

FIRST REGULAR SESSION

# HOUSE BILL NO. 1187

## 100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE CLEMENS.

2112H.011

DANA RADEMAN MILLER, Chief Clerk

### AN ACT

To amend chapter 379, RSMo, by adding thereto twenty-nine new sections relating to health care cooperatives.

*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 379, RSMo, is amended by adding thereto twenty-nine new sections, to be known as sections 379.1800, 379.1801, 379.1802, 379.1803, 379.1804, 379.1805, 379.1806, 379.1807, 379.1808, 379.1809, 379.1810, 379.1811, 379.1812, 379.1813, 379.1814, 379.1815, 379.1816, 379.1817, 379.1818, 379.1819, 379.1820, 379.1821, 379.1822, 379.1823, 379.1824, 379.1825, 379.1826, 379.1827, and 379.1828, to read as follows:

**379.1800. This chapter may be cited as the "Health Care Cooperative Law".**

**379.1801. In this chapter, unless the context otherwise requires, the following terms mean:**

**(1) "Member", each incorporator of a cooperative and each person admitted to and retaining membership therein, and shall include a husband and wife admitted to joint membership;**

**(2) "Person", any natural person, firm, association, corporation, business trust, partnership, federal agency, state or political subdivision or agency thereof, or any body politic;**

**(3) "Rural area", a town or community within this state which is not within a "standard metropolitan statistical area", and has a population of six thousand or fewer inhabitants as determined by the last preceding federal decennial census or any unincorporated area not within a standard metropolitan statistical area.**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

379.1802. Five or more persons may organize a cooperative in the manner herein provided.

379.1803. 1. The articles of incorporation of a cooperative shall recite in the caption that they are executed pursuant to this chapter, shall be signed and acknowledged in duplicate by at least five of the incorporators, and shall state:

(1) The name of the cooperative;

(2) The address of its principal office;

(3) The names and addresses of the incorporators;

(4) The number of years the cooperative is to continue, which may be any number, including perpetuity;

(5) The names and addresses of the persons who shall constitute its first board of directors; and

(6) Any provisions consistent with this chapter that are deemed necessary or advisable for the conduct of its business and affairs.

2. Such articles of incorporation shall be submitted to the secretary of state for filing, as provided in this chapter.

379.1804. The name of each cooperative shall include the words "health care" and "cooperative". The name of a cooperative shall distinguish it from the name of any other corporation organized under the laws of, or authorized to transact business in, this state. The words "health care" and "cooperative" shall not both be used in the name of any corporation organized under the laws of, or authorized to transact business in, this state, except a cooperative or a corporation transacting business in this state pursuant to the provisions of this chapter.

379.1805. 1. Any corporation organized under the laws of this state for the purpose, among others, of supplying health care in rural areas may be converted into a cooperative and become subject to this chapter, with the same effect as if originally organized under this chapter, by complying with the following requirements:

(1) The proposition for the conversion of such corporation into a cooperative and the proposed articles of conversion to give effect thereto shall be first approved by the board of trustees or the board of directors of such corporation. The proposed articles of conversion shall recite in the caption that they are executed pursuant to this chapter and shall state:

(a) The name of the corporation prior to its conversion into a cooperative;

(b) The address of the principal office of such corporation;

(c) The date of the filing of the articles of incorporation of such corporation in the office of the secretary of state;

