122. Excluded activities.

18 (a) General rule.--Without excluding other activities which
19 may not constitute doing business in this Commonwealth, a
20 foreign nonprofit corporation shall not be considered to be
21 doing business in this Commonwealth for the purposes of this
22 subchapter by reason of carrying on in this Commonwealth any one
23 or more of the following acts:

24 (1) Maintaining or defending any action or
25 administrative or arbitration proceeding or effecting the
26 settlement thereof or the settlement of claims or disputes.

27 (2) Holding meetings of its directors, other body or
28 members or carrying on other activities concerning its
29 internal affairs.

30 (3) Maintaining bank accounts.

1 (4) Maintaining offices or agencies for the transfer,
2 exchange and registration of its memberships or securities,
3 or appointing and maintaining trustees or depositories with
4 relation to its memberships or securities.

5 (5) Granting funds.

6 (6) Distributing information to its members.

7 (7) Creating as borrower or lender, acquiring or
8 incurring obligations or mortgages or other security
9 interests in real or personal property.

10 (8) Securing or collecting debts or enforcing any rights
11 in property securing them.

12 (9) Transacting any business in interstate or foreign
13 commerce.

14 (10) Conducting an isolated transaction completed within
15 a period of 30 days and not in the course of a number of
16 repeated transactions of like nature.

17 (11) Inspecting, appraising and acquiring real estate
18 and mortgages and other liens thereon and personal property
19 and security interests therein, and holding, leasing,
20 conveying and transferring them, as fiduciary or otherwise.

21 (b) Exceptions.--The specification of activities in
22 subsection (a) does not establish a standard for activities that
23 may subject a foreign corporation to:

24 (1) Service of process under any statute or general
25 rule.

26 (2) Taxation by the Commonwealth or any political
27 subdivision thereof.

28 (3) The provisions of section 6145 (relating to
29 applicability of certain safeguards to foreign domiciliary
30 corporations).

1 § 6123. Requirements for foreign corporation names.

2 (a) General rule.--The Department of State shall not issue a
3 certificate of authority to any foreign nonprofit corporation
4 that, except as provided in subsection (b), has a name that is
5 rendered unavailable for use by a domestic nonprofit corporation
6 by any provision of section 5303(a), (b) or (c) (relating to
7 corporate name).

8 (b) Exceptions.--

9 (1) The provisions of section 5303(b) (relating to
10 duplicate use of names) shall not prevent the issuance of a
11 certificate of authority to a foreign nonprofit corporation
12 setting forth a name that is [confusingly similar to] not
13 distinguishable upon the records of the department from the
14 name of any other domestic or foreign corporation for profit
15 or [corporation] not-for-profit, [or of any domestic or
16 foreign limited partnership that has filed a certificate or
17 qualified under Chapter 85 (relating to limited partnerships)
18 or corresponding provisions of prior law,] or of any
19 corporation or other association then registered under 54
20 Pa.C.S. Ch. 5 (relating to corporate and other association
21 names) or to any name reserved or registered as provided in
22 this part, if the foreign nonprofit corporation applying for
23 a certificate of authority files in the department [one of
24 the following:

25 (i) A] a resolution of its board of directors or
26 other body adopting a fictitious name for use in
27 transacting business in this Commonwealth, which
28 fictitious name is [not confusingly similar to]
29 distinguishable upon the records of the department from
30 the name of the other corporation or other association

1 [or to] and from any name reserved or registered as
2 provided in this part [and] that is otherwise available
3 for use by a domestic nonprofit corporation.

4 [(ii) The written consent of the other corporation
5 or other association or holder of a reserved or
6 registered name to use the same or confusingly similar
7 name and one or more words are added to make the name
8 applied for distinguishable from the other name.]

9 (2) The provisions of section 5303(c) (relating to
10 required approvals or conditions) shall not prevent the
11 issuance of a certificate of authority to a foreign nonprofit
12 corporation setting forth a name that is prohibited by that
13 subsection if the foreign nonprofit corporation applying for
14 a certificate of authority files in the department a
15 resolution of its board of directors or other body adopting a
16 fictitious name for use in transacting business in this
17 Commonwealth that is available for use by a domestic
18 nonprofit corporation.

19 § 6141. Penalty for doing business without certificate of
20 authority.

21 (a) Right to bring actions suspended.--[No] A nonqualified
22 foreign nonprofit corporation doing business in this
23 Commonwealth within the meaning of Subchapter B [of this
24 chapter] (relating to qualification) shall not be permitted to
25 maintain any action or proceeding in any court of this
26 Commonwealth until [such] the corporation [shall have] has
27 obtained a certificate of authority. Nor, except as provided in
28 subsection (b) [of this section], shall any action or proceeding
29 be maintained in any court of this Commonwealth by any successor
30 or assignee of [such] the corporation on any right, claim or

1 demand arising out of the doing of business by [such] the
2 corporation in this Commonwealth until a certificate of
3 authority [shall have] has been obtained by [such] the
4 corporation or by a corporation [which] that has acquired all or
5 substantially all of its assets.

6 (b) Contracts, property and defense against actions
7 unaffected.--The failure of a foreign nonprofit corporation to
8 obtain a certificate of authority to transact business in this
9 Commonwealth shall not impair the validity of any contract or
10 act of [such] the corporation [and], shall not prevent [such]
11 the corporation from defending any action in any court of this
12 Commonwealth and shall not render escheatable any of its real or
13 personal property.

14 [(b) Title to real property.--The title to any real estate
15 situate in this Commonwealth which is derived through any
16 nonqualified foreign corporation not authorized under the laws
17 of this Commonwealth to hold the same, and which has vested or
18 vests in any foreign corporation for profit or not-for-profit
19 authorized to hold such real estate or in any citizen or
20 citizens of the United States or domestic corporation for profit
21 or not-for-profit shall be good and valid and free and clear of
22 any right of escheat by the Commonwealth; and the holder thereof
23 may convey an estate indefeasible as to any right of escheat
24 which the Commonwealth might otherwise have by reason of the
25 unauthorized holding and conveyance by such nonqualified foreign
26 corporation.]

27 § 6142. General powers and duties of qualified foreign
28 corporations.

29 (a) General rule.--A qualified foreign nonprofit
30 corporation, so long as its certificate of authority [shall] is

1 not [be] revoked, shall enjoy the same rights and privileges as
2 a domestic nonprofit corporation, but no more, and, except as in
3 this [part] subpart otherwise provided, shall be subject to the
4 same liabilities, restrictions, duties and penalties now in
5 force or hereafter imposed upon domestic nonprofit corporations,
6 to the same extent as if it had been incorporated under this
7 [part to transact the business set forth in its certificate of
8 authority] subpart.

9 (b) Agricultural lands.--Interests in agricultural land
10 shall be subject to the restrictions of, and escheatable as
11 provided by the act of April 6, 1980 (P.L.102, No.39), referred
12 to as the Agricultural Land Acquisition by Aliens Law.

13 § 6143. General powers and duties of nonqualified foreign
14 corporations.

15 (a) Acquisition of real and personal property.--Every
16 nonqualified foreign nonprofit corporation[, the activities of
17 which in this Commonwealth do not constitute doing business in
18 this Commonwealth for the purposes of Subchapter B of this
19 chapter (relating to qualification),] may acquire, hold,
20 mortgage, lease and transfer real and personal property in this
21 Commonwealth, in the same manner and subject to the same
22 limitations as [domestic] a qualified foreign nonprofit
23 [corporations] corporation.

24 (b) Duties.--[A] Except as provided in section 6141(a)
25 (relating to right to bring actions suspended), a nonqualified
26 foreign nonprofit corporation doing business in this
27 Commonwealth within the meaning of Subchapter B [of this
28 chapter] (relating to qualification) shall be subject to the
29 same liabilities, restrictions, duties and penalties now or
30 hereafter imposed upon a qualified foreign nonprofit

1 corporation.

2 § 6145. Applicability of certain safeguards to foreign
3 domiciliary corporations.

4 [(a) Application.--This section shall be applicable to any
5 qualified or nonqualified foreign corporation:

6 (1) which derived more than one-half of its revenues for
7 the preceding three fiscal years, or such portion thereof as
8 the corporation was in existence, from sources within this
9 Commonwealth and was at any time during such period doing
10 business within this Commonwealth on the basis of the most
11 minimal contacts with this Commonwealth permitted under the
12 Constitution of the United States; or

13 (2) at least a majority of the bona fide members of
14 which are residents of this Commonwealth.

