

Draft Amendments to Mississippi's Agricultural Marketing Cooperative Statute (Entire Act)

§ 79-19-1. Declaration of policy

It is the purpose of this chapter to promote, foster and encourage the intelligent and orderly marketing of agricultural products through cooperation and to eliminate speculation and waste; and to make the distribution of agricultural products as direct as can be efficiently done between producer and consumer; and to stabilize the marketing of agricultural products; and to promote, foster and encourage the live stock and poultry industry.

§ 79-19-3. Definitions; nature of associations; short title

As used in this chapter:

(a) The term "agricultural product" shall include horticultural, viticultural, forestry, dairy, live stock, poultry, bee and any other farm products;

(b) The term "member" shall include actual members of associations without capital stock and holders of common stock in associations organized with capital stock;

(c) The term "association" means any association organized under this chapter; and

(d) The term "person" shall include individuals, firms, partnerships, corporations and associations.

Associations organized hereunder shall be deemed nonprofit, inasmuch as they are not organized to make profits for themselves, as such, or for their members, as such, but only for their members as producers.

§ 79-19-5. Who may organize

Twenty (20) or more persons, a majority of whom are residents of this state, engaged in the production of agricultural products may form a nonprofit, cooperative association, with or without capital stock, under the provisions of this chapter; provided, however, that for the formation of cooperative associations for growing, breeding, selling, and handling live stock or poultry, five (5) or more persons may form a cooperative association.

§ 79-19-7. Purposes

An association may be organized to engage in any activity in connection with the growing, breeding, handling, shipping, or utilization, or moving or marketing of the byproducts thereof of live stock and poultry of every description, and with the marketing or selling of agricultural products of its members, or with the harvesting, preserving, drying, processing, manufacturing, canning, packing, grading, storing, handling, shipping, or utilization thereof, or the manufacturing or marketing of the byproducts thereof; or in connection with the manufacturing, selling, or supplying to its members of machinery, equipment, or supplies; or in the financing of the above enumerated activities; or in any one or more of the activities specified herein.

§ 79-19-9. Powers

Each association incorporated hereunder shall have the following powers:

(a) To engage in any activity in connection with the growing, breeding, marketing, selling, or buying, or utilization of live stock and poultry of every description and the byproducts thereof, or with the marketing, selling, harvesting, preserving, drying, processing, manufacturing, canning, packing, grading, storing, handling, or utilization of any agricultural product produced or delivered to it by its members; or the manufacturing or marketing of the byproducts thereof; or in connection with the purchase, hiring, or use by its members of supplies, machinery, or equipment; or in the financing of any such activities; or in any one or more of the activities specified in this section. ~~No association shall handle the agricultural products of any nonmember,~~

~~except as necessary and incidental to the handling of the products of members, and in any such case the value of products of nonmembers so handled shall not exceed the value of the products handled by the association for its members.~~ The association may also buy, sell and deal in agricultural products of nonmembers to an amount not greater in value than such as are handled by it for its members.

(b) To borrow money and to make advances to members.

(c) To act as the agent or representative of any member or members in any of the above mentioned activities.

(d) To purchase or otherwise acquire, and to hold, own, and exercise all rights of ownership in, and to sell, transfer, or pledge, or guarantee the payment of dividends or interest on, or the retirement or redemption of shares of the capital stock or bonds of any corporation or association engaged in any related activity, or in the warehousing or handling or marketing of any of the products handled by the association.

(e) To establish reserves and to invest the funds thereof in bonds or such other property as may be provided in the bylaws.

(f) To buy, hold, and exercise all privileges of ownership over such real or personal property as may be necessary or convenient for the conducting and operation of any of the business of the association, or incidental thereto.

(g) To do each and everything necessary, suitable, or proper for the accomplishment of any one of the purposes, or the attainment of any one or more of the objects herein enumerated, or conducive to or expedient for the interest or benefit of the association; and to contract accordingly; and in addition to exercise and possess all powers, rights, and privileges necessary or incidental to the purposes for which the association is organized, or to the activities in which it is engaged; and to do any such thing anywhere.

(h) To sue and be sued, and prosecute and be prosecuted to judgment and suit before any court; to contract and be contracted with.

