

1. The Cooperative Law of the People's Republic of China (Draft)
1950

Chapter I General Provisions

Article 1 This law is formulated in accordance with Articles 29 and 38 of the Common Program of the People's Political Consultative Conference [88].

Article 2 A cooperative is an economic organization in which the working people voluntarily join together to protect their legitimate interests. The working people of the People's Republic of China may organize the following types of cooperatives in accordance with the provisions of this Law:

(1) Organize consumer cooperatives among workers and urban working people [31]

(2) Organize supply and marketing cooperatives and agricultural production credits in rural areas Cooperatives;

(3) Organize handicraft production cooperatives among small handicraftsmen and household handicraft workers who independently produce in cities and villages;

(4) Other special cooperatives organized with the approval of cooperatives at or above the provincial level.

Article 3 The purposes of the various types of cooperatives listed in the preceding article are as follows:

(1) The purpose of consumer cooperatives is that consumers voluntarily join forces, collect shares, establish their own business organizations and processing and manufacturing institutions, to purchase and process the daily consumer goods they need, so as to buy these consumer goods at a relatively low price and avoid intermediate exploitation.

(2) The purpose of rural supply and marketing cooperatives and agricultural production credit cooperatives is that farmers and other working people in rural areas regard themselves as producers and also as consumers. They voluntarily join together to collect shares and establish their own commercial, productive or credit organizations, first of all to promote the surplus agricultural products and sideline products produced by oneself, and at the same time to buy the means of production and daily consumer goods needed by oneself, and develop new borrowing relationships in the countryside, so as to sell the surplus products first, and at the same time buy consumer goods relatively cheaply. They need the means of production and daily consumer goods, and those with excess funds receive interest on deposits, so that producers and other working people who lack funds can borrow funds at a low profit, avoiding intermediate exploitation and high loan exploitation, so as to promote rural areas. Development of production and improvement of rural people's lives.

(3) The purpose of handicraft production cooperatives is to voluntarily unite small handicraftsmen and domestic handicrafts workers that produce independently, collect shares, establish their own business and production organizations, sell their own handicrafts, and buy the necessary raw materials and other production materials; in order to buy these raw materials and other production materials at a relatively low price, and sell their products at a reasonable price to avoid intermediate exploitation. Handicraft production cooperatives should also improve production technology and rationalize production, so as to reduce production costs, expand the market for products, and increase production when possible.

(4) The purpose of other special cooperatives shall be determined according to the nature of the special undertakings.

Article 4 In order to achieve the basic purpose stipulated in the preceding article, a cooperative may operate the following various businesses:

(1) Handle procurement business;

(2) Handle retail and wholesale business;

(3) Accept the entrustment of members to handle purchasing and sales agency services for members; processing business

(4) management of consumer goods and agricultural products and certain manufacturing operations;

(5) warehouse management and warehouse operations;

(6) operating various agricultural and handicraft production business;

(7) handle credit business;

(8) handling Transportation business;

(9) Organizing cultural and health services for members;

(10) Accepting state entrustment to handle purchasing, agency sales, agricultural loans and other services for the country.

Article 5 In order to operate its own business, a cooperative may establish various business relationships with the National Bank and other public and private economic agencies and factories.

Article 6 The cooperative shall investigate and count the needs of its members, and shall concentrate all efforts to meet these needs, so that the members can really get material benefits. When a cooperative supplies members' necessity or sells members products, they shall obtain legitimate profits in accordance with the price policy prescribed by the state, but shall not pursue high profits in violation of the purpose specified in Article 3.

Article 7: A cooperative is one of the people's organizations with an independent organization system. Like other people's organizations, it has the right to select representatives to participate in the people's congresses at all levels, and to nominate candidates for the people's congresses at all levels, and have the right to nominate representatives to participate. Financial and economic meetings related to the people's government at the same level.

Article 8 The cooperative economy is an important part of the entire people's economy. It must implement the people's government policies and decrees related to fiscal economy, and perform certain economic tasks in accordance with the country's economic plan. However, the people's governments should not impose tasks, obligations, and expenses on the cooperative that are not directly related to the activities of the cooperative and that are sufficient to destroy the constitution of the cooperative and cause damage to the cooperative.

Article 9 The relevant financial and economic departments of the state shall deal with cooperatives and their members organized in accordance with this law and registered with the people's government. Necessary and appropriate priority and preferential treatment should be given to loans, interest rates, orders, prices, transportation, telecommunications, taxation, housing, etc., to

promote the development of cooperative organizations. These priorities and preferential treatments will be determined separately.

