



## Ohio Revised Code

### Section 1729.01 Ohio cooperative law definitions.

Effective: June 4, 2012

Legislation: House Bill 276 - 129th General Assembly

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As used in this chapter:

(A) "Agricultural cooperative" means a cooperative to which all of the following apply:

(1) The cooperative engages in any activity in connection with the propagation, raising, producing, harvesting, storing, drying, handling, processing, or marketing of agricultural products; procuring equipment and supplies or providing services for producers and others; bargaining; and any activity related to the foregoing.

(2) Producers or agricultural cooperatives exercise more than fifty per cent of the voting control of the cooperative.

(3) The cooperative does at least fifty per cent of its business with producers or agricultural cooperatives.

(B) "Agricultural products" includes aquacultural, horticultural, viticultural, forestry, dairy, livestock, poultry, bee, and farm products, and the produce or byproducts of any of such products. "Agricultural products" also includes algacultural products as defined in section 901.511 of the Revised Code.

(C) "Association" means any corporation organized under this chapter.

(D) "Bargaining" means the mutual obligation of a handler and a marketing cooperative to meet at reasonable times and confer and negotiate in good faith. Negotiations may include all terms relative to trading between handlers and producers. The obligation does not require either party to agree upon price, terms of sale, or any other marketing agreement, or to make a concession.

(E) "Board" means the board of directors of an association.



(F) "Cooperative" means an association or a foreign association.

(G) "Entity," except as otherwise provided, means a foreign association, a foreign or domestic corporation other than a cooperative, or a foreign or domestic limited liability company.

(H) "Foreign association" means a corporation organized under the cooperative laws of another state or the District of Columbia or a foreign corporation organized under corporation laws of another state, the District of Columbia, or the United States that operates on a cooperative basis.

(I) "Handler" means a person who acquires agricultural products under a sales contract for the purpose of processing or reselling agricultural products.

(J) "Marketing agreement" means an agreement, contract, or other arrangement between a cooperative and a member in which the member agrees to market all or a part of the products or produce produced by the member, or agrees to purchase all or a part of the member's requirements for inputs, services, or supplies.

(K) "Marketing cooperative" means any agricultural cooperative meeting the requirements of the "Co-operative Marketing Associations Act," 42 Stat. 388 (1922), 7 U.S.C.A. 291, that negotiates sales contracts with handlers on behalf of its members and is not in direct competition with any handler with which it negotiates such contracts.

(L) "Member" means a person who has been qualified and accepted into membership in a cooperative.

(M) "Membership stock" means any class of stock or other equity interest in a cooperative, continuous ownership of which is required for membership in the cooperative.

(N) "Patron" means a person with which a cooperative has made an enforceable agreement to allocate and distribute a per unit retain, patronage dividend, or patronage refund with respect to business conducted by the cooperative with or for the person.



(O) "Patronage stock" means any stock or other equity interest in a cooperative that was originally issued by the cooperative with respect to patronage transactions.

(P) "Person" includes a natural person, partnership, corporation, cooperative, or other entity.

(Q) "Processing" means changing the physical or chemical characteristics of agricultural products.

(R) "Producer" means a person engaged in the production of agricultural products for the market, including a lessor of real or personal property used for production of agricultural products for the market that receives as rent part of the agricultural product.

(S) "Sales contract" means a marketing agreement or other similar arrangement between a handler and a producer, negotiated by the producer or by an agricultural cooperative acting as agent for a producer, under which the producer agrees to grow or produce agricultural products for sale to the handler.