§ 79-19-11. Members

(1) Under the terms and conditions prescribed in its bylaws, an association may admit as members, or issue common stock or certificate of membership, only to persons engaged in the production of the agricultural products to be handled by or through the association, including the lessees and tenants of land used for the production of such products and any lessors and landlords who receive as rent part of the crops raised in the leased premises. Certificate of membership and common stock shall not be transferable, and no person shall acquire the same by operation of law or otherwise, except as provided herein.

(2) If a member of a nonstock association be other than a natural person, such member may be represented by any individual, associate, officer, manager, or member thereof, duly authorized in writing.

(3) One (1) association organized hereunder may become a member or stockholder of any other association or associations organized hereunder or whose purposes and operations are in harmony with the purposes of this chapter.

(4) The first meeting of persons at interest, unless otherwise provided for, may be called by notice published in some convenient newspaper at least five (5) days before the time appointed for the meeting, which notice shall be signed by one or more persons named in the articles of association; and the meeting when assembled may proceed to organize the association.

§ 79-19-13. Articles of association

Each association formed under this chapter must prepare and file articles of association, setting forth:

(a) The name of the association.

(b) The purposes for which it is formed.

(c) The place where its principal business will be transacted.

(d) The term for which it is to exist, ~~not exceeding ninety-nine (99) years~~ if other than perpetual.

(e) The number of directors thereof, which must not be less than five (5) and may be any number in excess thereof, and the term of office of such directors.

(f) If organized without capital stock, whether the property rights and interest of each member shall be equal or unequal; and if unequal, the articles shall set forth the general rule or rules applicable to all members by which property right and interests, respectively, of each member may and shall be determined and fixed; and provision for the admission of new members who shall be entitled to share in the property of the association with the old members, in accordance with such general rule or rules. This paragraph of the articles of association shall not be altered, amended, or repealed except by the written consent of the vote of three-fourths (3/4) of the members.

(g) If organized with capital stock, the amount of such stock and the number of shares into which it is divided and the par value thereof. The capital stock may be divided into preferred and common stock. If so divided the articles of association must contain a statement of the number of shares of stock to which preference is granted and the number of shares of stock to which no preference is granted and the nature and definite extent of the preference and privileges granted to each.

The articles must be subscribed by the incorporators and acknowledged by one of them before an officer authorized by the laws of this state to take and certify acknowledgments, and shall be filed and recorded in the office of the secretary of state.

§ 79-19-15. Amendments to articles of association

(a) Any amendment to the articles of association must first be approved by a vote of not less than two-thirds (2/3) of all the members of the board of directors and then adopted by a vote representing a majority of all the members of the association. Such proposed amendment shall then be submitted to either a regular or a special meeting of the members of the association, and its adoption shall require a majority vote of all the members present at any membership meeting duly called and held; provided, however, that notice of such meeting and a statement of the substance of the proposed amendment shall be mailed or delivered by hand to all members of the association at least fifteen (15) days prior to the date of such meeting.

(b) However, if, at a meeting of the members of the association to which a proposed amendment has been submitted, a majority of the members are not present, then those present may recess the meeting to a time and place certain, but not sooner than three (3) weeks from the time of recess. Prior to the reconvening of the recessed meeting, notices shall be placed in a newspaper of general circulation in the place where the principal office of the association is located each week for three (3) weeks. These notices shall state the time, place, and purpose of the recessed meeting. When the meeting reconvenes, the members present in person shall constitute the quorum, and may take action on the proposed amendment by a majority vote of those represented, even if fewer than a majority of the total membership of the association.

(c) Amendments to the articles of association when so adopted shall be certified to by the president and secretary of the association and shall be filed with the secretary of state. Such certification and filing shall be conclusive evidence of the validity of such amendment.

§ 79-19-17. Bylaws

Each association incorporated hereunder must, within thirty (30) days after its incorporation, adopt for its government and management a code of bylaws, not inconsistent with the powers granted herein. A majority vote of the members or stockholders, or their written assent, is necessary to adopt such bylaws. The bylaws so adopted may be amended by the vote of a

majority of the members present at any membership meeting duly called and held; provided, however, notice of such meeting and a statement of the substance of the proposed bylaw amendment shall be mailed or delivered by hand to all members of the association at least fifteen (15) days prior to the date of such meeting. Each association under its bylaws may also provide for any or all of the following matters:

(a) The time, place and manner of calling and conducting its meetings.

(b) The number of stockholders or members constituting a quorum.

(c) The right of members or stockholders to vote by proxy or by mail, or both, and the conditions, manner, form and effect of such votes.

