

House File 634

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1 3 AN ACT
1 4 RELATING TO THE CONVERSION OF COOPERATIVE ASSOCIATIONS
1 5 ORIGINALLY ORGANIZED AS BUSINESS CORPORATIONS.
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1 7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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1 9 Section 1. NEW SECTION. 499.43B EXISTING COOPERATIVES
1 10 ORGANIZED UNDER CHAPTER 490 OR 491 == OPTION.
1 11 A cooperative association organized under chapter 490 or
1 12 491 may elect to be governed by and to comply with the
1 13 provisions of this chapter. The election shall be governed by
1 14 the following procedures:
1 15 1. The board of directors and shareholders must adopt a
1 16 resolution reciting that the cooperative association elects to
1 17 be governed by and to comply with this chapter. The
1 18 cooperative association, to the extent necessary, shall change
1 19 its name to comply with the provisions of this chapter. The
1 20 resolution shall be adopted according to the same procedures
1 21 as provided in section 499.41. Upon the adoption of the
1 22 resolution, the cooperative association shall execute an
1 23 instrument on forms prescribed by the secretary of state. The
1 24 instrument must be signed by the president and secretary and
1 25 verified by one of the officers signing the instrument. The
1 26 instrument shall include all of the following:
1 27 a. The name of the cooperative association, before and
1 28 after this election.
1 29 b. A description of each resolution adopted by the
1 30 cooperative association pursuant to this section, including
1 31 the date each resolution was adopted.
1 32 2. The instrument shall be filed with the secretary of
1 33 state. The cooperative association shall amend its articles
1 34 of incorporation pursuant to section 499.41 to comply with the
1 35 provisions of this chapter. The secretary of state shall not
2 1 file the instrument unless the cooperative association is in
2 2 compliance with the provisions of the chapter in which it was
2 3 organized at the time of filing. A cooperative association
2 4 shall file a biennial report which is due pursuant to section
2 5 499.49. Upon filing the instrument with the secretary, all of
2 6 the following shall apply:
2 7 a. The cooperative association shall be deemed to be
2 8 organized under this chapter and the provisions of this
2 9 chapter shall apply to the cooperative association.
2 10 b. The secretary of state shall issue a certificate to the
2 11 cooperative association acknowledging that it is deemed to be
2 12 organized under this chapter.
2 13 3. The application of this chapter to the cooperative
2 14 association does not affect a right accrued or established, or
2 15 liability or penalty incurred pursuant to the chapter in which
2 16 the cooperative association was formally organized, prior to
2 17 the filing of the instrument with the secretary of state.

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2 22 CHRISTOPHER C. RANTS
2 23 Speaker of the House

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2 26 MARY E. KRAMER
2 27 President of the Senate

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2 29 I hereby certify that this bill originated in the House and
2 30 is known as House File 634, Eightieth General Assembly.

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2 34 MARGARET THOMSON
2 35 Chief Clerk of the House

3 1 Approved _____, 2003

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3 6 THOMAS J. VILSACK