Article 10 When a cooperative accepts the state's entrustment and uses state funds to handle purchasing, agency sales, agricultural loans and other businesses, it must meet the needs of non-member residents in the same way in accordance with the conditions set by the state.

Article 11 A cooperative is a joint organization whose internal structure is democratic centralism. The board of directors and board of supervisors of all levels of cooperatives must be democratically elected by the member assembly or member representative assembly, and be responsible for and report to the member assembly or member representative assembly; the member assembly, member representative assembly and the cooperative's council and board of supervisors shall implement minority obedience The majority system; the national cooperatives establish an independent organizational system, with the All-China Cooperative Federation as the highest leading organ, and the lower-level cooperatives obey the leadership of the higher-level cooperatives.

Article 12 All cooperatives are independent economic units, operating their own businesses under appropriate division of labor and a unified plan, and each bears the responsibility for profit and loss; in the event of bankruptcy, the member's responsibility is based on the subscription funds. limit. The staff of the cooperative shall strictly abide by the national laws and regulations and the articles of association of the cooperative, and perform their duties loyally to operate the business of the cooperative. Corruption and waste shall be strictly prohibited and strict economy shall be practiced. In case of violation of the law and negligence of duty, causing undue losses to the state or cooperatives, they shall bear legal responsibility.

Article 13 The property of a cooperative is collectively owned by the working people. Strictly protected by national laws. Those who infringe on the property of the cooperative shall be liable for compensation and shall be severely sanctioned by the law.

Article 14 Cooperatives at all levels shall, in accordance with the needs of their members and the national economic plan, formulate business plans and organizational plans on a schedule by level, and implement an economic accounting system, so that the cooperative economy becomes part of the state's planned economy.

Chapter 2 Grassroots Cooperatives

Article 15: The grassroots cooperatives should be close to the masses and be able to operate reasonably. Rural cooperatives should be based on the principle of more than 500 members. Generally, they should center on market towns or larger villages, unite neighboring villages, form a grass-roots cooperative, or organize them in an administrative village (or township) as a unit.

Consumer cooperatives in factories, institutions, and schools should have more than 500 members as the principle. Smaller factories, institutions, schools, and other working people can be divided by regions, units or joint organizations of grassroots cooperatives.

Handicraft production cooperatives whose main business is to sell finished products and supply raw materials should be based on the principle of more than 100 members. Handicraft production cooperatives (collective factories or labor mutual aid groups) in which such cooperatives organize and lead collective labor production.

Under special circumstances, when the number of members and establishment locations of various grassroots cooperatives cannot be formed in accordance with the provisions of this article, they may be subject to the approval of the provincial (municipal) cooperative's leading agency and may be changed at their discretion.

Article 16: All working people, except those who have been deprived of public rights, can join a cooperative as a member regardless of gender, age, occupation, race, or religious belief. However, voluntary will be the principle. Members under the age of 18 have no right to be elected, and members under the age of 16 have no right to vote and to be elected.

The members of handicraft production cooperatives are limited to those who directly participate in the production labor (physical and mental labor) of the cooperative. Anyone who does not directly participate in the production labor of the cooperative, such as handicraft capitalists, is not allowed to join the handicraft production cooperative as members. Cooperative members may not participate in two or more cooperatives of the same nature at the same time.

Article 17: Working people join cooperatives on an individual level. In addition to paying the share payment, members must also pay a certain amount of entrance fees. The amount, payment method, and payment deadline for the members to pay the shares shall be determined by each member assembly or member representative assembly according to the business needs and the investment capacity of the majority of the local working people, and shall be implemented after approval by the higher-level society.

The entrance fee is uniformly stipulated by the National Cooperative Federation. Poor members pay share funds in installments, and obtain membership qualifications after paying the entrance fee and the first instalment of share funds.

Article 18 The members of the cooperative shall have the right to vote and be elected in accordance with the provisions of Article 16, have the right to criticize and suggest to the cooperative, and have the right to enjoy priority and preferential treatment when purchasing or selling goods from the cooperative.

Article 19 Cooperative members have the obligation to abide by the rules and regulations of the society, obey resolutions, safeguard the interests of the cooperative, and protect the property of the cooperative.