(d) The number of directors constituting a quorum.

(e) The qualifications, and duties and term of office of directors and officers, time of their election and the mode and manner of giving notice thereof.

(f) Penalties for violations of the bylaws.

(g) The amount of entrance, organization and membership fees, if any; the manner and method of collection of the same, and the purposes for which they may be used.

(h) The amount which each member or stockholder shall be required to pay annually or from time to time, if at all, to carry on the business of the association; the charge, if any, to be paid by each member or stockholder for service rendered by the association to him; and the marketing contract between the association and its members or stockholders which every member or stockholder shall be required to sign.

(i) The qualification of members or stockholders of the association and the conditions precedent to membership or ownership of common stock; the method, time and manner of permitting

members to withdraw or the holders of common stock to transfer their stock; the manner of assignment and transfer of the interest of members, and of the shares of common stock; the conditions upon which, and time when membership of any member shall cease. The automatic suspension of the rights of a member when he ceases to be eligible to membership in the association, and mode, manner and effect of the expulsion of a member; manner of determining the value of a member's interest and provision for its purchase by the association upon the death or withdrawal of a member or stockholder, or upon the expulsion of a member or forfeiture of his membership, or, at the option of the association, by conclusive appraisal by the board of directors. In case of the withdrawal or expulsion of a member, the board of directors shall equitably and conclusively appraise his property interests in the association and shall fix the amount thereof in money, and the association may pay therefor in cash or by certificate of indebtedness to be thereafter paid from the income of the association.

§ 79-19-19. General and special meetings, how called

In its bylaws each association shall provide for one or more regular meetings annually. The board of directors shall have the right to call a special meeting at any time, and ten percent (10%) of the members or stockholders may file a petition stating the specific business to be brought before the association and demand a special meeting at any time. Such meeting must thereupon be called by the directors. Notice of all meetings, together with a statement of the purposes thereof, shall be mailed to each member at least ten (10) days prior to the meeting; provided, however, that the bylaws may require instead that such notice may be given by publication in a newspaper of general circulation, published at the principal place of business of the association.

§ 79-19-21. Directors; election

The affairs of the association shall be managed by a board of not less than five (5) directors, elected by the members or stockholders from their own number and shall have all rights and powers as provided for under the general corporation laws of this state, and such other powers as may be necessary to the proper execution of provisions of this chapter. The bylaws may provide that the territory in which the association has members shall be divided into districts and that the

directors shall be elected according to such districts. In such case the bylaws shall specify the number of directors to be elected by each district, the manner and method of reapportioning the directors and of redistricting the territory covered by the association. The bylaws may provide that primary elections should be held in each district to elect the directors apportioned to such districts and the result of all such primary elections must be ratified by the next regular meeting of the association or may be considered final as to the association.

The bylaws may provide that one or more directors may be appointed by the president of Mississippi State University of Agriculture and Applied Science or such other public official, commission, association or board as may be indicated by such bylaws. Such directors shall represent primarily the interest of the general public in such associations. The director or directors so appointed need not be members or stockholders of the association, but shall have the same powers and rights as other directors. Such directors shall not number more than one-fifth (1/5) of the entire number of directors.

The directors of an association may provide a fair remuneration for the time actually spent by its officers, directors and employees in its service. No director, during the term of his office, shall be a party to a contract for profit with the association, differing in any way from the business relations accorded regular members or holders of common stock of the association.

The bylaws may provide for an executive committee and may allot to such committee all the functions and powers of the board of directors, subject to the general direction and control of the board.

When a vacancy on the board of directors occurs, other than by expiration of term, the remaining members of the board, by a majority vote, shall fill the vacancy unless the bylaws provide for an election of directors by districts. In such a case the board of directors shall immediately call a special election to be voted in by the members or stockholders in that district to fill the vacancy.

§ 79-19-23. Election of officers

The directors shall elect from their number a chairman or board president ~~and~~. The directors shall also elect a chief operating officer of the association; one or more vice-presidents. ~~They shall also elect a secretary;~~ and treasurer, ~~who none of whom need not~~ be directors or members of the association, ~~and they~~. The board may combine the two (2) latter offices and designate the combined office as secretary-treasurer. The treasurer may be a bank or any depository, and as such shall not be considered as an officer but as a function of the board of directors. In such case the secretary shall perform the usual accounting duties of the treasurer, excepting that the funds shall be deposited only as authorized by the board of directors.

