

RCW 23.100.0418 Approval of certain transactions. (1) For a limited cooperative association to approve a plan for a transaction under RCW 23.100.1301 through 23.100.1320, the plan must be approved by a majority of the board of directors, or a greater vote if required by the organic rules, and the board shall call a members meeting to consider the plan, hold the meeting not later than ninety days after approval of the plan by the board, and, subject to RCW 23.100.0419, mail or otherwise transmit or deliver in a record to each member:

(a) The plan, or a summary of the plan and a statement of the manner in which a copy of the plan in a record reasonably may be obtained by a member;

(b) A recommendation that the members approve the plan, or if the board determines that because of a conflict of interest or other circumstances it should not make a favorable recommendation, the basis for that determination;

(c) A statement of any condition of the board's submission of the plan to the members; and

(d) Notice of the meeting at which the plan will be considered, which must be given in the same manner as notice of a special meeting of members.

(2) Subject to subsections (3) and (4) of this section, a plan must be approved by:

(a) At least two-thirds of the voting power of members present at a members meeting called under subsection (1) of this section; and

(b) If the limited cooperative association has investor members, at least a majority of the votes cast by patron members, unless the organic rules require a greater percentage vote by patron members.

(3) The organic rules may provide that the required vote under subsection (2)(a) of this section be:

(a) A different fraction that is not less than a majority of members voting at the meeting;

(b) Measured against the voting power of all members; or

(c) A combination of (a) and (b) of this subsection.

(4) The vote required under subsections (2) and (3) of this section to approve a plan may not be less than the vote required for the members of the limited cooperative association to amend the articles of organization.

(5) A member's consent in a record to a plan must be delivered to the limited cooperative association before delivery to the secretary of state for filing of articles of merger or conversion if, as a result of the merger or conversion, the member will have interest holder liability for debts, obligations, or other liabilities that are incurred after the transaction becomes effective.

(6) The voting requirements for districts, classes, or voting groups under RCW 23.100.0304 apply to approval of a transaction under RCW 23.100.1301 through 23.100.1320. [2019 c 37 § 418.]