15 (b)] (a) Internal affairs doctrine not applicable.--The
16 General Assembly hereby finds and determines that [the] foreign
17 domiciliary corporations [to which this section applies]
18 substantially affect this Commonwealth. [No court] The courts of
19 this Commonwealth shall [hereafter] not dismiss or stay any
20 action or proceeding brought by a member[, director, officer or
21 agent of such a] or representative of a foreign domiciliary
22 corporation, as such, against [such] the corporation or any one
23 or more of the members[, directors, officers or agents] or
24 representatives thereof, as such, on the ground that [such] the
25 corporation is a foreign corporation not-for-profit or that the
26 cause of action relates to the internal affairs thereof, but
27 every such action shall proceed with like effect as if [such]
28 the corporation were a domestic corporation. Except as provided
29 in subsection [(c) of this section] (b), the court having
30 jurisdiction of the action or proceeding shall apply the law of

1 the jurisdiction under which the foreign domiciliary corporation
2 was incorporated.

3 [(c)] (b) Minimum safeguards.--The following provisions of
4 this subpart shall be applicable to foreign domiciliary
5 corporations [to which this section applies], except that
6 nothing in this subsection shall require the filing of any
7 document in the Department of State as a prerequisite to the
8 validity of any corporate action or the doing of any corporate
9 action by the foreign domiciliary corporation which is
10 impossible under the laws of its domiciliary jurisdiction:

11 [(1)] Section 5504(b) (relating to adoption and contents
12 of bylaws).

13 [(2)] Section 5508 (relating to corporate records;
14 inspection).

15 [(3)] Section [5553] 5554 (relating to annual report of
16 directors or other body).

17 [(4)] Section 5743 (relating to mandatory
18 indemnification).

19 [(5)] Section 5755 (relating to time of holding meetings
20 of members).

21 [(6)] Section 5758(e) (relating to voting lists).

22 [(7)] Section [5759(b) (relating to minimum
23 requirements] 5759(c) (relating to revocation).

24 [(8)] Section [5762] 5765 (relating to judges of
25 election).

26 [(9)] Section [5764] 5767 (relating to appointment of
27 custodian of corporation on deadlock or other cause).

28 [(10)] Section [5766(b)] 5769(b) (relating to
29 expulsion).

30 [(11)] Subchapter G of Chapter 57 (relating to judicial

supervision of corporate action).]

[(12)] Chapter 59 (relating to fundamental changes).

For the purposes of this subsection, corporate action shall not be deemed to be impossible under the laws of the domiciliary jurisdiction of a foreign corporation merely because prohibited or restricted by the terms of the articles, certificate of incorporation, bylaws or other organic law of the corporation, but the court may require the corporation to amend such organic law so as to be consistent with the minimum safeguards prescribed by this subsection.

[(d)] (c) Section exclusive.--[No provision of this article] The provisions of this subpart, other than the provisions of this section, shall not be construed to regulate the incorporation or internal affairs of a foreign corporation not-
for-profit.

§ 8105. Ownership of certain professional partnerships.

Except as otherwise provided by statute, rule or regulation applicable to a particular profession, all of the ultimate beneficial owners of the partnership interests in a partnership that renders one or more restricted professional services shall be licensed persons. As used in this section, the term "restricted professional services" shall have the meaning specified in section 8903 (relating to definitions [and index of definitions]).

§ 8201. Scope.

(a) Application of subchapter.--This subchapter applies to a general or limited partnership formed under the laws of this Commonwealth that registers under this section. Any partnership that desires to register under this subchapter or to amend or terminate its registration shall file in the Department of State

1 a statement of registration, amendment or termination, as the
2 case may be, which shall be signed by a general partner and
3 shall set forth:

4 * * *

5 (5) If the partnership is a restricted professional
6 partnership, a statement to that effect, including a brief <—
7 description of the restricted professional service or
8 IDENTIFYING THE TYPE OF RESTRICTED PROFESSIONAL services to <—
9 be rendered by the partnership.

10 * * *

11 (e) Prohibited termination.--A registration under this
12 subchapter may not be terminated while the partnership is a
13 bankrupt as that term is defined in section 8903 (relating to
14 definitions [and index of definitions]). See section 8221(f)
15 (relating to annual registration).

16 * * *

17 § 8202. Definitions.

18 The following words and phrases when used in this chapter
19 shall have the meanings given to them in this section unless the
20 context clearly indicates otherwise:

21 * * *

22 "Restricted professional partnership." A domestic or foreign
23 registered limited liability partnership that renders one or
24 more restricted professional services.

25 "Restricted professional services." The term shall have the
26 meaning specified in section 8903 (relating to definitions and <—
27 index of definitions).

28 § 8204. Limitation on liability of partners.

29 (a) General rule.--Except as provided in subsection (b)[,
30 a]:

1 (1) A partner in a registered limited liability
2 partnership that is not a restricted professional partnership
3 shall not be [individually] liable directly or indirectly,
4 whether by way of indemnification, contribution, assessment
5 or otherwise, [for debts and obligations] UNDER AN ORDER OF <—
6 COURT OR IN ANY OTHER MANNER FOR A DEBT OR OBLIGATION of, or
7 chargeable to, the partnership, whether sounding in contract
8 or tort or otherwise, that arise from any negligent or
9 wrongful acts or misconduct committed by another partner or
10 other representative of the partnership while the
11 registration of the partnership under this subchapter is in
12 effect.

13 (2) A partner in a restricted professional partnership
14 shall not be liable directly or indirectly, whether by way of
15 indemnification, contribution, assessment or otherwise, under
16 an order of a court or in any other manner for a debt or
17 obligation of any kind of, or chargeable to, the partnership
18 that arises while the partnership has the status of a
19 restricted professional partnership or for acts of another
20 partner or other representative of the partnership committed
21 while the partnership has the status of a restricted
22 professional partnership.

23 (b) Exceptions.--

24 (2) Subsection (a) shall not affect the liability of a
25 partner:

26 (i) Individually for any negligent or wrongful acts
27 or misconduct committed by him or by any person under his
28 direct supervision and control.

29 (ii) For any debts or obligations of the
30 partnership[:]

1 (A) arising from any cause other than those
2 specified in subsection (a); or

3 (B)] as to which the partner has agreed in
4 writing to be liable.

5 (iii) To the extent expressly undertaken in the
6 partnership agreement or the certificate of limited
7 partnership.

8 (3) Subsection (a) shall not affect in any way:

9 (i) the liability of the partnership itself for all
10 its debts and obligations;

11 (ii) the availability of the entire assets of the
12 partnership to satisfy its debts and obligations; or

13 (iii) any obligation undertaken by a partner in
14 writing to individually indemnify another partner of the
15 partnership or to individually contribute toward a
16 liability of another partner.

17 (4) Subsection (a)(1) shall not affect the liability of
18 a partner for any debts or obligations of the partnership
19 arising from any cause other than those specified in
20 subsection (a)(1).

21 (5) Subsection (a)(2) shall not apply to debts or
22 obligations arising, or acts committed, before the effective <—
23 date of subsection (a)(2). (THE LEGISLATIVE REFERENCE BUREAU <—
24 SHALL INSERT HERE THE EFFECTIVE DATE OF SUBSECTION (A)(2)).

25 (c) Continuation of limited liability.--Neither the
26 termination of the registration of a partnership under this
27 subchapter nor the dissolution of the partnership shall affect
28 the limitation on the liability of a partner in the partnership
29 under this section [with respect to negligent or wrongful acts
30 or misconduct occurring] for debts or obligations that arose

1 while the registration under this subchapter was in effect.

2 (c.1) Proper parties.--A partner in a registered limited
3 liability partnership is not a proper party to an action or
4 proceeding by or against the partnership, the object of which is
5 to recover damages or enforce obligations for which the partner
6 is not liable under this section.

7 (d) Cross reference.--See section 103 (relating to
8 subordination of title to regulatory laws).

9 § 8205. Liability of withdrawing partner.

10 (a) General rule.--Except as provided in subsection (b), if
11 the business of a registered limited liability partnership is
12 continued without liquidation of the partnership affairs
13 following the dissolution of the partnership as a result of the
14 withdrawal for any reason of a partner, the withdrawing partner
15 shall not be [individually] liable directly or indirectly,
16 whether by way of indemnification, contribution, assessment or
17 otherwise, under an order of a court or in any other manner for
18 any of the debts [and], obligations or liabilities of any kind
19 of either the dissolved partnership or any partnership
20 continuing the business if a statement of withdrawal is filed as
21 provided in this section.