§ 79-19-25. Stock, membership certificates, when issued; voting; liability; limitations on transfer and ownership

When a member of an association established without capital stock has paid his membership fee, if required, in full he shall receive a certificate of membership.

No association shall issue stock to a member until it has been fully paid for.

Except for debts lawfully contracted between him and the association, no member shall be liable for the debts of the association to an amount exceeding the sum remaining unpaid on his membership fee.

No stockholder of a co-operative association shall own more than one-twentieth (1//20) of the common stock of the association or more than one-twentieth (1//20) of the preferred stock of the association enjoying voting rights, but any one (1) stockholder may own one twentieth (1//20) of each class; and an association, in its bylaws, may limit the amount of common stock or of preferred stock enjoying voting rights which one (1) member may own to any amount less than one-twentieth (1//20) of such stock.

Each share of stock shall entitle the holder thereof to one (1) vote in the management of the association; provided, however, if authorized by the articles of association, classes of preferred stock may be issued without voting rights.

Preferred stock may be redeemable or retireable by the association on such terms and conditions as may be provided for by the articles of association and printed on the face of the certificate.

The bylaws shall prohibit the transfer of the common stock or of preferred stock enjoying voting rights to persons not engaged in the production of the agricultural products handled by the association, and such restrictions must be printed upon every certificate of stock subject thereto.

The association may at any time, except when the debts of the association exceed fifty percent (50%) of the assets thereof, buy in or purchase its stock at book value thereof as conclusively determined by the board of directors and pay for it in cash within one (1) year thereafter.

§ 79-19-27. Removal of officer or director

Any member may bring charges against an officer or director by filing them in writing with the secretary of the association, together with a petition signed by ten percent (10%) of the members, requesting the removal of the officer or director in question. The removal shall be voted upon at the next regular or special meeting of the association and, by a vote of a majority of the members, the association may remove the officer or director and fill the vacancy. The director or officer against whom such charges have been brought shall be informed in writing of the charges previous to the meeting and shall have an opportunity at the meeting to be heard in person or by counsel and to present witnesses; and the person or persons bringing charges against him shall have the same opportunity. But such officer or director may be suspended by a vote of two thirds (2/3) of the directors, pending the hearing of such charges.

In case the bylaws provide for election of directors by districts with primary elections in each district, then the petition for removal of a director must be signed by twenty percent (20%) of the members residing in the district from which he was elected. The board of directors must call a special meeting of the members residing in that district to consider the removal of the director. By a vote of the majority of the members of that district, the director in question shall be removed from office.

§ 79-19-29. Referendum may be had in certain cases

Upon demand of one third (1/3) of the entire board of directors, any matter that has been approved or passed by the board must be referred to the entire membership or the stockholders for decision at the next special or regular meeting; provided, however, that a special meeting shall be called for the purpose.

§ 79-19-35. Purchasing business of other associations, persons, firms or corporations; payment; stock issued

Whenever an association organized or existing hereunder with preferred capital stock shall purchase the stock or any property, or any interest in any property, of any person, firm, or corporation, or association, it may discharge the obligations so incurred, wholly or in part, by exchanging for the acquired interest shares of its preferred capital stock to an amount which at par value would equal a fair market value of the stock or interest so purchased, as determined by the board of directors. In that case the transfer to the association of the stock or interest purchased shall be equivalent to payment in cash for the shares of stock issued.

§ 79-19-31. Marketing contract

The association and its members may make and execute marketing contracts, requiring the members to sell, for any period of time, not over ten (10) years, all or any specified part of their agricultural products or specified commodities exclusively to or through the association, or any facilities to be created by the association. If they contract a sale to the association, it shall be conclusively held that title to the products passes absolutely and unreservedly, except for recorded liens, to the association upon delivery, or when put in a merchantable condition, or at any other specified time if expressly and definitely agreed in the said contract. The contract may provide that the association may sell or resell the products delivered by its members, with or without taking title thereto; and pay over to its members the resale price, after deducting all necessary selling, overhead, and other costs, deductions as defined in said contract, and

expenses, including interest on preferred stock, not exceeding eight percent (8%) per annum, and reserves for retiring the stock, if any; and other proper reserves; and interest not exceeding eight percent (8%) per annum upon common stock.