- 14           (d) The statute or statutes under which such corporation was organized;
- 15           (e) The name assumed by such corporation;
- 16           (f) A statement that such corporation elects to become a cooperative, nonprofit
- 17 membership corporation subject to this chapter;
- 18           (g) The manner and basis of converting either memberships in or shares of stock
- 19 of such corporation into memberships therein after completion of the conversion; and
- 20           (h) Any provisions not inconsistent with this chapter deemed necessary or advisable
- 21 for the conduct of the business and affairs of such corporation;
- 22           (2) The proposition for the conversion of such corporation into a cooperative and
- 23 the proposed articles of conversion approved by the board of trustees or board of directors
- 24 of such corporation shall then be submitted to a vote of the members or stockholders of
- 25 such corporation, at any duly held annual or special meeting thereof, the notice of which
- 26 shall set forth full particulars concerning the proposed conversion. The proposition for the
- 27 conversion of such corporation into a cooperative and the proposed articles of conversion,
- 28 with such amendments thereto as the members or stockholders of such corporation shall
- 29 choose to make, shall be deemed to be approved upon the affirmative vote of not less than
- 30 a majority of the members of such corporation or, if such corporation is a stock
- 31 corporation, upon the affirmative vote of the holders of not less than a majority of the
- 32 capital stock of such corporation; and
- 33           (3) Upon such approval by the members or stockholders of such corporation,
- 34 articles of conversion in the form approved by such members or stockholders shall be
- 35 executed and acknowledged, in duplicate, on behalf of such corporation by its president
- 36 or vice president and its corporate seal shall be affixed thereto and attested by its secretary.
- 37 The president or vice president executing such articles of conversion on behalf of such
- 38 corporation shall also make and annex to each copy thereof an affidavit stating that the
- 39 provisions of this section with respect to the approval of its trustees or directors and its
- 40 members or stockholders of the proposition for the conversion of such corporation into a
- 41 cooperative and such articles of conversion were duly complied with. Such articles of
- 42 conversion and affidavit shall be submitted to the secretary of state for filing, as provided
- 43 in this chapter.
- 44           2. The term "articles of incorporation" as used in this chapter shall be deemed to
- 45 include the articles of conversion of a converted corporation.
- 379.1806. 1. A health care cooperative shall have the power to supply health care
- 2 and medical services to certain cities, towns, and villages.
- 3           2. A health care cooperative shall have the power:
- 4           (1) To sue and be sued in its corporate name;

5           (2) To have succession by its corporate name for the period stated in its articles of  
6 incorporation or, if no period is stated in its articles of incorporation, to have such  
7 succession perpetually;

8           (3) To adopt a corporate seal and alter the same at pleasure;

9           (4) To construct, purchase, take, receive, lease as lessee, or otherwise acquire; to  
10 own, hold, use, equip, maintain, and operate; and to sell, assign, transfer, convey,  
11 exchange, lease as lessor, mortgage, pledge, or otherwise dispose of or encumber lands,  
12 buildings, structures, equipment, and any and all kinds and classes of real or personal  
13 property which shall be deemed necessary, convenient, or appropriate to accomplish the  
14 purpose for which the cooperative is organized;

15           (5) To borrow moneys and otherwise contract indebtedness, and to issue notes,  
16 bonds, and other evidences of indebtedness therefor, and to secure the payment thereof by  
17 mortgage, pledge, deed of trust, or any other encumbrance upon any or all of its then-  
18 owned or thereafter-acquired real or personal property, assets, franchises, revenues, or  
19 income;

20           (6) To conduct its business and exercise any or all of its powers within or without  
21 this state;

22           (7) To adopt, amend, and repeal bylaws; and

23           (8) To do and perform any and all other acts and things, and to have and exercise  
24 any and all other powers which may be necessary, convenient, or appropriate to  
25 accomplish the purpose for which the cooperative is organized.

26           3. In addition to all other powers granted in this section, health care cooperatives  
27 shall have the power to supply medical services at retail for nonmember patients.

28           4. The powers conferred upon health care cooperatives under this section shall be  
29 subject to the provisions of section 416.031.

379.1807. 1. A cooperative may amend its articles of incorporation by complying  
2 with the following requirements:

3           (1) The proposed amendment shall be first approved by the board of directors and  
4 shall then be submitted to a vote of the members at any annual or special meeting thereof,  
5 the notice of which shall set forth the proposed amendment. The proposed amendment,  
6 with such changes as the members shall choose to make therein, shall be deemed to be  
7 approved on the affirmative vote of not less than two-thirds of those members voting  
8 thereon at such meeting; and

9           (2) (a) Upon such approval by the members, articles of amendment shall be  
10 executed and acknowledged, in duplicate, on behalf of the cooperative by its president or  
11 vice president and its corporate seal shall be affixed thereto and attested by its secretary.

