

cooperative without further act or deed;

(c) Liabilities. —The new or surviving cooperative shall be responsible and liable for all the liabilities and obligations of each of the consolidating or merging cooperatives and any claim existing or action or proceeding pending by or against any of the consolidating or merging cooperatives may be prosecuted as if the consolidation or merger had not taken place, but the new or surviving cooperative may be substituted in its place; and

(d) Rights of creditors and liens upon property not affected. — Neither the rights of creditors nor any liens upon the property of any of such cooperatives shall be impaired by such consolidation or merger.

[398] 20. Conversion of existing corporations into cooperatives.

Any corporation organized under the laws of this State and supplying or authorized to supply electric energy may be converted into a cooperative by complying with the following requirements and shall thereupon become subject to this [subheading] ACT with the same effect as if originally organized under this [subheading] ACT:

(a) Submission to members or shareholders. —The proposition for the conversion of such corporation into a cooperative and proposed articles of conversion to give effect thereto shall be submitted to a meeting of the members or stockholders of such corporation, the notice of which shall have attached thereto a copy of the proposed articles of conversion;

(b) Articles of conversion. —If the proposition for the conversion of such corporation into a cooperative and the proposed articles of conversion, with any amendments, are approved by the affirmative vote of not less than two thirds of those members of such corporation voting thereon at such meeting, or, if such corporation is a stock corporation, by the affirmative vote of the holders of not less than two thirds of those shares of the capital stock of such corporation represented at such meeting and voting thereon, articles of conversion in the form approved shall be executed and acknowledged on behalf of such corporation by its president or vice-president and its seal shall be affixed thereto and attested by its secretary. The articles of conversion shall recite that they are executed pursuant to this [subheading] ACT and shall state: (1) The name of the corporation and the address of its principal office prior to its conversion into a cooperative; (2) the statute or statutes under which it was organized; (3) a statement that such corporation elects to become a cooperative, nonprofit, membership corporation subject to this [subheading] ACT; (4) its name as a cooperative; (5) the