22 ~~(b) Exceptions. Subsection (a) shall not affect the~~ <—
23 ~~liability of a partner:~~

24 ~~(1) Individually for any negligent or wrongful acts or~~
25 ~~misconduct committed by him or by any person under his direct~~
26 ~~supervision and control.~~

27 ~~(2) For any debts or obligations of the partnership as~~
28 ~~to which the withdrawing partner has agreed in writing to be~~
29 ~~liable.~~

30 ~~(3) To the partnership for damages if the partnership~~

~~agreement prohibits the withdrawal of the partner or the withdrawal otherwise violates the partnership agreement.~~

~~(4) Under section 8334 (relating to partner accountable as fiduciary).~~

~~(5) To the extent a debt or obligation of the partnership has been expressly undertaken by the partner in the partnership agreement or the certificate of limited partnership.~~

~~(6) If the partnership subsequently dissolves within one year after the date of withdrawal of the partner and the business of the partnership is not continued following such subsequent dissolution. This paragraph shall not be applicable in the case of a withdrawal caused by:~~

~~(i) the death of the partner; or~~

~~(ii) the retirement of the partner pursuant to a retirement policy of the dissolved partnership that has been in effect prior to the retirement of the partner for the shorter of one year or the period that the partnership has been in existence.~~

~~(7) For any obligation undertaken by a partner in writing to individually indemnify another partner of the partnership or to individually contribute toward a liability of another partner.~~

~~(c) Statement of withdrawal. A statement of withdrawal shall be executed by the withdrawing partner or his personal representative and shall set forth:~~

~~(1) The name of the registered limited liability partnership.~~

~~(2) The name of the withdrawing partner.~~

~~(d) Filing and effectiveness. The statement of withdrawal~~

1 ~~shall be filed in the Department of State and shall be effective~~
2 ~~upon filing. The withdrawing partner shall send a copy of the~~
3 ~~filed statement of withdrawal to the registered limited~~
4 ~~liability partnership.~~

5 ~~(e) Permissive filing. Filing under this section is~~
6 ~~permissive, and failure to make a filing under this section by a~~
7 ~~partner entitled to do so shall not affect the right of that~~
8 ~~partner to the limitation on liability provided by section 8204~~
9 ~~(relating to limitation on liability of partners).~~

10 ~~(f) Constructive notice. Filing under this section shall~~
11 ~~constitute constructive notice that the partner has withdrawn~~
12 ~~from the partnership and is entitled to the protection from~~
13 ~~liability provided by this section.~~

14 ~~(g) Variation of section. A written provision of the~~
15 ~~partnership agreement may restrict or condition the application~~
16 ~~of this section to some or all of the partners of the~~
17 ~~partnership.~~

18 ~~(h) Application of section.—~~

19 ~~(1) A partner in a foreign registered limited liability~~
20 ~~partnership, regardless of whether or not it has registered~~
21 ~~to do business in this Commonwealth under section 8211~~
22 ~~(relating to foreign registered limited liability~~
23 ~~partnerships), shall not be entitled to make a filing under~~
24 ~~this section with regard to that partnership.~~

25 ~~(2) This section shall not apply to a restricted~~
26 ~~professional partnership.~~

27 * * *

28 (h.1) Proper parties.--A partner in a registered limited
29 liability partnership is not a proper party to an action or
30 proceeding by or against the partnership, the object of which is

1 to recover damages or enforce obligations for which the partner
2 is not liable under this section.

3 (i) Cross references.--See sections 134 (relating to
4 docketing statement) and 135 (relating to requirements to be met
5 by filed documents).

6 § 8211. Foreign registered limited liability partnerships.

7 * * *

8 (b) Registration to do business.--A foreign registered
9 limited liability partnership, regardless of whether or not it
10 is also a foreign limited partnership, shall be subject to
11 Subchapter K of Chapter 85 (relating to foreign limited
12 partnerships) as if it were a foreign limited partnership,
13 except that:

14 (1) Its application for registration shall state that it
15 is a registered limited liability partnership[.] and, if the
16 partnership is a restricted professional partnership, shall
17 also include a statement to that effect with a brief
18 description of the restricted professional service or
19 services to be rendered by the partnership.

20 * * *

21 (c) Exception.--The liability of the partners in a foreign
22 registered limited liability partnership shall be governed by
23 the laws of the jurisdiction under which it is organized, except
24 that the partners in a foreign registered limited liability
25 partnership that is not a restricted professional partnership
26 shall not be entitled to greater protection from liability than
27 is available to the partners in a domestic registered limited
28 liability partnership that is not a restricted professional
29 partnership.

30 § 8221. Annual registration.

1 (a) General rule.--Every domestic registered limited
2 liability partnership in existence on December 31 of any year
3 and every foreign registered limited liability partnership that
4 is registered to do business in this Commonwealth on December 31
5 of any year shall file in the Department of State with respect
6 to that year, and on or before April 15 of the following year, a
7 certificate of annual registration on a form provided by the
8 department, signed by a general partner and accompanied by the
9 annual registration fee prescribed by subsection (b). The
10 department shall not charge a fee other than the annual
11 registration fee for filing the certificate of annual
12 registration.

13 (b) Annual registration fee.--

14 (1) The annual registration fee to be paid when filing a
15 certificate of annual registration shall be equal to [a] the
16 base fee [of \$200] set forth in paragraph (2) or (3) times
17 the number of persons who were general partners of the
18 partnership on December 31 of the year with respect to which
19 the certificate of annual registration is being filed and
20 who:

21 (i) in the case of a natural person, had his
22 principal residence on that date in this Commonwealth; or
23 (ii) in the case of any other person, was
24 incorporated or otherwise organized or existing on that
25 date under the laws of this Commonwealth.

26 (2) The base fee [of \$200] for a partnership that is not
27 a restricted professional partnership shall be \$240 and shall
28 be increased on December 31, [1997] ~~2003~~ 2004, and December <—
29 31 of every third year thereafter by the percentage increase
30 in the Consumer Price Index for Urban Workers during the most

1 recent three calendar years for which that index is available
2 on the date of adjustment. Each adjustment under this
3 paragraph shall be rounded up to the nearest \$10.

4 (3) The base fee for a restricted professional
5 partnership shall be \$300 and shall be increased on December
6 31, ~~2006~~ 2007, and December 31 of every third year thereafter <—
7 by the percentage increase in the Consumer Price Index for
8 Urban Workers during the most recent three calendar years for
9 which that index is available on the date of adjustment. Each
10 adjustment under this paragraph shall be rounded up to the
11 nearest \$10.

12 (c) Notice of annual registration.--Not later than February
13 1 of each year, the department shall give notice to every
14 partnership required to file a certificate of annual
15 registration with respect to the preceding year of the
16 requirement to file the certificate. The notice shall state the
17 amount of the base fee payable under subsection (b)(1), as
18 adjusted pursuant to subsection (b)(2), if applicable, and shall
19 be accompanied by the form of certificate of annual registration
20 to be filed. Failure by the department to give notice to any
21 party, or failure by any party to receive notice, of the annual
22 registration requirement shall not relieve the party of the
23 obligation to file the certificate of annual registration.

24 (d) Credit to Corporation Bureau Restricted Account.--The
25 annual registration fee shall not be deemed to be an amount
26 received by the department under Subchapter C of Chapter 1 for
27 purposes of section 155 (relating to disposition of funds),
28 except that \$25 of the fee shall be credited to the Corporation
29 Bureau Restricted Account.

30 (e) Failure to pay annual fee.--

1 (1) Failure to file the certificate of annual
2 registration required by this section for five consecutive
3 years shall result in the automatic termination of the status
4 of the registered limited liability partnership as such. In
5 addition, any annual registration fee that is not paid when
6 due shall be a lien in the manner provided in this subsection
7 from the time the annual registration fee is due and payable.
8 If a certificate of annual registration is not filed within
9 30 days after the date on which it is due, the department
10 shall assess a penalty of \$500 against the partnership, which
11 shall also be a lien in the manner provided in this
12 subsection. The imposition of that penalty shall not be
13 construed to relieve the partnership from liability for any
14 other penalty or interest provided for under other applicable
15 law.

16 (2) If the annual registration fee paid by a registered
17 limited liability partnership is subsequently determined to
18 be less than should have been paid because it was based on an
19 incorrect number of general partners or was otherwise
20 incorrectly computed, that fact shall not affect the
21 existence or status of the registered limited liability
22 partnership as such, but the amount of the additional annual
23 registration fee that should have been paid shall be a lien
24 in the manner provided in this subsection from the time the
25 incorrect payment is discovered by the department.

26 (3) The annual registration fee shall bear simple
27 interest from the date that it becomes due and payable until
28 paid. The interest rate shall be that provided for in section
29 806 of the act of April 9, 1929 (P.L.343, No.176), known as
30 The Fiscal Code, with respect to unpaid taxes. The penalty

provided for in paragraph (1) shall not bear interest. The payment of interest shall not relieve the registered limited liability partnership from liability for any other penalty or interest provided for under other applicable law.

