

mental defects, then admission of mentally defective or epileptic children to any State or municipal institution from said judicial district shall be exclusively vested in said court.

APPROVED—The 22d day of June, A. D. 1931.

GIFFORD PINCHOT

No. 223

AN ACT

To amend sections eleven, thirteen, fourteen, and sixteen of the act, approved the thirtieth day of April, one thousand nine hundred and twenty-nine (Pamphlet Laws, eight hundred eighty-five), entitled "An act to provide for the incorporation and regulation of cooperative agricultural associations having capital stock; and defining agriculture so as to include persons engaged in agriculture, dairying, livestock raising, poultry raising, floriculture, mushroom growing, beekeeping, horticulture, and other allied occupations; and providing penalties," by conferring additional powers on such corporations to frame by-laws on certain subjects, by regulating the use of the reserve fund, altering the provision for the removal of directors and officers of the association.

Section 1. Be it enacted, &c., That section eleven of the act, approved the thirtieth day of April, one thousand nine hundred and twenty-nine (Pamphlet Laws, eight hundred eighty-five), entitled "An act to provide for the incorporation and regulation of cooperative agricultural associations having capital stock; and defining agriculture so as to include persons engaged in agriculture, dairying, livestock raising, poultry raising, floriculture, mushroom growing, beekeeping, horticulture, and other allied occupations; and providing penalties," is hereby amended to read as follows:

Section 11. Within thirty days after the recording of the articles of association in the office of the recorder of deeds, as prescribed in section four of this act, a call, signed by not less than a majority of the directors, shall be issued for a meeting of the common stockholders. At such meeting, or any adjourned session or sessions thereof, by-laws regulating and conducting the management of the association shall be adopted. Such by-laws shall, within the limits of this act, prescribe:

1. The time, place and manner of calling and holding meetings.

2. The number of directors, the time and manner of their election and removal, and their powers and duties, and the number, not less than a majority, necessary to the exercise of their powers, and the method of fixing their compensation, if any. *The by-laws may provide*

Cooperative Agricultural Associations.

Section 11, act of April 30, 1929 (P. L. 885), amended.

Meeting of association.

Adoption of by-laws.

Meetings.

Directors.

Nominations.

a system for the nomination of directors by a representative advisory body or council, or otherwise, and for their election, either at large or by districts, by votes cast by stockholders in district or local organizations—the return of such votes to be made to the central office for tabulation.

Officers.

3. The officers, their terms of office, the time and manner of their appointment, [and removal] their powers and duties, and the method of fixing their compensation, if any.

4. Regulations governing the sale, transfer and redemption of common stock.

Representative advisory council.

5. Any other provisions *deemed* proper and necessary to carry out the purposes for which the association was formed, *including provisions, if deemed advisable, for the creation of a representative advisory body or council, which, among other powers, may be granted power to hear and determine charges against any member of the board of directors, and power to remove any director where such charges are sustained—the vacancy thus created to be filled as in other cases. A representative advisory body or council, if created, shall, except as provided for in this act, have only advisory power.*

Amendments.

6. *Such by-laws shall provide the method or methods by which the by-laws may, from time to time, be amended: Provided, however, That notice of all proposed amendments shall be given either to the stockholders individually or by publication in such regularly published paper or periodical, if any, as shall be established by the association and distributed to the stockholders.*

Section 13 amended

Section 2. That section thirteen of said act is hereby amended to read as follows:

Board of directors.

Section 13. The board of directors of each association shall consist of not less than five members. [At the first regular meeting of the association, a quorum as specified by the by-laws being present, the common stockholders shall elect, from among themselves, directors, one-third of whom, or as nearly as may be, for the term of one year, one-third for two years, and one-third for three years; and, at the expiration of the terms of any of the directors so elected, an equivalent number shall be elected for a period of three years.]

By-laws to provide method of nomination and election of directors.