When a member of a cooperative violates the rules, regulations, or resolutions of the society, he may be criticized, warned, and given priority, preferential treatment, or expelled based on the severity of the circumstances.

The dismissal of a member shall be implemented after approval by the member assembly or the member representative assembly, but if the violation of the cooperative is serious, the board of directors may first expel it and report it to the member assembly or member representative assembly for ratification.

Article 20 When a cooperative has a surplus in its year-end final accounts, a surplus distribution plan shall be prepared and submitted to the member assembly or member representative assembly for approval after being distributed.

A. The surplus distribution standards of consumer cooperatives and supply and marketing cooperatives are stipulated as follows:

(1) Provident fund shall not be less than 60%;

- (2) Pay 10% of higher-level cooperative fund;
- (3) Public welfare fund shall not exceed 60% 10.
- (4) 5% of the education fund for the cadres and members of the cooperative;
- (5) The share dividends shall not exceed 15%;

B. The surplus distribution standards of the production cooperatives shall be as follows:

- (1) The provident fund shall not be less than 100% 40%;
- (2) The labor rebate (member's bonus) shall not exceed 40%;
- (3) Pay 10% of the higher-level social cooperative undertaking fund;
- (4) The public welfare fund shall not exceed 5%;
- (5) The member's cultural education fund shall not exceed 5%.

The calculation standard for the distribution of labor reimbursement must be determined by the member assembly or member representative assembly in a democratic manner based on the annual labor results of each member or the proportion of the annual salary.

Article 21 When a member of a cooperative applies for withdrawal, he must submit it to the cooperative one month before the year-end final accounts, and return his share capital after the final accounts; if there is a loss, it shall be deducted according to the share, and if there is a dividend, it shall be paid according to the share. The entrance fee is non-refundable.

If a member of the cooperative dies, his share capital shall be transferred or returned to his legal heir.

Chapter III Cooperative Cooperatives at All Levels

Article 22 Cooperatives shall establish local and even national cooperatives at all levels from bottom to top. Under the leadership of the higher-level cooperatives, the various cooperatives are responsible for organizing and promoting the work of the cooperatives in their respective regions. Before the establishment of the last democratically elected cooperative union, in order to facilitate the development of cooperative work, it is necessary to establish temporary leading organs of cooperatives at all levels from top to bottom.

Article 23 The All-China Federation of Cooperatives is the supreme leading organ of the national cooperatives, leading the work of the national cooperatives in accordance with the policies and decrees of the Central People's Government, the country's economic plans, and the resolutions of the National Cooperative Member Congress.

Article 24 When more than five grassroots cooperatives are established in each county, a county cooperative association may be established. When a joint society is established in more than ten counties in each province, a joint provincial cooperative may be established. Large administrative regions, prefectures, and districts may also establish cooperative cooperatives or set up offices of higher-level cooperatives when necessary.

Article 25 The rural supply and marketing cooperatives participate in the cooperative associations of the county. Urban (or mining area) consumer cooperatives participate in the cooperative association of the city (county). Cooperatives of certain special departments (or railways,

military, etc.) may be approved by the head office of the national cooperative union or the local cooperative union.

Handicraft production cooperatives and agricultural production credit cooperatives may participate in local county (city) unions or organize their own unions according to specific conditions.

The handicraft production cooperative union and the agricultural production credit cooperative union should participate in the county or provincial union or directly participate in the national cooperative union according to the specific situation. For those directly participating in the provincial union, their county-level organizations should be under the guidance of the county union; for those directly participating in the national union, their provincial or county-level organizations should be under the guidance of the province or county union.

Article 26 The upper-level cooperative has a leadership relationship with the lower-level cooperative (or grass-roots cooperative). For all the cooperative's policies, plans and systems, the lower-level cooperatives shall obey the regulations of the higher-level cooperatives. However, in wholesale, purchase, and agency sales in the business of purchasing, processing, and transportation, the lower-level agency and the higher-level agency shall have a contractual relationship.

If a cooperative (or a cooperative) commits an illegal act or violates a resolution of a higher-level cooperative, the higher-level cooperative may, by a resolution of the board of directors, order the cooperative (or a cooperative) to replace the responsible cadre, or implement a reorganization; Those who fail to do so may be expelled and referred to the government to cancel their registration.