12 The articles of amendment shall recite in the caption that they are executed pursuant to  
13 this chapter and shall state:

14 a. The name of the cooperative;

15 b. The address of its principal office;

16 c. The date of the filing of its articles of incorporation in the office of the secretary  
17 of state; and

18 d. The amendment to its articles of incorporation;

19 (b) The president or vice president executing such articles of amendment shall also  
20 make and annex to each copy thereof an affidavit stating that the provisions of this section  
21 were duly complied with; and

22 (c) Such articles of amendment and affidavit shall be submitted to the secretary of  
23 state for filing, as provided in this chapter.

24 2. A cooperative may, upon authorization of a majority of the members at any  
25 regular or special meeting, change the location of its principal office by filing a certificate  
26 of change of principal office, executed and acknowledged, in duplicate, by its president or  
27 vice president, under its seal and attested by its secretary, in the office of the secretary of  
28 state and also by filing such certificate of change in each county office in which its articles  
29 of incorporation or any prior certificate of change of principal office of such cooperative  
30 has been filed. Such cooperative shall also, within thirty days after the filing of such  
31 certificate of change of principal office in any county office, file therein certified copies of  
32 its articles of incorporation and all amendments thereto if the same are not already on file  
33 therein.

379.1808. 1. Articles of incorporation, amendments, consolidations, mergers,  
2 conversions, or dissolution, if executed and acknowledged in duplicate and accompanied  
3 by such affidavits as may be required by applicable provisions of this chapter, shall be  
4 presented to the secretary of state for filing in the records of his or her office.

5 2. If the secretary of state finds that the articles presented conform to the  
6 requirements of this chapter, he or she shall, upon the payment of the fees as provided in  
7 this chapter, file one copy of the articles so presented in the records of his or her office,  
8 and, upon such filing, the incorporation, amendment, consolidation, merger, conversion,  
9 or dissolution provided therein shall be in effect. The secretary of state, immediately upon  
10 the filing in his or her office of any articles pursuant to this chapter, shall transmit a  
11 certified copy thereof, with the certified copy of the certificate of incorporation,  
12 amendment, consolidation, merger, conversion, or dissolution attached, to the recorder of  
13 deeds of the county in which the principal office of each cooperative or corporation

14 affected by such incorporation, amendment, consolidation, merger, conversion, or  
15 dissolution shall be located.

16 3. The recorder of deeds of any county, upon receipt of any such certified copy,  
17 shall file, record, and index the same in the records of his or her office, but the failure of  
18 the secretary of state or of a recorder of deeds of a county to comply with the provisions  
19 of this section shall not invalidate such articles.

20 4. The provisions of this section shall also apply to certificates of election to dissolve  
21 and affidavits of compliance executed under section 379.1820.

379.1809. The original bylaws of a cooperative may be adopted by its board of  
2 directors or stockholders. Thereafter, bylaws shall be adopted, amended, or repealed by  
3 its members. The bylaws shall set forth the rights and duties of members and directors and  
4 may contain other provisions for the regulation and management of the affairs of the  
5 cooperative consistent with this chapter or with its articles of incorporation.

379.1810. 1. Membership in the cooperative shall not be transferable, except as  
2 provided in the bylaws. The bylaws may prescribe additional qualifications and  
3 limitations in respect to membership.

4 2. An annual meeting of the members shall be held at such time as provided in the  
5 bylaws.

6 3. Special meetings of the members may be called by the board of directors, by any  
7 three directors, by not less than ten percent of the members, or by the president.

8 4. Meetings of members shall be held at such place as may be provided in the  
9 bylaws. In the absence of any such provisions, all meetings shall be held in the city or town  
10 in which the principal office of the cooperative is located.

11 5. Except as herein otherwise provided, written or printed notice stating the time  
12 and place of each meeting of members and, in the case of a special meeting, the purpose or  
13 purposes for which the meeting is called shall be given to each member, either personally  
14 or by mail, not less than ten nor more than twenty-five days before the date of the meeting.

15 6. Two percent of the first two thousand members and one percent of the remaining  
16 members present, in person or, if the bylaws so provide, participating electronically or by  
17 mail, shall constitute a quorum for the transaction of business at all meetings of the  
18 members, unless the bylaws prescribe the presence of a greater percentage of the members  
19 for a quorum. If less than a quorum is present at any meeting, a majority of those present  
20 in person may adjourn the meeting without further notice.

