



THOMAS J. VILSACK
GOVERNOR

OFFICE OF THE GOVERNOR

SALLY J. PEDERSON
LT. GOVERNOR

April 22, 2003

The Honorable Chester Culver
Secretary of State
State Capitol Building
LOCAL

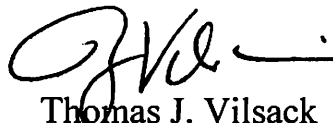
Dear Mr. Secretary:

I hereby transmit:

House File 634, an Act relating to the conversion of cooperative associations originally organized as business corporations.

The above House File is hereby approved this date.

Sincerely,



Thomas J. Vilsack
Governor

TJV:jmc

cc: Secretary of the Senate
Chief Clerk of the House





HOUSE FILE 634

AN ACT

RELATING TO THE CONVERSION OF COOPERATIVE ASSOCIATIONS
ORIGINALLY ORGANIZED AS BUSINESS CORPORATIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. 499.43B EXISTING COOPERATIVES
ORGANIZED UNDER CHAPTER 490 OR 491 -- OPTION.

A cooperative association organized under chapter 490 or 491 may elect to be governed by and to comply with the provisions of this chapter. The election shall be governed by the following procedures:

1. The board of directors and shareholders 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:

a. The name of the cooperative association, before and after this election.

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

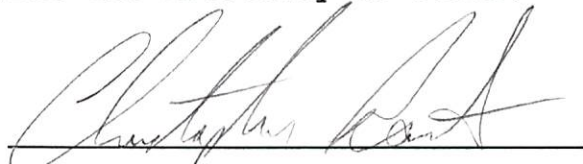
2. The instrument shall be filed with the secretary of state. The cooperative association shall amend its articles of incorporation pursuant to section 499.41 to comply with the

provisions of this chapter. The secretary of state shall not file the instrument unless the cooperative association is in compliance with the provisions of the chapter in which it was organized at the time of filing. A cooperative association shall file a biennial report which is due pursuant to section 499.49. Upon filing the instrument with the secretary, 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.

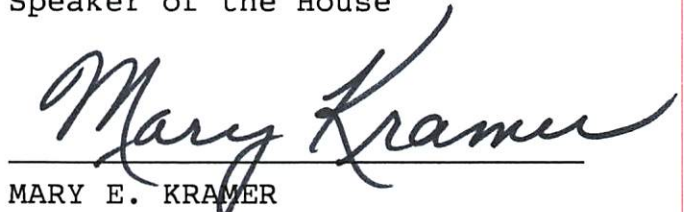
b. The secretary of state shall issue a certificate to the cooperative association acknowledging that it is deemed to be organized under this chapter.

3. The application of this chapter to the cooperative association does not affect a right accrued or established, or liability or penalty incurred pursuant to the chapter in which the cooperative association was formally organized, prior to the filing of the instrument with the secretary of state.



CHRISTOPHER C. RANTS

Speaker of the House



MARY E. KRAMER

President of the Senate

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



MARGARET THOMSON

Chief Clerk of the House

Approved April 22, 2003



THOMAS J. VILSACK

Governor