



CHESTER J. CULVER  
GOVERNOR

**OFFICE OF THE GOVERNOR**

PATTY JUDGE  
LT. GOVERNOR

March 23, 2007

The Honorable Michael Mauro  
Secretary of State  
State Capitol Building  
LOCAL

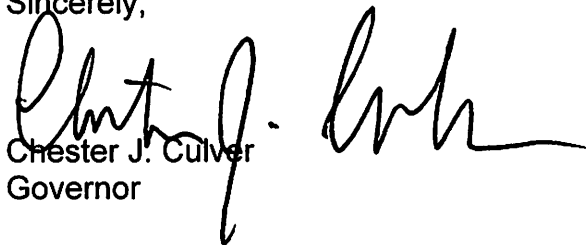
Dear Mr. Secretary:

I hereby transmit:

**Senate File 319**, an Act relating to cooperative associations, by providing for documentation, including certificates and statements

The above Senate File is hereby approved this date.

Sincerely,

  
Chester J. Culver  
Governor

CJC:bdj

cc: Secretary of the Senate  
Chief Clerk of the House





SENATE FILE 319

AN ACT

RELATING TO COOPERATIVE ASSOCIATIONS, BY PROVIDING FOR  
DOCUMENTATION, INCLUDING CERTIFICATES AND STATEMENTS.

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

Section 1. Section 499.15, Code 2007, is amended to read  
as follows:

499.15 CONTENTS OF CERTIFICATES.

The association ~~shall~~ may issue certificates of membership  
or stock, each of which states the fixed dividend, if any, and  
the restrictions or limitations upon its ownership, voting,  
transfer, redemption, or cancellation.

Sec. 2. Section 499.16, Code 2007, is amended to read as  
follows:

499.16 SUBSCRIPTIONS -- ISSUING CERTIFICATES.

If permitted by the association's articles of  
incorporation, any eligible subscriber for common stock or  
membership may vote and be treated as a member after making  
part payment of the amount, if any, required to be paid for  
the common stock or membership in cash, giving the  
subscriber's note for the balance, and satisfying any other  
requirement for the subscription as set forth in the articles.  
A subscription may be forfeited as provided in section 499.32.  
Stock or a membership ~~certificate~~ shall not be issued until  
payment of the amount, if any, required to be paid for the  
stock or membership ~~certificate~~ is fully made. A subscriber  
shall not hold office until the ~~subscriber's-certificate~~  
association has been issued the subscriber stock or  
membership.

Sec. 3. Section 499.17, Code 2007, is amended to read as follows:

499.17 TRANSFER OF STOCK OR MEMBERSHIP.

No common stock shall be transferable, unless the articles expressly provide for transfer to others eligible for membership. Such provision may require that the transfer be preceded by an offer to the association, or be otherwise restricted. No nonstock membership shall be transferable, and all if the association issues certificates thereof of membership or stock to a member, the certificates shall be surrendered to the association on the member's voluntary withdrawal.

Sec. 4. Section 499.44, subsection 3, Code 2007, is amended to read as follows:

3. Articles of incorporation, amendments to articles, or renewal of articles must be filed with the secretary of state ~~and recorded in the county where the association has its principal place of business, as required by the general corporation laws.~~ The association's corporate existence shall begin upon approval by the secretary of state of the articles and issuance of the certificate of incorporation.

Sec. 5. Section 499.47, subsection 3, Code 2007, is amended to read as follows:

3. Upon the expiration or voluntary dissolution of an association, the members shall designate three of their number as trustees to replace the officers and directors and wind up its affairs. The trustees shall have all the powers of the board, including the power to sell and convey real or personal property and execute conveyances. Within the time fixed in their designation, or any extension of that time, the trustees shall liquidate the association's assets, pay its debts and expenses, and distribute remaining funds among the members. Upon distribution of remaining assets the association shall stand dissolved and cease to exist. The trustees shall make and sign a duplicate report of the dissolution. One copy of the report shall be filed with the secretary of state ~~and one copy of the report shall be filed with the recorder of the county where the articles were recorded.~~

Sec. 6. NEW SECTION. 499.73A CHANGE OF PRINCIPAL OFFICE.

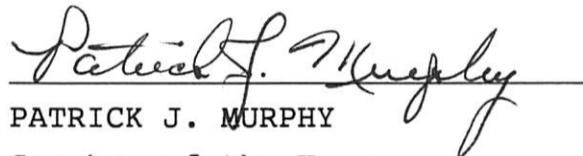
An association may change its principal office by delivering to the secretary of state for filing a statement of change that sets forth all of the following:

1. The name of the association.
2. The street address of its current principal office.
3. The street address of its new principal office.



JOHN P. KIBBIE

President of the Senate



PATRICK J. MURPHY

Speaker of the House

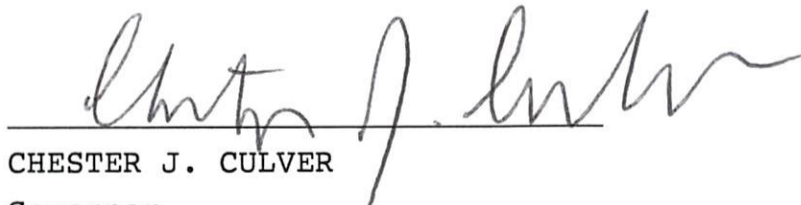
I hereby certify that this bill originated in the Senate and is known as Senate File 319, Eighty-second General Assembly.



MICHAEL E. MARSHALL

Secretary of the Senate

Approved March 23<sup>rd</sup> 2007



CHESTER J. CULVER

Governor