21 7. Each member shall be entitled to one vote on each matter submitted to a vote at  
22 a meeting. Voting shall be in person but, if the bylaws so provide, may also be by proxy,  
23 by electronic means, by mail, or any combination thereof. If the bylaws provide for voting

24 by proxy, by electronic means, or by mail, they shall also prescribe the conditions under  
25 which proxy, electronic, or mail voting shall be exercised. In any event, no person shall  
26 vote as proxy for more than two members at any meeting of the members.

379.1811. Notwithstanding any other provision of this chapter, the bylaws may  
2 provide that the territory in which a cooperative supplies medical services to its members  
3 may be divided into two or more voting districts for the purpose of properly distributing  
4 its directors over the area in which its members reside. In such case, the bylaws shall  
5 prescribe the manner in which such voting districts shall function in the election of  
6 directors at annual meetings.

379.1812. 1. The business and affairs of a cooperative shall be managed by a board  
2 of not less than five directors, each of whom shall be a member of the cooperative. The  
3 bylaws shall prescribe the number of directors; their qualifications, other than those  
4 provided for in this chapter; the manner of holding meetings of the board of directors; and  
5 the election of successors to directors who shall resign, die, or otherwise be incapable of  
6 acting. The bylaws may also provide for the removal of directors from office and for the  
7 election of their successors. Without approval of the members, directors shall not receive  
8 any salaries for their services as directors. The bylaws may, however, provide that a fixed  
9 fee and expenses of attendance, if any, may be allowed to each director for attendance at  
10 each meeting of the board of directors.

11 2. The directors of a cooperative named in any articles of incorporation,  
12 consolidation, merger, or conversion, as the case may be, shall hold office until the next  
13 following annual meeting of the members or until their successors shall have been elected  
14 and qualified.

15 3. The bylaws shall provide that the directors shall be divided into three classes,  
16 each class to be as nearly equal in number as possible. The term of office of the directors  
17 of the first class shall expire at the next succeeding annual meeting, the term of the second  
18 class shall expire at the second succeeding annual meeting, and the term of the third class  
19 shall expire at the third succeeding annual meeting. At each annual meeting after such  
20 classification, a number of directors equal to the number of the class whose term expires  
21 at the time of such meeting shall be elected to hold office until the third succeeding annual  
22 meeting.

23 4. A majority of the board of directors shall constitute a quorum.

24 5. If a husband and wife hold a joint membership in a cooperative, either one, but  
25 not both, may be elected as a director.

26           **6. The board of directors may exercise all of the powers of a cooperative except**  
27 **such as are conferred upon the members by this chapter or by its articles of incorporation**  
28 **or bylaws.**

**379.1813. The officers of a cooperative shall consist of a president, vice president,**  
2 **secretary, and treasurer, who shall be elected annually. No person shall continue to hold**  
3 **the office of president or vice president after he or she shall have ceased to be a director.**  
4 **The offices of secretary and treasurer may be held by the same person, and such person**  
5 **need not be a member of the board of directors. The board of directors may also elect or**  
6 **appoint such other officers, agents, or employees as it shall deem necessary or advisable**  
7 **and shall prescribe the powers and duties thereof. Any officer may be removed from office**  
8 **and his or her successor elected in the manner prescribed in the bylaws.**

**379.1814. 1. Revenues of a cooperative for any fiscal year in excess of the amount**  
2 **thereof necessary:**

3           **(1) To defray expenses of the cooperative and of the operation and maintenance of**  
4 **its facilities during such fiscal year;**

5           **(2) To pay interest and principal on obligations of the cooperative coming due in**  
6 **such fiscal year;**

7           **(3) To finance or to provide a reserve for the financing of the construction or**  
8 **acquisition by the cooperative of additional facilities or equipment to the extent determined**  
9 **by the board of directors;**

10          **(4) To provide a reasonable reserve for working capital;**

11          **(5) To provide a reserve for the payment of indebtedness of the cooperative**  
12 **maturing more than one year after the date of the incurrence of such indebtedness, in an**  
13 **amount not less than the total of the interest and principal payments in respect thereof,**  
14 **required to be made during the next following fiscal year; and**