(4) The lien created by this subsection shall attach to all of the property and proceeds thereof of the registered limited liability partnership in which a security interest can be perfected in whole or in part by filing in the department under 13 Pa.C.S. Div. 9 (relating to secured transactions[; sales of accounts, contract rights and chattel paper]), whether the property and proceeds are owned by the partnership at the time the annual registration fee or any penalty or interest becomes due and payable or whether the property and proceeds are acquired thereafter. Except as otherwise provided by statute, the lien created by this subsection shall have priority over all other liens, security interests or other charges, except liens for taxes or other charges due the Commonwealth. The lien created by this subsection shall be entered on the records of the department and indexed in the same manner as a financing statement filed under 13 Pa.C.S. Div. 9. At the time an annual registration fee, penalty or interest that has resulted in the creation of a lien under this subsection is paid, the department shall terminate the lien with respect to that annual registration fee, penalty or interest without requiring a separate filing by the partnership for that purpose.

(5) If the annual registration fee paid by a registered limited liability partnership is subsequently determined to be more than should have been paid for any reason, no refund of the additional fee shall be made.

1 (6) Termination of the status of a registered limited
2 liability partnership as such, whether voluntarily or
3 involuntarily, shall not release it from the obligation to
4 pay any accrued fees, penalties and interest and shall not
5 release the lien created by this subsection.

6 (f) Exception for bankrupt partnerships.--A partnership that
7 would otherwise be required to pay the annual registration fee
8 set forth in subsection (b) shall not be required to pay that
9 fee with respect to any year during any part of which the
10 partnership is a bankrupt as defined in section 8903 (relating
11 to definitions [and index of definitions]). The partnership
12 shall, instead, indicate on its certificate of annual
13 registration for that year that it is exempt from payment of the
14 annual registration fee pursuant to this subsection. If the
15 partnership fails to file timely a certificate of annual
16 registration, a lien shall be entered on the records of the
17 department pursuant to subsection (e) which shall not be removed
18 until the partnership files a certificate of annual registration
19 indicating its entitlement to an exemption from payment of the
20 annual registration fee as provided in this subsection. See
21 section 8201(e) (relating to scope).

22 § 8304. Rules of construction.

23 * * *

24 (c) Validation of prohibition of assignments.--

25 (1) The provisions of 13 Pa.C.S. §§ 9406 (relating to
26 discharge of account debtor; notification of assignment;
27 identification and proof of assignment; restrictions on
28 assignments of accounts, chattel paper, payment intangibles
29 and promissory notes ineffective) and 9408 (relating to
30 restrictions on assignment of promissory notes, health-care-

insurance receivables and certain general intangibles
ineffective) shall not apply to any interest in a domestic
partnership, including any right, power and interest arising
under a partnership agreement or this part.

(2) This subsection shall be construed to prevail over
13 Pa.C.S. §§ 9406 and 9408.

§ 8562. Assignment of partnership interest.

(a) General rule.--Except as otherwise provided in the
partnership agreement:

(1) a partnership interest is assignable in whole or in
part;

(2) an assignment of a partnership interest does not
dissolve a limited partnership or entitle the assignee to
become or to exercise any rights of a partner;

(3) an assignment entitles the assignee to share in such
profits and losses, to receive such distributions, and to
receive such allocations of income, gain, loss, deduction, or
credit or similar item to which the assignor was entitled, to
the extent assigned; [and]

(4) a partner ceases to be a partner and to have the
power to exercise any rights or powers of a partner upon
assignment of all of his partnership interest[.]; and

(5) the pledge of, or granting of a security interest,
lien or other encumbrance in or against, any or all of the
partnership interest of a partner shall not cause the partner
to cease to be a partner or to have the power to exercise any
rights or powers of a partner.

* * *

(d) Validation of prohibition of assignments.--

(1) The provisions of 13 Pa.C.S. §§ 9406 (relating to

discharge of account debtor; notification of assignment;
identification and proof of assignment; restrictions on
assignments of accounts, chattel paper, payment intangibles
and promissory notes ineffective) and 9408 (relating to
restrictions on assignment of promissory notes, health-care-
insurance receivables and certain general intangibles
ineffective) shall not apply to any interest in a domestic
limited partnership, including any right, power and interest
arising under a partnership agreement or this part.

(2) This subsection shall be construed to prevail over
13 Pa.C.S. §§ 9406 and 9408.

§ 8585. Changes and amendments.

* * *

(b.1) Registered office.--A qualified foreign limited
partnership may, from time to time, change the address of its
registered office in the manner provided by section 8506(b)
(relating to registered office).

* * *

§ 8903. Definitions [and index of definitions].

(a) [Definitions] General definitions.--The following words
and phrases when used in this chapter shall have the meanings
given to them in this section unless the context clearly
indicates otherwise:

~~"Bankrupt." A person who is the subject of:~~

~~(1) an order for relief or a voluntary case under 11~~
~~U.S.C. (relating to bankruptcy);~~

~~(2) a comparable order or case under a successor statute~~
~~of general application; or~~

~~(3) a comparable order or case under a State insolvency~~
~~act.~~

<—

~~"Certificate of organization." The certificate of organization referred to in section 8913 (relating to certificate of organization) and the certificate of organization as amended. The term includes any other statements or certificates permitted or required to be filed in the Department of State by sections 108 (relating to change in location or status of registered office provided by agent) and 138 (relating to statement of correction) or this part. If an amendment of the certificate of organization or a certificate of merger or division made in the manner permitted by this chapter restates the certificate of organization in its entirety or if there is a certificate of consolidation or domestication, thenceforth the certificate of organization shall not include any prior documents, and any certificate issued by the Department of State with respect thereto shall so state.~~

~~"Court." Subject to any inconsistent general rule prescribed by the Supreme Court of Pennsylvania:~~

~~(1) the court of common pleas of the judicial district embracing the county where the registered office of the limited liability company is or is to be located; or~~

~~(2) where a company results from a merger, consolidation, division or other transaction without establishing a registered office in this Commonwealth or withdraws as a foreign limited liability company, the court of common pleas in which venue would have been laid immediately prior to the transaction or withdrawal.~~

~~"Department." (Deleted by amendment).~~

~~"Domestic restricted professional company" or "restricted professional company." A limited liability company that renders one or more restricted professional services.~~

~~"Entitled to vote." Those persons entitled at the time to vote on the matter under the certificate of organization or operating agreement of the limited liability company or any applicable controlling provision of law.~~

~~"Event of dissociation." An event that causes a person to cease to be a member of a limited liability company. See section 8971(a)(4) (relating to dissolution).~~

~~"Foreign limited liability company." An association organized under the laws of any jurisdiction other than this Commonwealth, whether or not required to register under Subchapter J (relating to foreign companies), which would be a limited liability company if organized under the laws of this Commonwealth.~~

~~"Licensed person." (Deleted by amendment).~~

~~"Limited liability company," "domestic limited liability company" or "company." An association that is a limited liability company organized and existing under this chapter.~~

~~"Liquidating trustee." A person appointed by the court to carry out the winding up of a limited liability company.~~

~~"Manager." A person selected under section 8941(b) (relating to management) to manage a limited liability company.~~

~~"Member." A person who has been admitted to membership in a limited liability company and who has not dissociated from the company.~~

~~* * *~~

~~["Obligation." Includes a note or other form of indebtedness, whether secured or unsecured.]~~

~~"Operating agreement." Any rules or procedures adopted for the regulation and governance of the affairs of a limited liability company and the conduct of its business.~~

~~"Professional company."—A limited liability company that renders one or more professional services.~~

~~"Professional services."—(Deleted by amendment).~~

~~"Qualified foreign limited liability company."—A foreign limited liability company that is registered under Subchapter J (relating to foreign companies) to do business in this Commonwealth.~~

~~"Qualified foreign restricted professional company."—A qualified foreign limited liability company that renders one or more restricted professional services.~~

~~"Real property."—Includes land, any interest, leasehold or estate in land and any improvements on it.~~

~~"Registered office."—That office maintained by a domestic or foreign limited liability company in this Commonwealth as required by section 8906 (relating to registered office). See section 109 (relating to name of commercial registered office provider in lieu of registered address).~~

~~"Relax."—When used with respect to a provision of the certificate of organization or operating agreement, means to provide lesser rights for an affected representative, manager or member.~~

~~"Restricted professional services."—The following professional services: chiropractic, dentistry, law, medicine and surgery, optometry, osteopathic medicine and surgery, podiatric medicine, public accounting, psychology or veterinary medicine.~~

~~"Unless otherwise provided."—When used to introduce or modify a rule, implies that the alternative provisions contemplated may either relax or restrict the stated rule.~~

~~"Unless otherwise restricted."—When used to introduce or~~

1 ~~modify a rule, implies that the alternative provisions~~
2 ~~contemplated may further restrict but may not relax the stated~~
3 ~~rule.~~

4 * * *

<—

5 (b) Index of other definitions.--Other definitions applying
6 to this chapter and the sections in which they appear are:

7 "Act" or "action." Section 102.

8 "Department." Section 102.

9 "Licensed person." Section 102.

10 "OBLIGATION." SECTION 102.

<—

11 "Professional services." Section 102.

