

46 see fit. Unless the dissenting shareholder shall file such petition  
 47 within the time herein limited, such shareholder and all persons  
 48 claiming under him shall be conclusively presumed to have approved  
 49 and ratified the merger or consolidation and shall be bound by the  
 50 terms thereof.

51 The right of a dissenting shareholder to be paid the fair value of  
 52 his shares as herein provided shall cease if and when the corporation  
 53 shall abandon the merger or consolidation.

54 Shares acquired by the corporation pursuant to the payment of  
 55 the agreed value thereof or to the payment of judgment entered  
 56 therefor as in this section provided may be held and disposed of by  
 57 the corporation as it shall see fit.

1 SEC. 13. **Issuance of stock.** All stock issued in connection with  
 2 such merger or consolidation shall be issued pursuant to the provisions  
 3 of chapter four hundred ninety-two (492) of the Iowa code and  
 4 nothing in this amendment shall be construed as eliminating the  
 5 requirements of said chapter.

1 SEC. 14. If any paragraph, sentence or word, or other part of this  
 2 act is held to be unconstitutional, it shall not affect the validity of  
 3 the remainder thereof, it being the intention of the legislature that the  
 4 remaining portion thereof should become the law.

1 SEC. 15. This act being deemed of immediate importance shall  
 2 be in full force and effect from and after its passage and publication  
 3 in Hudson Herald, a newspaper published at Hudson, Iowa and the  
 4 Cedar Rapids Gazette, a newspaper published at Cedar Rapids, Iowa.

Approved March 14, 1947.

I hereby certify that the foregoing act was published in the Hudson Herald, March  
 20, 1947, and the Cedar Rapids Gazette, March 18, 1947.

ROLLO H. BERGESON, *Secretary of State.*

## CHAPTER 250

### MULTIPLE HOUSING ACT

S. F. 213

AN ACT to provide for the formation of associations to purchase or build and own  
 residential, business properties upon a co-operative basis. To provide for articles  
 of co-operation of such associations and to establish the powers, duties and  
 liabilities of the association and the members thereof.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. **Articles.** Any two or more persons of full age, a  
 2 majority of whom shall be citizens of the state, may organize them-  
 3 selves for the following or similar purposes: Ownership of residential,  
 4 business property on a co-operative basis. A corporation is a person  
 5 within the meaning of this act. The organizers shall adopt, and sign  
 6 and acknowledge the articles of co-operation, stating the name by  
 7 which the co-operation shall be known, the location of its principal  
 8 place of business, its business or objects, the number of trustees,  
 9 directors, managers or other officers to conduct the same, the names

10 thereof for the first year, the time of its annual meeting, and of annual  
 11 meeting of its trustees, or directors and the manner in which the  
 12 articles may be amended. Said articles of co-operation shall be filed  
 13 with the Secretary of State who shall, if he approves the same indorse  
 14 his approval thereon, record the same, and thereafter forward the  
 15 same to the county recorder of the county where the principal place  
 16 of business is to be located, and there it shall be recorded, and upon  
 17 recording be returned to the co-operation. The said articles shall not  
 18 be filed by the Secretary of State until a filing fee of \$5.00 is paid,  
 19 and upon the payment of said fee and the approval of the articles by  
 20 the Secretary of State, he shall issue to said co-operation a certificate  
 21 of co-operation as a co-operation not for pecuniary profit.

22 Amendments to the articles may be filed and receive approval as  
 23 provided herein for articles, and the fee therefor shall be \$5.00 in each  
 24 instance, and no amendment shall be effective until the same is ap-  
 25 proved and the fee therefor is paid.

1 **SEC. 2. Powers—Duration.** Upon filing such articles the persons  
 2 signing and acknowledging the same and their associates and successors  
 3 shall become a body co-operative with the name therein stated and  
 4 shall have power;

5 (a) To have perpetual succession by its name, unless a limited period  
 6 of duration is stated in its articles of co-operation, or they are sooner  
 7 dissolved by three-fourths ( $\frac{3}{4}$ ) vote of all the members thereof, or  
 8 by act of the general assembly or by operations of law.

