

State of South Dakota

EIGHTY-SEVENTH SESSION
LEGISLATIVE ASSEMBLY, 2012

366T0319

SENATE COMMERCE AND ENERGY ENGROSSED NO. **SB 103** - 1/31/2012

Introduced by: Senators Krebs, Frerichs, Fryslie, Hansen (Tom), Juhnke, Maher, and Nygaard and Representatives Vanneman, Boomgarden, Brunner, Dennert, Fargen, Gibson, Sigdestad, Solum, and Willadsen

1 FOR AN ACT ENTITLED, An Act to revise the procedure for cooperatives giving notice to
2 persons whose records are missing regarding ownership of securities, apportionment of
3 equity interest, money, or property.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5 Section 1. That § 47-16-32 be amended to read as follows:

6 47-16-32. ~~When~~ If records of a cooperative showing ownership of securities or
7 apportionment of equity interest in the assets are missing and the information ~~therein~~
8 in such records is necessary to a proposed redemption of the interest, the cooperative may give
9 notice and redeem as follows:

- 10 (1) The cooperative shall set aside an amount equal to the value of the interests to be
11 redeemed;
- 12 (2) The cooperative shall give notice of such redemption to all owners of interests of
13 which the cooperative has knowledge;
- 14 (3) If there are interests, the ownership of which is unknown to the cooperative, it shall



1 publish notice of the redemption at least once ~~a month for four months both in a~~
2 ~~publication circulated among members of cooperatives in the area, if any, and in a~~
3 ~~newspaper of general circulation in the area; in a newspaper of general circulation in~~
4 the county of this state in which is located the last known address of each person to
5 be named in the notice. If no address is listed or the address is outside this state, the
6 notice shall be published in the county in which the holder of the property has its
7 principal place of business within this state; and

8 (4) Any unclaimed outstanding interest represented by the missing records may then be
9 terminated in accordance with §§ 47-16-54 to 47-16-59, inclusive.

10 Section 2. That § 47-16-57 be amended to read as follows:

11 47-16-57. If the ~~names or addresses of the person or persons~~ name or address of any person
12 entitled to receive the money or property described in § 47-16-54 ~~are~~ is not shown upon the
13 records of the cooperative, or if the ~~names or addresses so shown are~~ name or address is known
14 by its the cooperative's secretary to be incorrect, then ~~and in that event said notice may be~~
15 ~~published as provided by § 47-16-32 and it~~ the cooperative shall publish a notice at least once
16 in a newspaper of general circulation in the county of this state in which is located the last
17 known address of each person to be named in the notice. If no address is listed or the address
18 is outside this state, the notice shall be published in the county in which the holder of the
19 property has its principal place of business within this state. The notice may state that the
20 forfeiture ~~shall become~~ becomes effective six months after the first publication.