
CORPORATIONS

CHAPTER 29.

[H. B. No. 21—Whipple.]

CO-OPERATIVE ASSOCIATIONS.

An Act to Amend and Re-enact Sections 8 and 13 of Chapter 97 of the Laws of 1917 and Also Section 16 of Chapter 97 of the Laws of 1917 as Amended by Section 2 of Chapter 99 of the Laws of 1919, Relating to the Incorporation of Co-operative Associations; the Voting Powers Thereof; and Apportionment of Earnings.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section eight (8) of Chapter ninety-seven (97) of the Laws of North Dakota for the year 1917 is hereby amended and re-enacted to read as follows:

§ 8. STOCKS. VOTE.] No stockholder in any such association shall be entitled to more than one vote.

§ 2. AMENDMENT.] That Section Thirteen (13) of Chapter Ninety-seven (97) of the Laws of North Dakota for the year 1917 is hereby amended and re-enacted to read as follows:

§ 13. EARNINGS. APPORTIONMENT.] The directors, subject to revisions by the Association at any general or special meeting, shall apportion the net earnings, by first paying dividends on the paid-up capital stock, which shall not exceed eight per cent per annum. Next, an amount of the net earnings not exceeding 5 per cent of the gross sales or purchases of raw material or both may be set aside by the directors for educational purposes; the remainder, if any, shall be distributed by a dividend upon the amount of purchases or sales of raw material or both of shareholders or upon the above and either or both of the following items:

1. Wages and salaries of employees;
2. Purchases or sales of raw material or both of non-shareholders which shall be credited to such non-shareholders on account as payment or partial payment on the capital stock of the association. In productive associations such as creameries, canneries, elevators; factories and the like, dividends shall be on raw material delivered instead of on goods purchased. In case the association is both selling goods and buying raw products, the dividends may be on both raw material and on goods purchased. No dividends on purchases or sales of raw material or both need be paid or credited unless the dividend claimants keep and surrender the sales slip, coupon, or receipt record of such purchases or sales.

§ 3. AMENDMENT.] That Section sixteen (16) of Chapter Ninety-seven (97) of the Laws of North Dakota for the year 1917 as amended by Section Two (2) of Chapter 99 of the Laws of

North Dakota for the year 1919 is hereby amended and re-enacted to read as follows:

§ 16. CO-OPERATIVE ASSOCIATIONS AND OTHER CORPORATIONS HERETOFORE ORGANIZED, MAY ADOPT PROVISIONS OF THIS ACT.] All co-operative corporations, companies, or associations heretofore organized and doing business under prior statutes, or which have attempted to so organize and do business, under prior statutes, or which have attempted to so organize, and do business, or prior to March 12, 1917, were organized under the general corporation laws of the state, and whose articles of incorporation or by-laws did then provide for distribution of any portion of earnings or profits upon a co-operative basis, shall have the benefit of all the provisions of this Act, and be bound thereby on filing with the Secretary of State a written declaration signed and sworn to by the president and secretary to the effect that said co-operative company or association has, by a majority vote of its stockholders, adopted at any time subsequent to March 12, 1917, decided to accept the benefits of and to be bound by the provisions of this Act. Any corporation organized under the laws of this state which shall by the unanimous vote of its stockholders amend its articles of incorporation so that they provide for the co-operative distribution of net earnings in compliance with the provisions of this Act shall have the benefit of and be bound by all the provisions of this Act, upon filing with the Secretary of State an affidavit of the president and secretary setting forth such amended articles of incorporation and stating that the same have been adopted by the unanimous vote of the stockholders. No association organized under this Act, or which has adopted the provisions of this Act, shall be required to do or perform anything not specifically required therein, in order to become a corporation or to continue its business as such.

§ 4. REPEAL.] All acts and parts of acts in conflict herewith are hereby repealed.

Approved 11:10 A. M. December 10, 1919.

COURT STENOGRAPHERS

CHAPTER 30.

[S. B. No. 22—Fraser.]

SALARY.

An Act to Amend and Re-enact Section 780, Compiled Laws of North Dakota for the Year 1913, Relating to Compensation of Court Stenographers.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Section 780, Compiled Laws of North Dakota for the