15          **(6) To provide a fund for education in cooperation and for the dissemination of**  
16 **information concerning medical services and other services made available by the**  
17 **cooperative**

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19 **shall, unless otherwise determined by a vote of the members, be distributed by the**  
20 **cooperative to its members as patronage refunds prorated in accordance with the**  
21 **patronage of the cooperative by the respective members paid for during such fiscal year.**

22          **2. Nothing in this section shall be construed to prohibit the payment by a**  
23 **cooperative of all or any part of its indebtedness prior to the date when the same shall**  
24 **become due.**



379.1815. 1. A cooperative may not sell, lease, or otherwise dispose of, except by mortgage or deeds of trust, all or any substantial portion of its property unless such sale, lease, or other disposition is authorized, at a duly held meeting of the members thereof, by the affirmative vote of not less than two-thirds of all of the members of the cooperative, and unless the notice of such proposed sale, lease, or other disposition shall have been contained in the notice of the meeting.

2. Notwithstanding any other provisions of law, the board of directors of a cooperative, without authorization by the members thereof, shall have full power and authority to authorize the execution and delivery of a mortgage or mortgages or a deed or deeds of trust upon, or the pledging or encumbering of, any or all of the property, assets, rights, privileges, licenses, franchises, and permits of the cooperative, whether acquired or to be acquired, and wherever situated, as well as the revenues and income therefrom, all upon such terms and conditions as the board of directors shall determine, to secure any indebtedness of the cooperative to the United States or any instrumentality or agency thereof or to any bank or other financial institution or organization.

379.1816. Any mortgage, deed of trust, or other instrument executed by a cooperative or foreign corporation transacting business in this state pursuant to this chapter which, by its terms, creates a lien upon real and personal property then owned or thereafter acquired and which is recorded as a mortgage of real property in any county in which such property is located or is to be located shall have the same force and effect as if the mortgage, deed of trust, or other instrument were also recorded or filed in the proper office in such county as a mortgage of personal property. Recordation of any such mortgage, deed of trust, or other instrument shall cause the lien thereof to attach to all thereafter-acquired property of the mortgagor of the nature therein described as being mortgaged or pledged immediately upon the acquisition thereof by the mortgagor, and such liens shall be superior to all claims of creditors of the mortgagor and purchasers of such property and to all other liens, except liens of prior record, affecting such property.

379.1817. Any two or more cooperatives, each of which is herein designated a "consolidating cooperative", may consolidate into a new cooperative, herein designated "the new cooperative", by complying with the following requirements:

(1) The proposition for the consolidation of the consolidating cooperatives into the new cooperative and proposed articles of consolidation to give effect thereto shall be first approved by the board of directors of each consolidating cooperative. The proposed articles of consolidation shall recite in the caption that they are executed pursuant to this chapter and shall state:

9           (a) The name of each consolidating cooperative, the address of its principal office,  
10 and the date of the filing of its articles of incorporation in the office of the secretary of  
11 state;

12           (b) The name of the new cooperative and the address of its principal office;

13           (c) The names and addresses of the persons who shall constitute the first board of  
14 directors of the new cooperative;

15           (d) The terms and conditions of the consolidation and the mode of carrying the  
16 same into effect, including the manner and basis of converting memberships in each  
17 consolidating cooperative into memberships in the new cooperative and the issuance of  
18 certificates of membership in respect to such converted membership; and

19           (e) Any provisions consistent with this chapter deemed necessary or advisable for  
20 the conduct of the business and affairs of the new cooperative;

21           (2) The proposition for the consolidation of the consolidating cooperatives into the  
22 new cooperative and the proposed articles of consolidation approved by the board of  
23 directors of each consolidating cooperative shall then be submitted to a vote of the  
24 members at any annual or special meeting thereof, the notice of which shall set forth full  
25 particulars concerning the proposed consolidation. The proposed consolidation and the  
26 proposed articles of consolidation shall be deemed to be approved upon the affirmative  
27 vote of a majority of the members of each cooperative present at the meeting and voting  
28 on the issue; and

29           (3) (a) Upon such approval by the members of the respective consolidating  
30 cooperatives, articles of consolidation in the form approved shall be executed and  
31 acknowledged, in duplicate, on behalf of each consolidating cooperative by its president  
32 or vice president and its seal shall be affixed thereto and attested by its secretary;

33           (b) The president or vice president of each consolidating cooperative executing such  
34 articles of consolidation shall also make and annex thereto an affidavit stating that the  
35 provisions of this section were duly complied with by such cooperative; and

36           (c) Such articles of consolidation and affidavits shall be submitted to the secretary  
37 of state for filing, as provided in this chapter.

