

Section 5-5A-01 through 5-5A-30 to be under the new subtitle  
"Subtitle 5A. Maryland Consumer Cooperative"  
Annotated Code of Maryland  
(1975 Volume and 1984 Supplement)

BY repealing

Article - Corporations and Associations  
Section 5-6A-01 through 5-6A-08 and the subtitle "Subtitle  
6A. Consumer Cooperatives"  
Annotated Code of Maryland  
(1975 Volume and 1984 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
MARYLAND, That the Laws of Maryland read as follows:

Article - Corporations and Associations

Subtitle 5. AGRICULTURAL Cooperatives

5-501.

(a) In this subtitle the following words have the meanings indicated.

(b) ["Cooperative"] "AGRICULTURAL COOPERATIVE" means a corporation organized or converted under this subtitle, which operates for the mutual benefit of its members and conforms to the following requirements:

(1) A member of the cooperative is not allowed more than one vote, regardless of the amount of stock or membership capital he may own;

(2) The cooperative does not pay dividends on stock or membership capital in excess of 12 percent per annum;

(3) The cooperative does not deal in products of nonmembers in an amount greater in value than that in which it deals for members; and

(4) After payment of every necessary expense and authorized deduction, the proceeds from the business of the cooperative are distributed to the members in proportion to the volume of business transacted by them with the cooperative.

(c) "Member" means a person who:

(1) Owns stock in a cooperative having capital stock;  
or

(2) Holds a certificate of membership in a cooperative not having capital stock.