12 § 8909. Validation of prohibitions of assignments.

13 (a) ~~Secured transactions~~ GENERAL RULE.--The provisions of 13

<—

14 Pa.C.S. §§ 9406 (relating to discharge of account debtor;
15 notification of assignment; identification and proof of
16 assignment; restrictions on assignments of accounts, chattel
17 paper, payment intangibles and promissory notes ineffective) and
18 9408 (relating to restrictions on assignment of promissory
19 notes, health-care-insurance receivables and certain general
20 intangibles ineffective) shall not apply to any interest in a
21 domestic limited liability company, including any right, power
22 and interest arising under an operating agreement or this part.

23 (b) Construction.--This section shall be construed to
24 prevail over 13 Pa.C.S. §§ 9406 and 9408.

25 § 8916. Operating agreement.

26 (a) General rule.--The operating agreement of a limited
27 liability company need not be in [writing] RECORD FORM except
28 where this chapter refers to a [written] provision of the
29 ~~operating agreement. If a written operating agreement provides~~
30 ~~that it~~ AGREEMENT IN WRITING OR RECORD FORM. IF A [WRITTEN]

<—

<—

<—

<—

1 PROVISION IN RECORD FORM OF AN OPERATING AGREEMENT PROVIDES THAT
2 [IT] THE OPERATING AGREEMENT cannot be amended or modified
3 except in writing OR RECORD FORM, an oral agreement, amendment <—
4 or modification shall not be enforceable. The certificate of
5 organization or operating agreement may not authorize an oral
6 agreement on any subject that this chapter requires to be dealt
7 with in writing OR RECORD FORM. See section 107(b) (relating to <—
8 form of records).

9 (b) Freedom of contract.--An operating agreement may contain
10 any provision adopted by the members for the regulation of the
11 internal affairs of a limited liability company [adopted by the
12 members], whether or not specifically authorized by or in
13 contravention of this chapter, except where this chapter:

14 (1) refers only to a rule as set forth in the
15 certificate of organization; or

16 (2) expressly provides that the operating agreement
17 shall not relax or contravene any provision on a specified
18 subject.

19 * * *

20 § 8941. Management.

21 * * *

22 (b) Managers.--The certificate of organization may provide
23 that management of a company shall be vested, to the extent
24 provided in, or pursuant to, the certificate of organization, in
25 one or more managers.

26 * * *

27 § 8948. Limitation on dissociation [or assignment] of <—
28 membership interest]. <—

29 [Notwithstanding anything to the contrary set forth in this
30 part, an operating agreement may provide that a member may not]

1 (a) General rule.--A member may voluntarily dissociate from
2 [the] a limited liability company [or assign his membership
3 interest] prior to the dissolution and winding-up of the
4 company[, and an attempt by a member to dissociate voluntarily
5 from the company or to assign his membership interest in
6 violation of the operating agreement shall be ineffective.] only
7 at the time or upon the happening of events specified in writing <—
8 RECORD FORM in the operating agreement. <—

9 (b) Transitional rule.--This section applies to all limited
10 liability companies formed on or after January 1, 2004 2005. If <—
11 the operating agreement of a company formed before January 1,
12 2004 2005, did not on December 31, 2003, specify in writing <—
13 2004, SPECIFY IN RECORD FORM the time or the events upon the <—
14 happening of which a member could dissociate or a definite time
15 for the dissolution and winding-up of the company, the
16 provisions of this section that were in effect prior to January
17 1, 2004 2005, shall apply until such time, if any, as the <—
18 operating agreement is amended in writing RECORD FORM after <—
19 January 1, 2004 2005, to specify: <—

20 (1) a time or the events upon the happening of which a
21 member may dissociate;

22 (2) a definite time for the dissolution and winding-up
23 of the company; or

24 (3) that this section as effective January 1, 2004 2005, <—
25 shall apply to the company.

26 § 8971. Dissolution.

27 (a) General rule.--A limited liability company is dissolved
28 and its affairs shall be wound up upon the happening of the
29 first to occur of the following events:

30 (1) At the time or upon the happening of events

1 specified in the certificate of organization.

2 (2) At the time or upon the happening of events
3 specified in writing in the operating agreement.

4 (3) Except as otherwise provided in the operating
5 agreement, by the [unanimous written agreement] vote or
6 consent of [all] the members.

7 [(4) Except as otherwise provided in writing in the
8 operating agreement, upon a member becoming a bankrupt or
9 executing an assignment for the benefit of creditors or the
10 death, retirement, insanity, resignation, expulsion or
11 dissolution of a member or the occurrence of any other event
12 that terminates the continued membership of a member in the
13 company unless the business of the company is continued by
14 the vote or consent of a majority in interest, or such
15 greater number as shall be provided in writing in the
16 operating agreement, of the remaining members given within
17 180 days following such event.]

18 (5) Entry of an order of judicial dissolution under
19 section 8972 (relating to judicial dissolution).

20 (b) Perpetual existence.--[The certificate of organization
21 may provide that the company shall have perpetual existence, in
22 which case subsection (a)(4) shall not be applicable to the
23 company.] ~~Except as provided in writing~~ OTHERWISE PROVIDED IN
24 RECORD FORM in the operating agreement, a limited liability
25 company has perpetual existence, subject to the power of the
26 General Assembly under the Constitution of Pennsylvania.

27 § 8974. Distribution of assets upon dissolution.

28 (a) General rule.--In settling accounts after dissolution,
29 the liabilities of the limited liability company shall be
30 entitled to payment in the following order:

(1) Those to creditors, including members or managers who are creditors, in the order of priority as provided by law, in satisfaction of the liabilities of the company, whether by payment or the making of [reasonable] adequate provision for payment thereof, other than liabilities for distributions to members under section 8932 (relating to distributions and allocation of profits and losses) or 8933 (relating to distributions upon an event of dissociation).

(2) Unless otherwise provided in the operating agreement, to members and former members in satisfaction of liabilities for distributions under section 8932 or 8933.

(3) Unless otherwise provided in the operating agreement, to members in respect of:

(i) Their contributions to capital.

(ii) Their share of the profits and other compensation by way of income on their contributions.

(b) Provision for claims.--A company that has dissolved shall pay or make [reasonable] adequate provision to pay all claims and obligations, including all contingent, conditional or unmatured claims and obligations, known to the company and all claims and obligations that are known to the company but for which the identity of the claimant is unknown. If there are sufficient assets, such claims and obligations shall be paid in full, and any such provision for payment made shall be made in full. If there are insufficient assets, such claims and obligations shall be paid or provided for according to their priority and, among claims and obligations of equal priority, ratably to the extent of assets available therefor. Unless otherwise provided in the operating agreement, any remaining assets shall be distributed as provided in this chapter. Any

1 liquidating trustee or other person winding up the affairs of a
2 company who has complied with this section shall not be
3 personally liable to the claimants of the dissolved company by
4 reason of his actions in winding up the company.

5 § 8975. Certificate of dissolution.

6 (a) General rule.--When all debts, liabilities and
7 obligations of the limited liability company have been paid and
8 discharged or adequate provision has been made therefor and all
9 of the remaining property and assets of the company have been
10 distributed to the members, or in case its assets are not
11 sufficient to discharge its debts, liabilities and obligations,
12 when all the assets have been fairly and equitably applied, as
13 far as they will go, to the payment of such debts, liabilities
14 and obligations, a certificate of dissolution shall be executed
15 by the company. The certificate of dissolution shall set forth:

16 (1) The name of the company.

17 (2) [That] A statement that:

18 (i) all debts, obligations and liabilities of the
19 company have been paid and discharged or that adequate
20 provision has been made therefor[.]; or

21 (ii) the assets of the company are not sufficient to
22 discharge its debts, liabilities and obligations, and
23 that all the assets of the company have been fairly and
24 equitably applied, as far as they will go, to the payment
25 of such debts, liabilities and obligations.

26 (3) That all the remaining property and assets of the
27 company have been distributed among its members in accordance
28 with their respective rights and interests.

29 (4) That there are no actions pending against the
30 company in any court or that adequate provision has been made

1 for the satisfaction of any judgment that may be entered
2 against it in any pending action.

3 * * *

4 CHAPTER 91

5 UNINCORPORATED ASSOCIATIONS GENERALLY

6 SUBCHAPTER A

7 GENERAL PROVISIONS

8 * * *

9 SUBCHAPTER B

10 UNIFORM UNINCORPORATED NONPROFIT

11 ASSOCIATION ACT

12 Sec.

13 9121. Short title and application of subchapter.

14 9122. Definitions.

15 9123. Territorial application.

16 9124. Acquisition of property.

17 9125. Statement of authority as to real property.

18 9126. Status; liability in tort and contract.

19 9127. Capacity to assert and defend; standing.

20 9128. Effect of judgment or order.

21 9129. Disposition of personal property of inactive nonprofit
22 association.