379.1818. Any one or more cooperatives, each of which is herein designated a  
2 "merging cooperative", may merge into another cooperative, herein designated the  
3 "surviving cooperative", by complying with the following requirements:

4           (1) The proposition for the merger of the merging cooperatives into the surviving  
5 cooperative and proposed articles of merger to give effect thereto shall be first approved  
6 by the board of directors of each merging cooperative and by the board of directors of the

7 surviving cooperative. The proposed articles of merger shall recite in the caption that they  
8 are executed pursuant to this chapter and shall state:

9 (a) The name of each merging cooperative, the address of its principal office, and  
10 the date of the filing of its articles of incorporation in the office of the secretary of state;

11 (b) The name of the surviving cooperative and the address of its principal office;

12 (c) A statement that the merging cooperatives elect to be merged into the surviving  
13 cooperative;

14 (d) The terms and conditions of the merger and the mode of carrying the same into  
15 effect, including the manner and basis of converting the memberships in the merging  
16 cooperative or cooperatives into memberships in the surviving cooperative and the issuance  
17 of certificates of membership in respect to such converted memberships; and

18 (e) Any provisions consistent with this chapter deemed necessary or advisable for  
19 the conduct of the business and affairs of the surviving cooperative;

20 (2) The proposition for the merger of the merging cooperatives into the surviving  
21 cooperative and the proposed articles of merger approved by the board of directors of the  
22 respective cooperatives and parties to the proposed merger shall then be submitted to a  
23 vote of the members of each such cooperative at any annual or special meeting thereof, the  
24 notice of which shall set forth full particulars concerning the proposed merger. The  
25 proposed merger and the proposed articles of merger shall be deemed to be approved upon  
26 the affirmative vote of a majority of the members of each cooperative present at the  
27 meeting and voting on the issue; and

28 (3) (a) Upon such approval by the members of the respective cooperatives and  
29 parties to the proposed merger, articles of merger in the form approved shall be executed  
30 and acknowledged, in duplicate, on behalf of each such cooperative by its president or vice  
31 president and its seal shall be affixed thereto and attested by each such cooperative's  
32 secretary;

33 (b) The president or vice president of each cooperative executing such articles of  
34 merger shall also make and annex thereto an affidavit stating that the provisions of this  
35 section were duly complied with by such cooperative; and

36 (c) Such articles of merger and affidavits shall be submitted to the secretary of state  
37 for filing, as provided in this chapter.

379.1819. The effect of consolidation or merger shall be as follows:

2 (1) The several cooperatives, parties to the consolidation or merger, shall be a single  
3 cooperative which, in the case of a consolidation, shall be the new cooperative provided for  
4 in the articles of consolidation and, in the case of a merger, shall be that cooperative  
5 designated in the articles of merger as the surviving cooperative, and the separate existence

6 of all cooperatives, parties to the consolidation or merger, except the new or surviving  
7 cooperative, shall cease;

8 (2) Such new or surviving cooperative shall have all the rights, privileges,  
9 immunities, and powers and shall be subject to all the duties and liabilities of a cooperative  
10 organized under the provisions of this chapter, and shall possess all the rights, privileges,  
11 immunities, and franchises, as well of a public as of a private nature, and all property, real  
12 and personal, applications for membership, all debts due on whatever account, and all  
13 other choses in action of each of the consolidating or merging cooperatives, and,  
14 furthermore, all and every interest of, or belonging or due to, each of the cooperatives so  
15 consolidated or merged shall be taken and deemed to be transferred to and vested in such  
16 new or surviving cooperative without further act or deed; and the title to any real estate,  
17 or any interest therein, under the laws of this state vested in any such cooperatives shall  
18 not revert or be in any way impaired by reason of such consolidation or merger;