The by-laws of the association shall provide a method by which directors shall be nominated and elected, and may provide that the territory in which the association has stockholders shall be divided into districts, and may apportion the directors to be elected to the respective districts on the basis either of the number of stockholders or the quantity of the commodities produced for sale through the association in the respective districts; and the stockholders meetings for the nomination and elec-

tion of directors may be held either at the principal office of the corporation, or at district or local meetings of the stockholders held at the usual meeting places of local groups of stockholders that are organized for administrative purposes in the several communities, or by delegates or representatives chosen for that purpose by the stockholders in meetings assembled in the several local communities, as the by-laws may direct. Directors shall hold office until their successors have been elected and qualified and until their successors shall enter upon the discharge of their duties. Vacancies shall be filled for the unexpired terms by the board of directors at any regular meeting, or at any special meeting called for that purpose. The board of directors shall manage the affairs of the association and shall perform such other duties as may be specifically imposed upon the board by this act. *The board of directors shall be a continuing body, the term of one-third, or as near as may be, of whom shall expire each year, and the by-laws of the association shall so regulate the terms of directors, including the terms of additional directors that may be authorized, from time to time, as to make effective this principle.*

Stockholders meetings.

Vacancies.

Board to be continuing body.

Section 3. That section fourteen of said act is hereby amended to read as follows:

Section 14 amended.

Section 14. Any director [or officer] of the association may, for cause, at any regular meeting, or any special meeting called for that purpose, be removed from office by the vote of not less than two-thirds of the stockholders present, *or by the two-third vote of such representative body as shall be created and authorized by the by-laws to cause such removal.* Any officer of the association may, for cause, at any regular meeting of the board of directors, or any special meeting of said board called for the purpose, be removed from office by the vote of not less than two-thirds of the directors present. Ten days written notice of the time and place and object of any such meeting shall be given, in the manner prescribed in the by-laws, to [all the common stockholders,] *the members of the body authorized to cause the removal,* and to the directors or officers against whom charges are to be presented. Such directors or officers shall, at the same time, be informed of the nature of [such] *the charges, to be preferred against them,* and at such meeting shall have the opportunity to be heard in person or by counsel and by witnesses in regard thereto.

Removal of director.

Removal of officer.

Notice.

Charges.

Section 4. That section sixteen of said act is hereby amended to read as follows:

Section 16 amended.

Section 16. Any such association, after making provision for the payment of dividends on the preferred stock, and before payment of dividends on the common

Reserve fund.

Purposes designated by directors.

stock, or the distribution of any patronage refund or dividend, shall set aside ten per centum of the total net earnings, annually, for a reserve fund, until the reserve fund shall equal at least thirty per centum of the paid up capital stock. *The reserve fund shall be available for such purposes as shall be designated and authorized by the vote of two-thirds of the members of the board of directors at a duly assembled meeting of said board, subject to such limitations and conditions as shall be provided for in the by-laws of the association.*

APPROVED—The 22d day of June, A. D. 1931.

GIFFORD PINCHOT

No. 224

AN ACT

To amend sections one and seven of the act, approved the first day of May, one thousand nine hundred and nine (Pamphlet Laws, three hundred forty-four), entitled "An act to regulate the manufacture and sale of commercial fertilizers; prescribing penalties for its violation; and repealing an act, entitled 'An act to regulate the manufacture and sale of commercial fertilizers; providing for its enforcement, and prescribing penalties for its violation,' approved the twenty-fifth day of March, Anno Domini one thousand nine hundred and one," as amended, by further defining commercial fertilizers, and fixing the minimum percentage of constituents which such fertilizers may contain.

Commercial fertilizer.

Section 1, act of May 1, 1909 (P. L. 344), as amended by act of May 29, 1917 (P. L. 329), further amended.

Section 1. Be it enacted, &c., That section one of the act, approved the first day of May, one thousand nine hundred and nine (Pamphlet Laws, three hundred forty-four), entitled "An act to regulate the manufacture and sale of commercial fertilizers; prescribing penalties for its violation; and repealing an act, entitled 'An act to regulate the manufacture and sale of commercial fertilizers; providing for its enforcement; and prescribing penalties for its violation,' approved the twenty-fifth day of March, Anno Domini one thousand nine hundred and one," which was amended by section one of the act, approved the twenty-ninth day of May, one thousand nine hundred and seventeen (Pamphlet Laws, three hundred twenty-nine), entitled "An act to amend sections one and three of an act, approved the first day of May, one thousand nine hundred and nine, entitled 'An act to regulate the manufacture and sale of commercial fertilizers; prescribing penalties for its violation; and repealing an act, entitled 'An act to regulate the manufacture and sale of commercial fertilizers; providing for its enforcement, and prescribing penalties for its violation,' approved the twenty-fifth day of