23 9130. Appointment of agent to receive service of process.

24 9131. Claim not abated by change of members or officers.

25 § 9121. Short title and application of subchapter.

26 (a) Short title.--This subchapter shall be known and may be
27 cited as the Uniform Unincorporated Nonprofit Association Act.

28 (b) Application of subchapter generally.--This subchapter
29 shall apply to every nonprofit association heretofore or
30 hereafter organized.

(c) Transitional provisions concerning property.--

(1) If, before (the Legislative Reference Bureau shall insert here the effective date of this subchapter), an estate or interest in real or personal property was purportedly transferred to a nonprofit association, on (the Legislative Reference Bureau shall insert here the effective date of this subchapter) the estate or interest vests in the nonprofit association unless the parties have treated the transfer as ineffective.

(2) If, before (the Legislative Reference Bureau shall insert here the effective date of this subchapter), the transfer vested the estate or interest in another person to hold the estate or interest as a fiduciary for the benefit of the nonprofit association, its members, or both, on or after (the Legislative Reference Bureau shall insert here the effective date of this subchapter) the fiduciary may transfer the estate or interest to the nonprofit association in its name, or the nonprofit association, by appropriate proceedings, may require that the estate or interest be transferred to it in its name.

(d) Savings provision.--This subchapter replaces existing law with respect to matters covered by this subchapter but does not affect other law respecting nonprofit associations.

(e) Cross reference.--See section 5331 (relating to incorporation of unincorporated associations).

§ 9122. Definitions.

The following words and phrases when used in this subchapter shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Member." A person who, under the rules or practices of a

1 nonprofit association, may participate in the selection of
2 persons authorized to manage the affairs of the nonprofit
3 association or in the development of policy of the nonprofit
4 association.

5 "Nonprofit association." An unincorporated organization
6 consisting of two or more members joined by mutual consent for a
7 common, nonprofit purpose. However, joint tenancy, tenancy in
8 common, or tenancy by the entireties does not by itself
9 establish a nonprofit association, even if the co-owners share
10 use of the property for a nonprofit purpose.

11 § 9123. Territorial application.

12 Real and personal property in this Commonwealth may be
13 acquired, held, encumbered and transferred by a nonprofit
14 association, whether or not the nonprofit association or a
15 member has any other relationship to this Commonwealth.

16 § 9124. Acquisition of property.

17 (a) General rule.--A nonprofit association in its name may
18 acquire, hold, encumber or transfer an estate or interest in
19 real or personal property.

20 (b) Testamentary and fiduciary dispositions.--A nonprofit
21 association may be a legatee, devisee or beneficiary of a trust
22 or contract.

23 § 9125. Statement of authority as to real property.

24 (a) General rule.--A nonprofit association may sign and
25 record a statement of authority to encumber or transfer an
26 estate or interest in real property in the name of the nonprofit
27 association.

28 (b) Transfer by authorized person of record.--An estate or
29 interest in real property in the name of a nonprofit association
30 may be encumbered or transferred by a person so authorized in a

1 statement of authority recorded in the office of the recorder of
2 deeds for the county in which a transfer of the property would
3 be recorded.

4 (c) Contents of statement.--A statement of authority must
5 set forth:

6 (1) The name of the nonprofit association.

7 (2) The address in this Commonwealth, including the
8 street address, if any, of the nonprofit association; or, if
9 the nonprofit association does not have an address in this
10 Commonwealth, its address ~~out of State~~ OUTSIDE OF THIS <—
11 COMMONWEALTH.

12 (3) The name or title of a person authorized to encumber
13 or transfer an estate or interest in real property held in
14 the name of the nonprofit association.

15 (4) The action, procedure or vote of the nonprofit
16 association that authorizes the person to encumber or
17 transfer the real property of the nonprofit association and
18 that authorizes the person to execute the statement of
19 authority.

20 (d) Formality.--A statement of authority must be signed in
21 the same manner as a deed by a person who is not the person
22 authorized to encumber or transfer the estate or interest.

23 (e) Recording fee.--The recorder of deeds may collect a fee
24 for recording a statement of authority in the amount authorized
25 for recording a transfer of real property, but the mere
26 recording of a statement of authority shall not constitute a
27 transfer of an interest in the real property for the purpose of
28 the taxation of real property transfers.

29 (f) Amendment.--An amendment, including a cancellation or
30 extension, of a statement of authority must meet the

1 requirements for signing and recording of an original statement.
2 Unless canceled earlier, a recorded statement of authority or
3 its most recent amendment is canceled by operation of law five
4 years after the date of the most recent recording.

5 (g) Effect of filing.--If the record title to real property
6 is in the name of a nonprofit association and a statement of
7 authority is recorded in the office of the recorder of deeds for
8 the county in which a transfer of the real property would be
9 recorded, the authority of the person named in the statement of
10 authority is conclusive in favor of a person who gives value
11 without notice that the person lacks authority.

12 § 9126. Status; liability in tort and contract.

13 (a) General rule.--A nonprofit association is a legal entity
14 separate from its members.

15 (b) Limited contract liability.--A person is not liable for
16 performance or breach of a contract or other obligation by a
17 nonprofit association merely because the person:

18 (1) is a member of the nonprofit association;

19 (2) is authorized to participate in the management of
20 the affairs of the nonprofit association;

21 (3) is considered to be a member by the nonprofit
22 association; or

23 (4) made the contract or incurred the obligation on
24 behalf of the nonprofit association, if the fact that the
25 person was acting for the nonprofit association was disclosed
26 to, known by or reasonably should have been known by the
27 other party to the contract or to the party owed performance.

28 (c) Limited tort liability.--A person is not liable for a
29 tortious act for which a nonprofit association is liable merely
30 because the person:

1 (1) is a member of the nonprofit association;

2 (2) is authorized to participate in the management of
3 the affairs of the nonprofit association; or

4 (3) is a person considered as a member by the nonprofit
5 association.

6 (d) Limitation on imputed tort liability.--A tortious act of
7 a member or other person for which a nonprofit association is
8 liable is not imputed to a person merely because the person:

9 (1) is a member of the nonprofit association;

10 (2) is authorized to participate in the management of
11 the affairs of the nonprofit association; or

12 (3) is considered to be a member by the nonprofit
13 association.

14 (e) Claims by or against members.--A member of, or a person
15 considered to be a member by, a nonprofit association may assert
16 a claim against the nonprofit association. A nonprofit
17 association may assert a claim against a member or a person
18 considered to be a member by the nonprofit association.

19 (f) Transitional provision concerning contracts.--Liability
20 for performance or breach of a contract made or obligation
21 incurred before (the Legislative Reference Bureau shall insert
22 here the effective date of this subchapter) shall be determined
23 without regard to subsection (b)(4).

24 § 9127. Capacity to assert and defend; standing.

25 (a) General rule.--A nonprofit association, in its name, may
26 institute, defend, intervene or participate in a judicial,
27 administrative or other governmental proceeding or in an
28 arbitration, mediation or any other form of alternative dispute
29 resolution.

30 (b) Representational status.--A nonprofit association may

1 assert a claim in its name on behalf of its members if one or
2 more members of the nonprofit association have standing to
3 assert a claim in their own right, the interests the nonprofit
4 association seeks to protect are germane to its purposes and
5 neither the claim asserted nor the relief requested requires the
6 participation of a member.

7 § 9128. Effect of judgment or order.

8 A judgment or order against a nonprofit association is not by
9 itself a judgment or order against a member.

10 § 9129. Disposition of personal property of inactive nonprofit
11 association.

12 If a nonprofit association has been inactive for three years
13 or longer, a person in possession or control of personal
14 property of the nonprofit association may transfer the property:

15 (1) if a document of a nonprofit association specifies a
16 person to whom transfer is to be made under these
17 circumstances, to that person; or

18 (2) if no person is so specified, to a nonprofit
19 association or nonprofit corporation pursuing broadly similar
20 purposes, or to a government or governmental subdivision,
21 agency or instrumentality.

22 § 9130. Appointment of agent to receive service of process.

23 (a) General rule.--A nonprofit association may file in the
24 Department of State a statement appointing an agent authorized
25 to receive service of process.

26 (b) Contents of statement.--A statement appointing an agent
27 must set forth:

28 (1) The name of the nonprofit association.

29 (2) The address in this Commonwealth, including the
30 street address, if any, of the nonprofit association, or, if

1 the nonprofit association does not have an address in this
2 Commonwealth, its address ~~out of State~~ OUTSIDE OF THIS
3 COMMONWEALTH. <—

4 (3) The name of the person in this Commonwealth
5 authorized to receive service of process and the person's
6 address, including the street address, in this Commonwealth.

