

NONPROFIT CORPORATION ACT (EXCERPT)
Act 162 of 1982

450.3138 Advising persons in writing; statement on membership certificate.

Sec. 1138.

Prior to accepting a person as a member or any membership fee or member capital, a cooperative shall advise the person in writing of the items in subdivisions (a) to (g). A cooperative shall also conspicuously state on each membership certificate the items in subdivisions (a), (e), and (f):

- (a) A statement that the corporation is a cooperative subject to this act and under what act it is organized.
- (b) A statement that the purpose of becoming a member of a cooperative is to assure access to the goods, services, and facilities of the cooperative and not to gain profit.
- (c) A statement of voting rights and rights to notice of meetings of members.
- (d) A statement of the qualifications for admission to and retention of membership and the right of the cooperative to terminate membership, if any.
- (e) A statement of the restrictions, if any, on the transfer of memberships.
- (f) A statement of the rights to redemption of a member capital, if any, or a statement that member capital is not redeemable.
- (g) A statement of the right of members to call special meetings or cause a mail ballot, to receive annual reports, and to secure other material information concerning the cooperative.

History: Add. 1984, Act 209, Eff. Nov. 1, 1985