**499.43A Existing cooperatives organized under chapter 497 or 498 — conversion option.**

1. As used in this section, *"cooperative association"* means any of the following:

*a.* An association organized under chapter 497, regardless of whether it is referred to as an "association", "company", "corporation", "exchange", "society", or "union" as provided in that chapter.

*b.* A cooperative association organized under chapter 498, regardless of whether it is referred to as an "association", "exchange", "society", or "union" as provided in that chapter.

2. A cooperative association may elect to be governed by and to comply with the provisions of this chapter. The election shall be governed by the following procedures:

*a.* The board of directors and members must adopt a resolution reciting that the cooperative association elects to be governed by and to comply with this chapter. The cooperative association, to the extent necessary, shall change its name to comply with the provisions of this chapter. The resolution shall be adopted according to the same procedures as provided in section 499.41. Upon the adoption of the resolution, the cooperative association shall execute an instrument on forms prescribed by the secretary of state. The instrument must be signed by the president and secretary and verified by one of the officers signing the instrument. The instrument shall include all of the following:

(1) The name of the cooperative association, before and after this election.

(2) A description of each resolution adopted by the cooperative association pursuant to this section, including the date each resolution was adopted.

*b.* The instrument shall be filed with the secretary of state. The cooperative association shall amend its articles of incorporation pursuant to section 499.41 to comply with the provisions of this chapter. The secretary of state shall not file the instrument unless the cooperative association organized under chapter 497 is in compliance with the provisions of chapter 497 at the time of filing. The secretary of state shall not file the instrument unless the cooperative association organized under chapter 498 is in compliance with the provisions of chapter 498 at the time of filing. A cooperative association shall file a biennial report which is due pursuant to section 499.49.

3. Upon filing the instrument with the secretary as required in this section, all of the following shall apply:

*a.* The cooperative association shall be deemed to be organized under this chapter and the provisions of this chapter shall apply to the cooperative association.

*b.* The secretary of state shall issue a certificate to the cooperative association acknowledging that it is deemed to be organized under this chapter.

4. The application of this chapter to the cooperative association does not affect any of the following:

*a.* For a cooperative association organized under chapter 497, a right accrued or established, or liability or penalty incurred, pursuant to chapter 497 prior to the filing of the instrument with the secretary of state as required in this section.

*b.* For a cooperative association organized under chapter 498, a right accrued or established, or liability or penalty incurred, pursuant to chapter 498 prior to the filing of the instrument with the secretary of state as required in this section.

92 Acts, ch 1066, §2; 94 Acts, ch 1055, §13; 2000 Acts, ch 1022, §8; 2006 Acts, ch 1062, §1, 3