7 (c) Execution.--A statement appointing an agent to receive
8 service of process must be signed by a person authorized to
9 manage the affairs of the nonprofit association. The statement
10 must also be signed by the person appointed agent, who thereby
11 accepts the appointment. The appointed agent may resign by
12 filing a resignation in the department and giving notice to the
13 nonprofit association.

14 (d) Amendment.--An amendment, including a cancellation, of a
15 statement appointing an agent to receive service of process must
16 meet the requirements for execution of an original statement.

17 (e) Cross references.--See sections 134 (relating to
18 docketing statement) and 135 (relating to requirements to be met
19 by filed documents).

20 § 9131. Claim not abated by change of members or officers.

21 A claim for relief against a nonprofit association does not
22 abate merely because of a change in its members or persons
23 authorized to manage the affairs of the association.

24 § 9506. Liability of trustees and beneficiaries.

25 * * *

26 (f) Permissible beneficiaries.--Except as otherwise provided
27 by a statute, rule or regulation applicable to a particular
28 profession, all of the ultimate beneficial owners of interests
29 in a business trust that renders one or more restricted
30 professional services shall be licensed persons. As used in this

1 subsection, the term "restricted professional services" shall
2 have the meaning specified in section 8903 (relating to
3 definitions [and index of definitions]).

4 * * *

5 Section 3. The definition of "domestic corporation not-for-
6 profit" in section 101 of Title 54 is amended to read
7 § 101. Definitions.

8 Subject to additional definitions contained in subsequent
9 provisions of this title which are applicable to specific
10 provisions of this title, the following words and phrases when
11 used in this title shall have, unless the context clearly
12 indicates otherwise, the meanings given to them in this section:

13 * * *

14 "Domestic corporation not-for-profit." A domestic
15 corporation [not-for-profit as defined in 15 Pa.C.S. § 1103
16 (relating to definitions).] not incorporated for a purpose or
17 purposes involving pecuniary profit, incidental or otherwise.

18 * * *

19 SECTION 4. SECTION 501(A)(5) AND (7) OF TITLE 54 ARE AMENDED <—
20 TO READ:

21 § 501. REGISTER ESTABLISHED.

22 (A) GENERAL RULE.--A REGISTER IS ESTABLISHED BY THIS CHAPTER
23 WHICH SHALL CONSIST OF SUCH OF THE FOLLOWING NAMES AS ARE NOT
24 DELETED THEREFROM BY OPERATION OF SECTION 504 (RELATING TO
25 EFFECT OF FAILURE TO MAKE FILINGS) OR 506 (RELATING TO VOLUNTARY
26 TERMINATION OF REGISTRATION BY CORPORATIONS AND OTHER
27 ASSOCIATIONS):

28 * * *

29 (5) IN THE CASE OF A BUSINESS TRUST WHICH EXISTS SUBJECT
30 TO 15 PA.C.S. CH. 95 (RELATING TO BUSINESS TRUSTS), THE NAME

OF THE TRUST AS SET FORTH IN THE:

(I) INSTRUMENT FILED IN THE DEPARTMENT UNDER 15
PA.C.S. § 9503 (RELATING TO DOCUMENTATION OF TRUST); OR

(II) APPLICATION FOR REGISTRATION FILED UNDER 15
PA.C.S. § 9507 (RELATING TO FOREIGN BUSINESS TRUSTS).

* * *

[(7) IN THE CASE OF A BUSINESS TRUST WHICH EXISTS
SUBJECT TO 15 PA.C.S. CH. 95 (RELATING TO BUSINESS TRUSTS),
THE NAME OF THE TRUST AS SET FORTH IN THE INSTRUMENT FILED IN
THE DEPARTMENT UNDER 15 PA.C.S. § 9503 (RELATING TO
DOCUMENTATION OF TRUST), OR IN THE APPLICATION FOR
REGISTRATION FILED PURSUANT TO 15 PA.C.S. § 9507 (RELATING TO
FOREIGN BUSINESS TRUSTS).]

* * *

Section 4 5. Effect of reenactments.

<—

(a) General rule.--Notwithstanding 1 Pa.C.S. § 1957
(relating to ineffective provisions not revived by reenactment
in amendatory statutes), it is hereby declared to be the intent
of the act of December 21, 1988 (P.L.1444, No.177), known as the
General Association Act of 1988, the act of December 19, 1990
(P.L.834, No.198), known as the GAA Amendments Act of 1990, the
act of December 18, 1992 (P.L.1333, No.169), known as the GAA
Amendments Act of 1992, the act of June 22, 2001 (P.L.418,
No.34), known as the GAA Amendments Act of 2001, and this act
cumulatively to restore all provisions of 15 Pa.C.S. (relating
to corporations and unincorporated associations) added by the
act of November 15, 1972 (P.L.1063, No.271), entitled "An act
amending the act of November 25, 1970 (P.L.230), entitled 'An
act codifying and compiling a part of the law of the
Commonwealth,' adding provisions relating to burial grounds,

1 corporations, including corporations not-for-profit, educational
2 institutions, private police, certain charitable or eleemosynary
3 institutions, certain nonprofit insurers, service of process on
4 certain nonresident persons, names, prescribing penalties and
5 making repeals," to their status prior to the partial repeal
6 effected by section 905 of the FORMER act of July 29, 1977 <—
7 (P.L.105, No.38), known as the Fraternal Benefit Society Code,
8 except as otherwise expressly provided by such provisions as
9 reenacted and amended by the General Association Act of 1988,
10 the GAA Amendments Act of 1990, the GAA Amendments Act of 1992,
11 the GAA Amendments Act of 2001, and this act.

12 (b) ~~Effective date~~ RETROACTIVITY.--The provisions of this <—
13 section shall be retroactive to January 30, 1978.

14 SECTION 6. DISPOSITION OF FUNDS. <—

15 DURING FISCAL YEAR 2003-2004, THE SECRETARY OF THE
16 COMMONWEALTH SHALL MAKE ONE TRANSFER OF \$5,000,000 FROM THE
17 CORPORATION BUREAU RESTRICTED ACCOUNT TO THE GENERAL FUND.

18 Section 5 7. Repeals. <—

19 The following acts and parts of acts are repealed:

20 Act of April 27, 1855 (P.L.365, No.383), entitled "An act
21 extending the right of Trial by Jury to certain cases."

22 SECTIONS 618-A(2) AND 814 OF THE ACT OF APRIL 9, 1929 <—
23 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF 1929.

24 Act of April 18, 1949 (P.L.583, No.123), entitled "An act to
25 further amend the act, approved the fifth day of May, one
26 thousand nine hundred thirty-three (Pamphlet Laws 289), entitled
27 'An act relating to nonprofit corporations; defining and
28 providing for the organization, merger, consolidation, and
29 dissolution of such corporations; conferring certain rights,
30 powers, duties, and immunities upon them and their officers and

1 members; prescribing the conditions on which such corporations
2 may exercise their powers; providing for the inclusion of
3 certain existing corporations of the first class within the
4 provisions of this act; prescribing the terms and conditions
5 upon which foreign nonprofit corporations may be admitted or may
6 continue to do business within the Commonwealth; conferring
7 powers and imposing duties on the courts of common pleas,
8 prothonotaries of such courts, recorders of deeds, and certain
9 State departments, commissions, and officers; authorizing
10 certain local public officers and State departments to collect
11 fees for services required to be rendered by this act; imposing
12 penalties; and repealing certain acts and parts of acts relating
13 to corporations,' by making further provisions relating to
14 nonprofit medical service corporations; by extending the
15 provisions of said act relating to the furnishing of medical
16 services by nonprofit medical service corporations so as to
17 include the furnishing of osteopathic services by doctors of
18 osteopathy to subscribers and their dependents, and by providing
19 that the articles of incorporation of existing nonprofit medical
20 service corporations are amended by the provisions of this act
21 so as to authorize the furnishing of such osteopathic services
22 by doctors of osteopathy."

23 Act of May 12, 1949 (P.L.1274, No.379), entitled "An act to
24 further amend the act, approved the fifth day of May, one
25 thousand nine hundred thirty-three (Pamphlet Laws 289), entitled
26 'An act relating to nonprofit corporations; defining and
27 providing for the organization, merger, consolidation, and
28 dissolution of such corporations; conferring certain rights,
29 powers, duties, and immunities upon them and their officers and
30 members; prescribing the conditions on which such corporations

1 may exercise their powers; providing for the inclusion of
2 certain existing corporations of the first class within the
3 provisions of this act; prescribing the terms and conditions
4 upon which foreign nonprofit corporations may be admitted or may
5 continue to do business within the Commonwealth; conferring
6 powers and imposing duties on the courts of common pleas,
7 prothonotaries of such courts, recorders of deeds, and certain
8 State departments, commissions, and officers; authorizing
9 certain local public officers and State departments to collect
10 fees for services required to be rendered by this act; imposing
11 penalties; and repealing certain acts and parts of acts relating
12 to corporations,' by making further provisions relating to
13 nonprofit medical service corporations; by extending the
14 provisions of said act relating to the furnishing of medical
15 services by nonprofit medical service corporations so as to
16 include the furnishing of certain dental services to subscribers
17 and their dependents; and by providing that the articles of
18 incorporation of existing nonprofit medical service corporations
19 are amended by the provisions of this act so as to authorize the
20 furnishing of such dental services by doctors of dental
21 surgery."