§ 79-19-33. Remedies for breach of contract or bylaws

(1) The bylaws or the marketing contract of any association existing hereunder may fix, as liquidated damages, specific sums to be paid by the member or stockholder to the association upon the breach or threatened breach by him of any provision of the marketing contract regarding the sale or delivery or withholding of products; and may further provide that the member will pay all costs, premiums for bonds, expenses, and fees in case any action is brought upon the contract by the association; and any such provisions shall be valid and enforceable in the courts of law or equity of this state, and such clauses providing for liquidated damages shall be enforceable as such and shall not be regarded as penalties.

(2) In the event of any breach or threatened breach of such marketing contract by a member or other person, the association shall be entitled to an injunction to prevent the breach or further breach of the contract, and to a decree of specific performance thereof. Pending the adjudication of such an action and upon filing a verified complaint showing the breach or threatened breach, and upon filing a bond in the sum of one hundred dollars (\$ 100.00), the association shall be entitled to an injunction against the member or other person; provided, however, that the chancellor in his discretion may increase such bond to five hundred dollars (\$ 500.00), after a hearing on five (5) days' notice to the parties, if justice demands such increase in the amount of said bond.

(3) In any action, legal or equitable, upon any marketing contract of any member with any association existing hereunder, it shall be conclusively presumed that the products produced by any person, firm, or corporation during the period of time covered by such marketing contract, on the land of such member, however and by whomsoever produced, are the products of such member and, as such, are subject to the said marketing contract if the said products have been grown or acquired under any contract between such member and such other person, firm, or

corporation, entered into after the execution of the said marketing contract; and in such actions, the foregoing remedies for nondelivery or breach shall lie and be enforceable against such person, firms, or corporations.

§ 79-19-37. Conflicting laws not to apply

Any provisions of law which otherwise would be in conflict with this chapter shall not be construed as applying to the associations herein provided for, nor shall any such provisions be deemed to be repealed by this chapter.

Any exemptions under any and all existing laws applying to agricultural products in the possession or under the control of the individual producer shall apply similarly and completely to such products delivered by its farmer members, in the possession or under the control of the association.

§ 79-19-39. Limitation of the use of term "cooperative."

No person, firm, corporation, or association hereafter organized or doing business in this state shall be entitled to use the word "cooperative" as part of its corporate or other business name or title for producers' cooperative marketing activities, unless it has complied with the provisions of this chapter.

§ 79-19-41. Interest in other corporations or associations

An association may organize, form, operate, own, control, have an interest in, own stock of, or be a member of any corporation or association, with or without capital stock, engaged in preserving, drying, processing, canning, packing, storing, handling, shipping, utilizing, manufacturing, marketing, or selling of the agricultural products handled by the association, or the byproducts thereof. If such corporations are warehousing corporations, they may issue legal warehouse receipts to the association, against the commodities delivered by it, or to any other person; and such legal warehouse receipts shall be considered as adequate collateral to the extent

of the usual and current value of the commodity represented thereby. In case such warehouse is licensed or licensed and bonded under the laws of this state or the United States, its warehouse receipts delivered to the association on commodities of the association or its members, or delivered by the association or its members, shall not be challenged or discriminated against because of ownership or control, wholly or in part, by the association.

§ 79-19-43. Contracts and agreements with other associations

Any association may, upon resolution adopted by its board of directors, enter into all necessary and proper contracts and agreements and make all necessary and proper stipulations, agreements, and contracts and arrangements with any other corporation, association or associations, formed in this or in any other state, for the cooperative or more economical carrying on of its business, or any part or parts thereof. Any two or more associations may, by agreement between them, unite in employing and using or may separately employ and use the same personnel, methods, means, and agencies for carrying on and conducting their respective businesses.

§ 79-19-45. Association heretofore organized may adopt the provisions of this chapter

Any corporation or association organized under previously existing statutes, or any foreign corporation or association heretofore authorized by the laws of this state to do business in this state, or any foreign corporation or association organized under the laws of another state, may by a majority vote of its directors or members be brought under this chapter. It shall make out in duplicate a statement signed and sworn to by a majority of its directors, to the effect that the corporation or association has by a majority vote of its directors decided to accept the benefits and be bound by the provisions of this chapter. Articles of association shall be filed as required herein except that they shall be signed by a majority of the members of the board of directors. The filing fee shall be the same as for filing an amendment to articles of association.

