

(b) "Consumer cooperative" means a corporation converted or organized under this subtitle, which operates or intends to operate on a cooperative basis for the mutual benefit of its members and patrons and conforms to this subtitle.

(c) "Member" means a person who for the purpose of obtaining goods or services for personal, living, or family use owns voting stock in a corporation having capital stock or holds a nonstock voting membership interest in a corporation not having voting capital stock.]

[5-6A-02.

A member of a consumer cooperative has only one vote, regardless of the amount of stock or membership capital owned.]

[5-6A-03.

The consumer cooperative may not pay any return on capital stock in excess of 8 percent per annum.]

[5-6A-04.

(a) After payment of every expense and authorized deduction or reserve, the proceeds from the business of the consumer cooperative shall be allocated or distributed to members or patrons in proportion to their patronage or retained by the consumer cooperative for the purpose of providing services or reducing charges to its members or other patrons or acquiring assets which will enable the consumer cooperative to better serve the needs of such members or other patrons.

(b) The board of directors may use any surplus or savings for:

- (1) Development of the business of the cooperative;
- (2) Common services; or
- (3) Distribution as patronage refunds.]

[5-6A-05.

If a corporation chartered under the general corporation law of this State organizes or converts into a consumer cooperative and conducts itself according to the principles outlined in this subtitle, the board of directors of the corporation may by a majority vote adopt a name that includes the word "cooperative" or any variation thereof.]

[5-6A-06.

(a) A consumer cooperative may establish a class of voting capital stock or a class of nonstock voting membership in its