19 (3) Such new or surviving cooperative shall then be responsible and liable for all  
20 of the liabilities and obligations of each of the cooperatives so consolidated or merged, and  
21 any claim existing, or action or proceeding pending, by or against any of such cooperatives  
22 may be prosecuted as if such consolidation or merger had not taken place, but such new  
23 or surviving cooperative may be substituted in its place;

24 (4) Neither the rights of creditors nor any liens upon the property of any of such  
25 cooperatives shall be impaired by such consolidation or merger; and

26 (5) In the case of a consolidation, the articles of consolidation shall be deemed to  
27 be the articles of incorporation of the new cooperative, and, in the case of a merger, the  
28 articles of incorporation of the surviving cooperative shall be deemed to be amended to the  
29 extent, if any, that changes therein are provided for in the articles of merger.

379.1820. 1. A cooperative that has not commenced business may dissolve  
2 voluntarily by delivering to the secretary of state articles of dissolution, executed and  
3 acknowledged in duplicate on behalf of the cooperative by a majority of the incorporators,  
4 which shall state:

5 (1) The name of the cooperative;

6 (2) The address of its principal office;

7 (3) The date of its incorporation;

8 (4) That the cooperative has not commenced business;

9 (5) That the amount, if any, actually paid in on account of membership fees, less  
10 any part thereof disbursed for necessary expenses, has been returned to those entitled  
11 thereto and that all easements shall have been released to the grantors;

12 (6) That no debt of the cooperative remains unpaid; and

13 (7) That a majority of the incorporators elect that the cooperative be dissolved.

14 2. Such articles of dissolution shall be submitted to the secretary of state for filing,  
15 as provided in this chapter.

16 3. A cooperative which has commenced business may dissolve voluntarily and wind  
17 up its affairs in the following manner:

18 (1) The board of directors shall first recommend that the cooperative be dissolved  
19 voluntarily, and thereafter the proposition that the cooperative be dissolved shall be  
20 submitted to the members of the cooperative at any annual or special meeting, the notice  
21 of which shall set forth such proposition. The proposed voluntary dissolution shall be  
22 deemed to be approved upon the affirmative vote of not less than a majority of the  
23 members;

24 (2) Upon such approval, a certificate of election to dissolve, herein designated the  
25 "certificate", shall be executed and acknowledged in duplicate on behalf of the cooperative  
26 by its president or vice president, and its corporate seal shall be affixed thereto and  
27 attested by its secretary. The certificate shall state:

28 (a) The name of the cooperative;

29 (b) The address of its principal office;

30 (c) The names and addresses of its directors; and

31 (d) The total number of members of the cooperative and the number of members  
32 who voted for and against the voluntary dissolution of the cooperative. The president or  
33 vice president executing the certificate shall also make and annex thereto an affidavit  
34 stating that the provisions of subsection 3 of this section were duly complied with. Such  
35 certificate and affidavit shall be submitted to the secretary of state for filing, as provided  
36 in this chapter;

37 (3) Upon the filing of the certificate and affidavit by the secretary of state, the  
38 cooperative shall cease to carry on its business, except as may be necessary for the winding  
39 up thereof, but its corporate existence shall continue until articles of dissolution have been  
40 filed by the secretary of state;

41 (4) After the filing of the certificate and affidavit by the secretary of state, the board  
42 of directors shall immediately cause notice of the winding-up proceedings to be mailed to  
43 each known creditor and claimant and to be published once a week for two successive  
44 weeks in a newspaper of general circulation in the county in which the principal office of  
45 the cooperative is located;

46 (5) The board of directors shall become trustees and have full power to wind up  
47 and settle the affairs of the cooperative and shall proceed to collect the debts owing to the  
48 cooperative; convey and dispose of its property and assets; pay, satisfy, and discharge its

49 debts, obligations, and liabilities; and do all other things required to liquidate its business  
50 and affairs, and after paying or adequately providing for the payment of all its debts,  
51 obligations, and liabilities shall distribute the remainder of its property and assets among  
52 its members in proportion to the aggregate patronage of each such member during the  
53 seven years next preceding the date of such filing of the certificate or, if the cooperative  
54 shall not have been in existence for such period, during the period of its existence; and

