

CHAPTER 308A

COOPERATIVES

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308A.121 COOPERATIVE NAME.

Subdivision 1. **Name.** The name of a cooperative must distinguish the cooperative upon the records in the office of the secretary of state from the name of a domestic corporation, whether profit or nonprofit, or a limited partnership, or a foreign corporation or a limited partnership authorized or registered to do business in this state, whether profit or nonprofit, a limited liability company, whether domestic or foreign, a limited liability partnership, whether domestic or foreign, or a name the right to which is, at the time of incorporation, reserved or provided for in sections 302A.117, 317A.117, 322A.03, 322B.125, or 333.001 to 333.54.

[For text of subs 2 and 3, see M.S.1994]

History: 1995 c 128 art 2 s 2

308A.131 ARTICLES OF INCORPORATION.

Subdivision 1. **Contents.** (a) The incorporators shall prepare the articles, which must include:

- (1) the name of the cooperative;
- (2) the purpose of the cooperative;
- (3) the principal place of business for the cooperative;
- (4) the period of duration for the cooperative, if the duration is not to be perpetual;
- (5) the total authorized number of shares and the par value of each share if the cooperative is organized on a capital stock basis;
- (6) a description of the classes of shares, if the shares are to be classified;
- (7) a statement of the number of shares in each class and relative rights, preferences, and restrictions granted to or imposed upon the shares of each class, and a provision that only common stockholders have voting power;
- (8) a statement that individuals owning common stock shall be restricted to one vote in the affairs of the cooperative or a statement that the cooperative is one described in section 308A.641, subdivision 2;
- (9) a statement that shares of stock are transferable only with the approval of the board;
- (10) a statement that dividends on the capital stock of the cooperative may not exceed eight percent annually;
- (11) the names, post office addresses, and terms of office of the directors of the first board;
- (12) a statement that net income in excess of dividends and additions to reserves shall be distributed on the basis of patronage, and that the records of the cooperative may show the interest of patrons, stockholders of any classes, and members in the reserves; and
- (13) the registered office address of the cooperative and the name of the registered agent, if any, at that address.

(b) The articles must always contain the provisions in paragraph (a), except that the names, post office addresses, and terms of offices of the directors of the first board may be omitted after their successors have been elected by the members or the articles are amended in their entirety.

- (c) The articles may contain other lawful provisions.
- (d) The articles must be signed by the incorporators.

[For text of subs 2 and 3, see M.S.1994]

History: 1995 c 150 s 1

308A.503 HEALTH CARE COOPERATIVE MEMBERS.

[For text of subs 1 and 2, see M.S.1994]

Subd. 3. **State and hospital members authorized.** The state, or any agency, instrumentality, or political subdivision of the state, may be a member of a health care cooperative. Any governmental hospital authorized, organized or operated under chapter 158, 250, 376, or 397 or under section 412.221, 447.05 to 447.13, or 471.50, or under any special law authorizing or establishing a hospital or hospital district, may be a member of a health care provider cooperative.

History: 1995 c 186 s 64

308A.635 MEMBER VOTING RIGHTS.

Subdivision 1. **Member has one vote.** A member of a cooperative is only entitled to one vote, except that a member of a cooperative described in section 308A.641 may be entitled to more than one vote as provided in that section.

[For text of subs 2 to 6, see M.S.1994]

History: 1995 c 150 s 2

308A.641 VOTING IN COOPERATIVES CONSTITUTED ENTIRELY OR PARTIALLY OF OTHER COOPERATIVES OR ASSOCIATIONS.

Subdivision 1. **Voting by members that are cooperatives or associations.** A cooperative that is constituted entirely or partially of other cooperatives or associations may authorize by the articles or the bylaws for affiliated cooperative members to have an additional vote for:

- (1) a stipulated amount of business transacted between the member cooperative and the cooperative central organization;
- (2) a stipulated number of members in the member cooperative;
- (3) a certain stipulated amount of equity allocated to or held by the member cooperative in the cooperative central organization; or
- (4) a combination of methods in clauses (1) to (3).

Subd. 2. **Voting by members who are not cooperatives or associations.** A cooperative that is constituted partially of other cooperatives or associations and partially of members who are not cooperatives or associations, and that has its members who are not cooperatives or associations organized into local units of members, may, by the articles or the bylaws, authorize the delegates elected by its members who are not cooperatives or associations, and who are organized into local units of members, to have an additional vote for:

- (1) a stipulated amount of business transacted between the members in the voting units and the cooperative;
- (2) a certain stipulated amount of equity allocated to or held by the members of the voting units in the cooperative; or
- (3) a combination of methods in clauses (1) and (2).

History: 1995 c 150 s 3