

Opinion No. 346.

Corporations—Cooperative Associations—Statutes, Construction Of.

HELD. 1. Section 6389, R. C. M. 1935, applies to all cooperative corporations, cooperative companies or cooperative associations but does not apply to corporations organized under statutes relating to so-called general corporations.

2. Section 6389, R. C. M. 1935, expressly applies to corporations, etc., "heretofore organized and doing business under prior statutes."

September 4, 1936

Hon. Sam W. Mitchell
Secretary of State
The Capitol

You have submitted the following:

"Section 6389 provides that 'All cooperative corporations, companies, or associations heretofore organized and doing business under prior statutes, or which have attempted to so organize and do business, shall have the benefit of this Act' by following the procedure in that section. Is it your opinion:

"(1) That the word 'cooperative' should be read before the words 'companies' and 'associations,' thus including within this provision only corporations of a cooperative character, or do the words 'companies' and 'associations', in your opinion, mean any corporation organized under statutes relating to so-called general corporations?

"(2) May such corporations or associations formed after passage of Chapter 38 of the Civil Code of 1935 avail themselves of this privilege (Sec. 6389)?"

Answering question (1), it is my opinion that the word "cooperative" qualifies all three following words, "corporations, companies or associations." This seems to be the reasonable and fair construction. Section 6389, R. C. M. 1935, is a part of Chapter 88, which deals with the subject of cooperative associations. That the word "cooperative" does not modify the first word following it, to-wit: "corporations," alone is indicated by the title of the Act, Chapter 83, Laws of 1915, which has the following incorporated in it: "and extending the provisions of this Act to cooperative associations heretofore incorporated." The word "associations" was used in the title to cover the group specified in the body of the Act, to-wit: corporations, companies and associations. We believe that there can be no doubt but that this was the intent of the legislature.

Without knowing more of the facts it is somewhat difficult to answer your second question. The statute, however, expressly applies to corporations, etc., "heretofore organized and doing business under prior statutes."