§ 79-19-47. How associations organized in another state may carry on business in this state

Any cooperative marketing association, organized under appropriate laws of any other state for the purposes and with the restrictions and limitations substantially the same as those set forth herein, may operate and do business in this state with all the rights, powers, and privileges granted to any cooperative marketing association incorporated under this chapter, upon compliance with any or either of the laws of this state regarding the qualification of foreign corporations, to carry on business within this state.

§ 79-19-49. Misdemeanor; breach of marketing contract of cooperative association; spreading false reports about the finances or management thereof

Any person or persons or any corporation whose officers or employees knowingly induce or attempt to induce any member or stockholder of an association organized hereunder to breach his marketing contract with the association, or who knowingly spreads false reports about the finances or management thereof, shall be guilty of a misdemeanor and subject to a fine of not less than one hundred dollars (\$ 100.00), and not more than one thousand dollars (\$ 1,000.00), for such offense; and shall be liable to the association aggrieved in a civil suit in the penal sum of one thousand dollars (\$ 1,000.00) for each such offense.

§ 79-19-51. Associations not in restraint of trade

No association organized hereunder shall be deemed to be in violation of the anti-trust statutes of this state or a combination in restraint of trade or an illegal monopoly, nor in an attempt to lessen competition or fix prices arbitrarily; nor shall the marketing contracts or agreements between the association and its members or any agreements authorized in this chapter be considered illegal or in restraint of trade, or in violation of said anti-trust statutes of said state.

§ 79-19-53. Exemptions

Each association organized hereunder shall be exempt from the payment of ad valorem taxes on agricultural products and products of farm, grove or garden produced by its members within the State of Mississippi.

§ 79-19-55. Filing fees

For filing articles of association and amendments to the articles, an association organized hereunder shall pay to the secretary of state ~~twenty~~ fifty dollars (\$ ~~250.00~~); ~~and for filing an amendment to the articles, ten dollars (\$ 10.00).~~

§ 79-19-57. Cooperative marketing associations may maintain replevin

All cooperative marketing associations organized or doing business under the laws of the State of Mississippi may obtain the possession of personal property to the immediate possession of which they may be entitled, by the action of replevin, and the giving of this means of enforcement of rights shall not be in lieu, or in repeal, of any other rights or remedies now given to cooperative marketing associations under the laws of the State of Mississippi.

§ 79-19-59. Liquidated damages may be recovered

If such cooperative marketing association recover judgment as plaintiff in replevin and the property sued for be agricultural products and the plaintiff's right to the possession thereof as against the defendant be by virtue of a marketing agreement with a member of such association and the defendant has bonded the property within two (2) days after its seizure in replevin, the plaintiff shall, in addition to the judgment now provided by law, recover as an element of damages, of the defendant and the sureties on his bond, for the wrongful taking and detention or the wrongful detention of the property, a sum equal to such damages as the plaintiff could have recovered of such member of the association as liquidated damages under the marketing agreement, for the breach thereof by wrongful detention or disposal of said property by the member.

§ 79-19-61. Loan limited to 50 percent of capital and surplus

The total liability to any association organized or doing business under the terms of this chapter by a person, company, corporation, or firm for money loaned shall not exceed fifty percent (50%) of the aggregate paid in capital and surplus of said association. The discount of bills of exchange drawn in good faith, against actual existing values of loans made on time secured by warehouse receipts or bills of lading, or actually existing values, shall not be restricted to, or considered as coming within, such limitation of fifty percent (50%).

§ 79-19-63. Stock in bank for cooperatives

All cooperative agricultural associations of any kind or character whatsoever, heretofore or hereafter organized under the laws of the State of Mississippi, are hereby authorized and empowered to purchase, or otherwise acquire, and to hold stock in the New Orleans Bank for Cooperatives and in the Central Bank for Cooperatives in accordance with the provisions of the Farm Credit Act of 1933 as heretofore amended and as it may hereafter be amended by the Congress of the United States.

All corporations, heretofore or hereafter organized under the laws of the State of Mississippi, which are eligible to borrow from production credit associations are hereby authorized and empowered to purchase, or otherwise acquire, and to hold stock in production credit associations in accordance with the provisions of the Farm Credit Act of 1933 as heretofore amended and as it may hereafter be amended by the Congress of the United States.

§ 79-19-65. General non-profit corporate law applicable

The general non-profit corporation laws and all powers and rights under those laws apply to the associations organized under this chapter, except where such provisions are in conflict or inconsistent with the express provisions of this chapter.