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3 **Section 1.** Section 79-19-9, Mississippi Code of 1972 is amended as follows:

4 **79-19-9. Powers**

5 Each association incorporated hereunder shall have the following powers:

6 (a) To engage in any activity in connection with the growing, breeding, marketing, selling, or
7 buying, or utilization of live stock and poultry of every description and the byproducts thereof, or
8 with the marketing, selling, harvesting, preserving, drying, processing, manufacturing, canning,
9 packing, grading, storing, handling, or utilization of any agricultural product produced or
10 delivered to it by its members; or the manufacturing or marketing of the byproducts thereof; or in
11 connection with the purchase, hiring, or use by its members of supplies, machinery, or
12 equipment; or in the financing of any such activities; or in any one or more of the activities
13 specified in this section. ~~No association shall handle the agricultural products of any nonmember,~~
14 ~~except as necessary and incidental to the handling of the products of members, and in any such~~
15 ~~case the value of products of nonmembers so handled shall not exceed the value of the products~~
16 ~~handled by the association for its members.~~ The association may also buy, sell and deal in
17 agricultural products of nonmembers to an amount not greater in value than such as are handled
18 by it for its members.

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

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

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

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

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

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

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

40 **Section 2.** Section 79-19-13, Mississippi Code of 1972 is amended as follows:

41 **Section 79-19-13. Articles of association**

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

44 (a) The name of the association.

45 (b) The purposes for which it is formed.

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

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

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

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

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

62 preference is granted and the nature and definite extent of the preference and privileges granted
63 to each.

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

67 **Section 3.** Section 79-19-15, Mississippi Code of 1972 is amended as follows:

68 **Section 79-19-15. Amendments to articles of association**

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

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

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

89 **Section 4.** Section 79-19-23, Mississippi Code of 1972 is amended as follows:

90 **Section 79-19-23. Election of officers**

91 The directors shall elect from their number a chairman or board president and. The directors
92 shall also elect a chief operating officer of the association; one or more vice-presidents. They

93 ~~shall also elect~~ a secretary; and treasurer, ~~who none of whom need not~~ be directors or members
94 of the association, ~~and they~~. The board may combine the two (2) latter offices and designate the
95 combined office as secretary-treasurer. The treasurer may be a bank or any depository, and as
96 such shall not be considered as an officer but as a function of the board of directors. In such case
97 the secretary shall perform the usual accounting duties of the treasurer, excepting that the funds
98 shall be deposited only as authorized by the board of directors.

99 **Section 5.** Section 79-19-25, Mississippi Code of 1972 is amended as follows:

100 **Section 79-19-25. Stock, membership certificates, when issued; voting; liability;**
101 **limitations on transfer and ownership**

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

104

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

106

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

110

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

117

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

121

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

124

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

128

129 The association may at any time, except when the debts of the association exceed fifty percent
130 (50%) of the assets thereof, buy in or purchase its stock at book value thereof as conclusively
131 determined by the board of directors and pay for it in cash within one (1) year thereafter.

132 **Section 6.** Section 79-19-55, Mississippi Code of 1972 is amended as follows :

133 **79-19-55. Filing fees**

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

137 **Section 7.** The following shall be codified as Section 79-19-65, Mississippi Code of
138 1972:

139 **79-19-65. General non-profit corporate law applicable**

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

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