9 (b) To sue and be sued in its co-operative name.

10 (c) To build and construct apartment houses or dwellings.

11 (d) To purchase, take, receive, lease as lessee, take by gift, devise  
 12 or bequest, or otherwise acquire, and to own, hold, use and otherwise  
 13 deal in and with any real or personal property or any interest therein.

14 (e) To sell, convey, mortgage, pledge, lease as lessor, and otherwise  
 15 dispose of all or any part of its property and assets.

16 (f) To make contracts and incur liabilities which may be appropri-  
 17 ate to enable it to accomplish any or all of its purposes; to borrow  
 18 money for its co-operative purposes at such rates of interest as the  
 19 co-operation may determine, to issue its notes, bonds and other obliga-  
 20 tions; and to secure any of its obligations by mortgage, pledge, or  
 21 deed of trust of all or any of its property.

22 (g) To elect or appoint officers and agents of the co-operation, and  
 23 to define their duties and fix their compensation.

24 (h) To make and alter by-laws not inconsistent with its articles of  
 25 co-operation or with the laws of this state, for the administration and  
 26 the regulation of the affairs of the co-operation.

27 (i) To cease its co-operate activities and surrender its co-operate  
 28 franchise.

29 (j) To have and exercise all powers necessary or convenient to  
 30 effect any or all of the purposes for which the co-operation is organized.

1 **SEC. 3. Members.** A co-operation may have one or more classes  
 2 of members. The designation of such class or classes and the qualifica-  
 3 tions and rights of the members of each class shall be set forth in the  
 4 articles of co-operation or the by-laws. The co-operation must issue  
 5 certificates or deeds evidencing membership or ownership of a particular  
 6 interest therein.

1     **SEC. 4. Dividends.** No dividend or distribution of property among  
2 the stockholders shall be made until dissolution of the co-operation.

1     **SEC. 5. Trustees or managers.** Such co-operation may, annually  
2 or oftener, elect from its members its directors, or managers, at such  
3 time and place and in such manner as may be specified in its by-laws,  
4 or article of co-operation, who shall have the control and management  
5 of its affairs and funds, a majority of whom shall constitute a quorum  
6 for the transaction of business, when a vacancy occurs in its governing  
7 body, it shall be filled in such manner as shall be provided in the  
8 by-laws, or article of co-operation.

9     The trustee may be one or more persons, or may be a corporation  
10 and need not be a member and shall be selected by the directors.

1     **SEC. 6. Election of officers.** If an election of trustees, directors or  
2 managers shall not be made on the day designated by the by-laws, the  
3 society for that cause shall not be dissolved, but such election may  
4 take place on any other day directed in the by-laws.

1     **SEC. 7. Re-organizing prior to expiration of term.** The trustees,  
2 directors, or members of any co-operation organized under this chapter  
3 may reorganize the same, and all the property and rights thereof shall  
4 vest in the co-operation as reorganized.

1     **SEC. 8. Re-organizing after expiration of term.** When the term  
2 of a co-operation organized under this chapter has expired, but the  
3 organization has continued to act as such co-operation, the directors  
4 or members thereof may reorganize, and the property and rights  
5 therein shall vest in the reorganized co-operation for the use and  
6 benefit of all of the members in the original co-operation.

1     **SEC. 9. Amendments of articles.** Any co-operation organized under  
2 this chapter may change its name or amend its articles of co-operation  
3 by a vote of a majority of the members, in such manner as may be  
4 provided in its articles; but if no such provision is made in the articles  
5 the same may be amended at any regular meeting or special meeting  
6 called for that purpose by the president or secretary or a majority  
7 of the board of directors. Notice of any meeting at which it is  
8 proposed to amend the articles of co-operation, shall be given by  
9 mailing to each member at his last known post-office address at least  
10 ten days prior to such meeting, a notice signed by the secretary setting  
11 forth the proposed amendments in substance, or by two publications  
12 of said notice in some daily or weekly newspaper in general circulation  
13 in the county wherein said co-operation has its principal place of  
14 business. The last publication of said notice shall be not less than  
15 ten days prior to the date of said meeting.

