

are distributed to the members in proportion to the volume of business transacted by said members with the association.

SEC. 470. (a.) Any number of adult persons, not less than five, at least two of whom are residents of this State, engaged in the production of agricultural products as farmers, planters, ranchmen, dairymen, bee keepers, nut or fruit growers may organize a cooperative association, with or without capital stock, for the purpose of collectively producing, processing, preparing for market, handling, storing, and marketing in interstate and foreign commerce, such products of persons so engaged, or of acting as the selling or buying agent or both for its members. Such associations may have marketing agencies in common and such associations and their members may make the necessary contracts and agreements to effect such purposes.

(b.) Said persons shall sign and acknowledge written articles which shall contain the name of said association and the name and residences of the persons forming the same. Such articles shall contain also a statement of the purposes of the association and shall designate the city, town or village where its principal office shall be located and shall designate an officer of the association who shall be the resident agent of the association as required by Section 8A of this article.

(c.) The articles, if the association is organized with capital stock, shall state the amount of such stock, the number of shares and the par value of each share. The issuance of stock, without expressed par value, shall not be allowed. The Association may issue preferred stock or certificates of indebtedness and may provide by contract with its members or patrons, for retaining out of any money due from the association to said members or patrons, any amount sufficient to pay the dividends on such preferred stock and to accomplish the retirement thereof and of the said certificates of indebtedness.

(d.) The articles, if the association is organized without capital stock, shall state whether the property rights of members shall be equal or unequal, and if unequal, the rule by which the property rights of the respective members shall be determined. The Association may admit new members who shall be entitled to share in the property of the association upon the same basis as the old members. This provision relating to property rights, shall not be amended or repealed by the association, except by the vote of at least three-fourths of the members.