



Testimony of Ann C. Mule
Corporate Secretary – Sunoco

Pennsylvania House Judiciary Committee
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Senate Bill 215

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I am Ann C. Mule, Assistant General Counsel and Corporate Secretary for Sunoco, Inc. I appreciate this opportunity to support Senate Bill 215 and want to thank Chairman Gannon and his staff for their work on this legislation.

Sunoco has conducted business in Pennsylvania for more than one hundred years. While we are proud of our long history in the Commonwealth, we are more excited about the future. We are growing in Pennsylvania and recently made a significant new investment in the state through our purchase of Pittsburgh-based Aristech Chemicals. We are a major employer and a responsible corporate citizen that is well known for community leadership. Unlike many companies that do business in Pennsylvania, it is important for you to know that we are incorporated here.

This General Assembly and the Ridge Administration have assembled an impressive record of tax cuts, business incentives, and other changes that have improved the business climate in our state. Sunoco is pleased to see those positive steps and supports continued effort to maintain a competitive business atmosphere. Part of that effort must be a modern and up-to-date corporation law.

Pennsylvania set a national standard with passage of the 1988 Business Corporation Law. The state continued that commitment when subsequent amendments were enacted in 1990 and 1992. Unfortunately, no further revisions have been passed in the last nine years. Delaware routinely amends its corporation law every two years and

has made its corporate code an important competitive advantage in their economic development efforts.

I would like to focus your attention on just one set of amendments in Senate Bill 215 that demonstrate the importance of this bill and the reason why periodic updates are necessary in a changing business environment. Those amendments relate to electronic proxies and shareholder voting methods. Senate Bill 215 validates the use of the Internet for shareholders to vote and makes clear that modern electronic communications technology can be used by shareholders and directors. As a publicly traded company with thousands of shareholders, we need to use modern technologies like the Internet to assist our shareholders.

This legislature has taken positive steps in many areas of electronic commerce. However, the corporation law lags behind. When these changes were first proposed in 1996, they were innovative and not even found in the Delaware law. Now, it is important for our state to keep up and remain an attractive place to incorporate.

This is a large bill and I have just talked about one provision. There are many meaningful and timely improvements and updates throughout this legislation. Sunoco fully supports prompt action by this committee and the full House so that the Governor can sign this bill as soon as possible.