55 (6) (a) When all debts, liabilities, and obligations of the cooperative have been paid  
56 and discharged or adequate provision shall have been made therefor, and all of the  
57 remaining property and assets of the cooperative shall have been distributed to the  
58 members pursuant to the provisions of this section, the board of trustees shall authorize  
59 the execution of articles of dissolution, which shall thereupon be executed and  
60 acknowledged on behalf of the cooperative by its president or vice president, and its  
61 corporate seal shall be affixed thereto and attested by its secretary. Such articles of  
62 dissolution shall recite in the caption that they are executed pursuant to this chapter and  
63 shall state:

64 a. The name of the cooperative;

65 b. The address of the principal office of the cooperative;

66 c. That the cooperative has delivered to the secretary of state a certificate of election  
67 to dissolve and the date on which the certificate was filed by the secretary of state in the  
68 records of his or her office;

69 d. That all debts, obligations, and liabilities of the cooperative have been paid and  
70 discharged or that adequate provision has been made therefor;

71 e. That all the remaining property and assets of the cooperative have been  
72 distributed among the members in accordance with the provisions of this section; and

73 f. That there are no actions or suits pending against the cooperative;

74 (b) The president or vice president executing the articles of dissolution shall also  
75 make and annex thereto an affidavit stating that the provisions of this subsection were duly  
76 complied with; and

77 (c) Such articles of dissolution and affidavit, accompanied by proof of the  
78 publication required in this subsection, shall be submitted to the secretary of state for  
79 filing, as provided in this chapter.

379.1821. 1. There shall be charged and collected for:

2 (1) Filing articles of incorporation, ten dollars;

3 (2) Filing articles of amendment, one dollar;

4 (3) Filing articles of consolidation or merger, ten dollars;

5 (4) Filing articles of conversion, ten dollars;

6 (5) Filing certificate of election to dissolve, one dollar;

7 (6) Filing articles of dissolution, two dollars; and

8 (7) Filing certificate of change of principal office, two dollars.

9 2. All fees shall be made payable to and collected by the state director of revenue.

379.1822. Each cooperative and each foreign corporation transacting business in  
2 this state pursuant to this chapter shall pay annually, on or before July first, to the state  
3 director of revenue, a fee of ten dollars.

379.1823. The private property of the members of a cooperative shall be exempt  
2 from execution for the debts of the cooperative, and no member shall be liable or  
3 responsible for any debts of the cooperative.

379.1824. The provisions of the securities law of Missouri shall not apply to any  
2 note, bond, or other evidence of indebtedness issued by any cooperative or foreign  
3 corporation transacting business in this state pursuant to this chapter to the United States  
4 or any agency or instrumentality thereof, or to any mortgage or deed of trust executed to  
5 secure the same. The provisions of such securities law shall not apply to the issuance of  
6 membership certificates by any cooperative or any such foreign corporation.

379.1825. No person who is authorized to take acknowledgments under the laws of  
2 this state shall be disqualified from taking acknowledgments of instruments executed in  
3 favor of a cooperative or to which it is a party by reason of being an officer, director, or  
4 member of such cooperative.

379.1826. 1. When any notice is required to be given under the provisions of this  
2 chapter or under the provisions of the articles of incorporation or bylaws of a cooperative,  
3 a waiver thereof in writing, signed by the person or persons entitled to such notice, whether  
4 before or after the time fixed for the giving of such notice, shall be deemed equivalent to  
5 such notice.

6 2. If a person or persons entitled to notice of a meeting shall attend such meeting,  
7 such attendance shall constitute a waiver of notice of the meeting, except if the attendance  
8 is for the express purpose of objecting to the transaction of any business because the  
9 meeting shall not have been lawfully called or convened.

379.1827. This chapter shall be construed liberally. The enumeration of any object,  
2 purpose, power, manner, method, or thing shall not be deemed to exclude like or similar  
3 objectives, purposes, powers, manners, methods, or things.

379.1828. All medical personnel employed at a health care cooperative shall comply  
2 with all state laws contained in chapters 191, 197, and 630, regarding facilities and medical  
3 services.

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