22 Act of December 9, 1955 (P.L.818, No.238), entitled "An act
23 amending the act of May five, one thousand nine hundred thirty-
24 three (Pamphlet Laws 289), entitled 'An act relating to
25 nonprofit corporations; defining and providing for the
26 organization, merger, consolidation, and dissolution of such
27 corporations; conferring certain rights, powers, duties, and
28 immunities upon them and their officers and members; prescribing
29 the conditions on which such corporations may exercise their
30 powers; providing for the inclusion of certain existing

1 corporations of the first class within the provisions of this
2 act; prescribing the terms and conditions upon which foreign
3 nonprofit corporations may be admitted or may continue to do
4 business within the Commonwealth; conferring powers and imposing
5 duties on the courts of common pleas, prothonotaries of such
6 courts, recorders of deeds, and certain State departments,
7 commissions, and officers; authorizing certain local public
8 officers and State departments to collect fees for services
9 required to be rendered by this act; imposing penalties; and
10 repealing certain acts and parts of acts relating to
11 corporations,' providing for the incorporation and regulation of
12 nonprofit dental service corporations furnishing dental services
13 only to certain subscribers and their dependents."

14 Act of September 30, 1965 (P.L.570, No.294), entitled "An act
15 amending the act of May 5, 1933 (P.L.289), entitled 'An act
16 relating to nonprofit corporations; defining and providing for
17 the organization, merger, consolidation, and dissolution of such
18 corporations; conferring certain rights, powers, duties, and
19 immunities upon them and their officers and members; prescribing
20 the conditions on which such corporations may exercise their
21 powers; providing for the inclusion of certain existing
22 corporations of the first class within the provisions of this
23 act; prescribing the terms and conditions upon which foreign
24 nonprofit corporations may be admitted or may continue to do
25 business within the Commonwealth; conferring powers and imposing
26 duties on the courts of common pleas, prothonotaries of such
27 courts, recorders of deeds, and certain State departments,
28 commissions, and officers; authorizing certain local public
29 officers and State departments to collect fees for services
30 required to be rendered by this act; imposing penalties; and

1 repealing certain acts and parts of acts relating to
2 corporations,' requiring approval by the State Registration
3 Board for Professional Engineers prior to the use of certain
4 words in corporate names."

5 Act of December 27, 1965 (P.L.1250, No.507), entitled "An act
6 amending the act of May 5, 1933 (P.L.289), entitled 'An act
7 relating to nonprofit corporations; defining and providing for
8 the organization, merger, consolidation, and dissolution of such
9 corporations; conferring certain rights, powers, duties, and
10 immunities upon them and their officers and members; prescribing
11 the conditions on which such corporations may exercise their
12 powers; providing for the inclusion of certain existing
13 corporations of the first class within the provisions of this
14 act; prescribing the terms and conditions upon which foreign
15 nonprofit corporations may be admitted or may continue to do
16 business within the Commonwealth; conferring powers and imposing
17 duties on the courts of common pleas, prothonotaries of such
18 courts, recorders of deeds, and certain State departments,
19 commissions, and officers; authorizing certain local public
20 officers and State departments to collect fees for services
21 required to be rendered by this act; imposing penalties; and
22 repealing certain acts and parts of acts relating to
23 corporations,' making further provisions relating to nonprofit
24 medical, dental and osteopathic service corporations; extending
25 the provisions of said act relating to the furnishing of
26 medical, dental and osteopathic services by nonprofit medical,
27 dental and osteopathic service corporations so as to include the
28 furnishing of optometric services to subscribers and their
29 dependents, and providing that the articles of incorporation of
30 existing nonprofit medical, dental and osteopathic service

1 corporations are amended by the provisions of this act so as to
2 authorize the furnishing of optometric services by doctors of
3 optometry."

4 Section 2 of the act of November 15, 1972 (P.L.1063, No.271),
5 entitled "An act amending the act of November 25, 1970 (No.230),
6 entitled 'An act codifying and compiling a part of the law of
7 the Commonwealth,' adding provisions relating to burial grounds,
8 corporations, including corporations not-for-profit, educational
9 institutions, private police, certain charitable or eleemosynary
10 institutions, certain nonprofit insurers, service of process on
11 certain nonresident persons, names, prescribing penalties and
12 making repeals."

13 ~~Section 6. Effective date.~~ <—

14 ~~This act shall take effect in 60 days.~~

15 SECTION 8. WHEN THE DEPARTMENT OF STATE IS READY TO PROVIDE <—
16 EXPEDITED SERVICES UNDER THE ADDITION OF 15 PA.C.S. §
17 153(A)(15), IT SHALL TRANSMIT NOTICE OF THAT FACT TO THE
18 LEGISLATIVE REFERENCE BUREAU FOR PUBLICATION AS A NOTICE IN THE
19 PENNSYLVANIA BULLETIN.

20 SECTION 9. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

21 (1) THE FOLLOWING PROVISIONS SHALL TAKE EFFECT
22 IMMEDIATELY:

23 (I) SECTION 8 OF THIS ACT.

24 (II) THIS SECTION.

25 (2) THE ADDITION OF 15 PA.C.S. § 153(A)(15) SHALL TAKE
26 EFFECT UPON PUBLICATION OF THE NOTICE UNDER SECTION 8 OF THIS
27 ACT.

28 (3) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60
29 DAYS.

SOURCE NOTES

The source notes for section 2 of this act adding 15 Pa.C.S. Subch. 91-B are as follows:

15 Pa.C.S. § 9121: Subsection (a) patterned after Uniform Unincorporated Nonprofit Association Act §15. Subsection (c) patterned after Uniform Unincorporated Nonprofit Association Act §19. Subsection (d) patterned after Uniform Unincorporated Nonprofit Association Act §18(c).

15 Pa.C.S. § 9122: Patterned after Uniform Unincorporated Nonprofit Association Act §1. Definitions in the Uniform Act of "person" and "state" omitted as supplied by the definitions of those terms in 1 Pa.C.S. §1991.

15 Pa.C.S. § 9123: Patterned after Uniform Unincorporated Nonprofit Association Act §3.

15 Pa.C.S. § 9124: Patterned after Uniform Unincorporated Nonprofit Association Act §4.

15 Pa.C.S. § 9125: Patterned after Uniform Unincorporated Nonprofit Association Act §5. The last clause of subsection (e) is a clarification of existing law.

15 Pa.C.S. § 9126: Patterned after Uniform Unincorporated Nonprofit Association Act §6. The words "or omission" in the Uniform Act are omitted as supplied by the definition of "act" in 15 Pa.C.S. § 102. As to subsection (e), compare Pa.R.Civ.P. 2154.

15 Pa.C.S. § 9127: Patterned after Uniform Unincorporated Nonprofit Association Act §7.

15 Pa.C.S. § 9128: Patterned after Uniform Unincorporated Nonprofit Association Act §8.

15 Pa.C.S. § 9129: Patterned after Uniform Unincorporated Nonprofit Association Act §9.

15 Pa.C.S. § 9130: Patterned after Uniform Unincorporated Nonprofit Association Act § 10. The person named in the filing will be subject to service of process under Pa.R.Civ.P. 423(2). Subsection (d) of the Uniform Act omitted as supplied by 15 Pa.C.S. § 153(a)(15). Compare Uniform Act §13.

15 Pa.C.S. § 9131: Patterned after Uniform Unincorporated Nonprofit Association Act §11.

The provisions repealed by section 5 of this act are supplied by this act as follows:

Repealed Act	Section	Unofficial Citation	Superseding Provision of Title 15
1855, NO.383	1	-	15 P.S. § 1511
1949, No.123	1,2	-	Repealed 1972
	3	15 P.S. § 7004 note	40 Pa.C.S. § 6322(f)
	4	-	Effective date
1949, No.379	1-3	-	Repealed 1972
	4	-	Effective date
1955, No.238	1,2	-	Repealed 1972
	3	15 P.S. § 7220 note	Obsolete
	4	-	Effective date
1965, No.294	1,2	-	Repealed 1972
	3	15 P.S. § 7202 note	Obsolete
	4	-	Effective date
1965, No.507	1-5	-	Repealed 1972
	6	15 P.S. § 7004 note	40 Pa.C.S. § 6322(f)
1972, No.271	2	Former 15 Pa.C.S. § 101 note	Obsolete
		15 Pa.C.S. § 5303	Obsolete