1     **SEC. 10. Record—Effect.** The change or amendment provided for  
2 in section nine (9) shall be recorded as the original articles are recorded.  
3 From the date of filing such change or amendment for record, the  
4 provisions of the previous section having been complied with, the  
5 change or amendment shall take effect as a part of the original articles,  
6 and the co-operation thus constituted shall have the same rights,  
7 powers and franchises, be entitled to the same immunities, and liable  
8 upon all contracts to the same extent, as before such change or amend-  
9 ment.

1 SEC. 11. The co-operative association shall have the right to  
2 purchase real estate for the purpose of erecting apartment houses or  
3 apartment buildings and the members shall be the owners thereof. The  
4 interest of each individual member shall be evidenced by the issuance  
5 of a certificate of ownership or deed to a particular apartment or room  
6 therein. Such certificate of ownership or deed shall be executed by the  
7 president of the co-operation and attested by its secretary in the name  
8 and in the behalf of the co-operation.

1 SEC. 12. The title to the real estate upon which the apartment or  
2 other buildings is constructed shall be conveyed to the trustees or  
3 trustee who shall hold the said title for the use and benefit of the  
4 owners of such apartments or rooms.

1 SEC. 13. **Sale and incumbrance of the premises.** Neither the  
2 premises nor the real estate shall be sold by the trustees unless a three-  
3 fourths ( $\frac{3}{4}$ ) majority of the owners and the board of directors  
4 authorize such sale. No mortgage shall be given by the trustees unless  
5 such mortgage is authorized by a resolution of three-fourths ( $\frac{3}{4}$ ) of  
6 the owners and the board of directors of the apartments or rooms  
7 in said building, and no such mortgage shall be given unless it is given  
8 for the purchase of, or repair and maintenance of, such building. Any  
9 mortgage executed by the trustees as above provided shall be prior  
10 and superior to any mortgage, lien or incumbrance of any individual  
11 against any individual apartment or room or the owners interest  
12 therein.

1 SEC. 14. **Taxation.** The real estate shall be taxed in the name of  
2 the co-operation, and each person owning an apartment or room shall  
3 pay his proportionate share of such tax, and each person owning an  
4 apartment as a residence and under the qualifications of the laws of  
5 the state of Iowa as such shall receive his proportionate Homestead  
6 Tax credit and each veteran of the military services of the United  
7 States identified as such under the laws of the state of Iowa or the  
8 United States shall receive as a credit his veterans tax benefit as  
9 prescribed by the laws of the state of Iowa, and as amended.

1 SEC. 15. The members of the co-operation may adopt house rules  
2 and by-laws governing the regulation of the premises generally and  
3 may adopt rules and regulations as to the maintenance of the individual  
4 apartments or rooms as to whether or not said apartments or rooms;

5 (a) Shall be used exclusively as a residence.

6 (b) As to the sale and lease of the individual apartments or rooms.

7 (c) As to the payment of all public services rendered to the apart-  
8 ments or rooms.

9 (d) As to any other item or regulation concerning or pertaining to  
10 the building, constructing, repair or regulation of the premises or  
11 its occupants.

12 The members of the co-operation may, by agreement, contract among  
13 themselves as to any regulations, house rules, repairs of premises,  
14 addition, construction or any other thing in the conducting of the  
15 affairs of the co-operation, but such agreement shall not be binding  
16 upon innocent purchasers or incumbrances unless it be recorded in the  
17 office of the county recorder in the county in which the co-operation  
18 is organized.

1     **SEC. 16. Board of Directors.** Unless otherwise provided in the  
2 agreement, it shall be the duty of the board of directors to maintain  
3 generally the building and the grounds. They shall keep in repair  
4 as far as practical, the outside wall, stairways, roof, halls, and the  
5 structure of the building, and the cost thereof shall be contributed to  
6 by each of the apartment owners in proportion as their interest appears.  
7 And any default in payment thereof by any owner of any apartment  
8 may be assessed against such apartment by the board of directors  
9 and such apartment shall be liable therefor. The said sums so unpaid  
10 shall be a lien against the said apartment, but shall not be a personal  
11 liability of the apartment owners, and shall be prior to any existing  
12 lien against the owner but shall be subsequent to any lien placed  
13 thereon by the trustee, and upon nonpayment upon demand may be  
14 enforced as a mortgage against said apartment by the co-operation.

