

CHAPTER 258.

[H. B. 40.]

COOPERATIVE ASSOCIATIONS' STOCK—ISSUES—
VOTE—LIMITS.

AN ACT relating to cooperative associations; authorizing such associations to purchase their own stock under certain conditions; prescribing the circumstances under which stock certificates in cooperative associations shall be issued and the circumstances under which stockholders may vote such stock when the same is not wholly paid for; and amending section 23.56.110, RCW.

Be it enacted by the Legislature of the State of Washington:

Amendment. SECTION 1. Section 23.56.110, RCW, as derived from section 8 and section 11, chapter 19, Laws of 1913, as last amended by section 2, chapter 99, Laws of 1925, extraordinary session, is amended to read as follows:

Stock issuance. Certificates of stock shall not be issued to any subscriber until fully paid for, but the bylaws of the association may allow subscribers to vote as stockholders if one-fifth of the subscription has been paid for.

Stock ownership limitation. No stockholder in any such association shall own more than one-fifth of the stock of the association. For the purpose of equalizing the stock ownership of its stockholders any such association may from time to time purchase stock from any stockholder. Such association may also purchase the stock of any stockholder who ceases to produce for the association any of the commodities in which it deals. Payment for any stock purchased may be made out of any available funds whether surplus or not.

Purchase by association. Vote. No stockholder at any meeting shall be entitled to more than one vote.

Passed the House February 13, 1953.

Passed the Senate March 10, 1953.

Approved by the Governor March 21, 1953.