1     **SEC. 17.** The members of the co-operative may contract among  
2 themselves with reference to all public service requirements, including  
3 heat, light and water supplies, of said building, and unless otherwise  
4 provided in the agreement it shall be the duty of the board of directors  
5 to furnish such public service requirements and the cost thereof shall  
6 be divided proportionately among the apartment owners, and upon  
7 nonpayment upon demand, may be enforced as provided by section 16  
8 hereof.

9     In the event that the heating plant and the water supply of such  
10 apartment is a general heating plant, then the board of directors may  
11 furnish fuel and water to said premises, and each apartment without  
12 discrimination, and the cost thereof shall be paid by the several  
13 apartment owners in proportion to their interest.

1     **SEC. 18. Homestead.** The ownership of an individual apartment  
2 shall constitute a homestead and be exempt from execution, provided  
3 the owner otherwise qualifies within the laws of the state of Iowa  
4 for such exemption.

1     **SEC. 19. Election of Directors.** The directors authorized under this  
2 chapter shall be elected by the members of the co-operation. If one  
3 member owns more than one apartment he may nevertheless have  
4 but one vote at such election. If any apartment or room is owned by  
5 more than one member they may, nevertheless, have but one vote at  
6 such election. The election of officers shall be made by the board of  
7 directors. The officers and board of directors may hire a custodian or  
8 janitor for reasonable compensation to generally serve and oversee the  
9 apartment building. The annual election of the directors shall be held  
10 during the month of January of each year, and they shall serve until  
11 their successors are elected and qualified.

12     The board of directors shall elect as officers, a president and a  
13 secretary.

14     It shall be the duty of the secretary to keep the records of the  
15 co-operation, a correct list of the owners and lessees of each apartment,  
16 and all such records shall be submitted to any apartment or room owner  
17 upon demand at any reasonable time.

1     **SEC. 20.** This act shall be known and cited as "The Multiple Housing  
2 Act of 1947."

1 SEC. 21. Private property of the members shall be exempt from  
2 execution for the debts of the co-operation.

1 SEC. 22. This act being deemed of immediate importance, shall be in  
2 full force and effect from and after its passage and publication in the  
3 Charles City Daily Press, a newspaper published at Charles City, Iowa,  
4 and the Hardin County Index, a newspaper published at Eldora, Iowa.

Approved March 28, 1947.

I hereby certify that the foregoing act was published in the Charles City Daily Press,  
April 7, 1947, and the Hardin County Index, April 3, 1947.

ROLLO H. BERGESON, *Secretary of State.*

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## CHAPTER 251

### CORPORATION RENEWAL

S. F. 135

AN ACT relating to the execution of renewals of articles of corporations for pecuniary profit.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Section four hundred ninety-one point thirty-five  
2 (491.35), Code 1946, relating to corporations for pecuniary profit, is  
3 hereby amended by inserting after the word "meeting" in line ten  
4 (10) thereof, the words, " and such amendments, as may be deemed  
5 necessary".

1 SEC. 2. Section four hundred ninety-one point thirty-six (491.36),  
2 Code 1946, is hereby repealed.

Approved March 12, 1947.

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## CHAPTER 252

### UNIFORM STOCK TRANSFER ACT

H. F. 105

AN ACT concerning the transfer of shares of stock in corporations, making uniform the law relating thereto.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Title to a certificate and to the shares represented  
2 thereby can be transferred only, (a) by delivery of the certificate in-  
3 dorsed either in blank or to a specified person by the person appearing  
4 by the certificate to be the owner of the shares represented thereby,  
5 or (b) by delivery of the certificate and a separate document containing  
6 a written assignment of the certificate or a power of attorney to sell,  
7 assign, or transfer the same or the shares represented thereby, signed  
8 by the person appearing by the certificate to be the owner of the shares  
9 represented thereby. Such assignment or power of attorney may be  
10 either in blank or to a specified person.