Article 27 cooperatives at all levels of union tasks as follows:

(a) to accept or convey the people's government and the higher the resolution of social, orders and instructions, and implementation;

(b) the implementation of the resolution cooperative members of Congress in their respective districts;

(c) Review the organization plan and business plan of the affiliated cooperative, formulate a comprehensive plan for the cooperative in the affiliated area, and implement these plans on schedule;

(d) Inspect and inspect the business, finance and organization of the affiliated cooperative;

(e) Organization and Adjust the business relationship between the affiliated cooperatives;

(f) Enter into agreements or contracts with relevant agencies and ensure their implementation;

(g) Conduct wholesale business for each of the cooperatives according to the possibility and the needs of the members of the cooperatives; and handle Articles of this Law 3. The various businesses stipulated in Article 4;

(h) Training and educating cooperative cadres;

(i) Entrusted by the people's political opinions at all levels to handle the review and registration of cooperatives.

All cooperatives and cooperatives will not handle retail business unless they have special needs.

Article 28 The sources of funds for cooperatives at all levels are as follows:

- (1) Shares and funds paid by lower-level cooperatives;
- (2) Business operating surplus accumulation;
- (3) Other non-refundable income;
- (4) Cooperative funds allocated by the people's government or higher-level cooperatives.

When cooperatives at all levels operate their business, in addition to the funds listed above, they may request long-term and short-term loans from the National Bank.

Chapter 4 The Leading Organs of Cooperatives at All Levels

Article 29 A grass-roots cooperative has a member assembly or a member representative assembly as the highest authority and is composed of all members or member representatives, and member representatives are directly elected by the members.

Cooperative associations at all levels have the highest authority of the cooperative member representative assembly in the region to which they belong; member representatives are elected by the respective cooperatives in proportion to the number of members.

Article 30 Cooperative associations at or above the provincial level may set up representative committees as needed, and representative members shall be elected by the member representative assembly. When the member congress is not in session, the representative committee performs the functions and powers granted by the member congress.

Article 31 The board of directors is the executive organ of cooperatives and cooperative associations, and is composed of several members elected by the member assembly or the member representative assembly.

The board of supervisors is the supervisory organ of cooperatives and cooperative associations. It is composed of a number of supervisors elected by the member assembly or the member representative assembly.

The representative committee of cooperatives at or above the provincial level has the right to re-elect directors or supervisors when the member representative assembly is not in session, but it shall not exceed one third of the total number of directors or supervisors.

Article 32 Cooperative federations at all levels may convene meetings of representatives of their cooperative staff to discuss various issues concerning the work of the cooperative.

Article 33 The functions and powers of the cooperative member assembly, member representative assembly, representative committee, council, board of supervisors, and cooperative staff representative meeting shall be stipulated in the articles of association of each cooperative.

Chapter 5 Registration

Article 34 Cooperatives at all levels are organized or reorganized in accordance with this Law, and must be registered within one month after the establishment or reorganization in accordance with the cooperative registration methods promulgated by the people's government. Cooperatives can only obtain legal status after being reviewed by the people's government and approved for registration, and enjoy the various priorities and preferential treatments of the state stipulated in Article 9 of this law. Those who have not been registered shall not use the name of the cooperative, and offenders shall be banned. Cooperative registration methods are stipulated separately.

Article 35 If a cooperative encounters a small number of members, business losses, or cannot continue to operate due to other reasons, or merges with another cooperative, it shall be approved by the superior society when it is dissolved by the member assembly or the member representative assembly. The people's government applied for cancellation of registration.

Article 36 After the cooperative decides to dissolve, the members' assembly or the member's representative assembly shall appoint representatives to organize a clean-up committee together with the representatives sent by the higher-level society to clean up debts and debts. For the disposal of their property, except for the public welfare fund and various funds that must be turned in and cannot be used, a clean-up method shall be formulated in accordance with the provisions of Articles 12, 20, and 21, and shall be reported to the higher-level agency for approval and processing. The local people's government reported it for the record.

Chapter VI Supplementary Provisions

Article 37 This Law shall be promulgated and implemented after being passed by the Central People's Government Committee.

2. The Regulations of the People's Republic of China on the Registration of Cooperatives (Draft)

Article 1 These measures are formulated in accordance with Article 34 of the Cooperation Law of the People's Republic of China.

Article 2 In order to protect and assist the legitimate development of cooperatives, all cooperatives across the country must go through the registration procedures in accordance with these Measures. All cooperatives organized in accordance with the Cooperative Law of the People's Republic of China may apply for registration in accordance with the law; if they do not comply with the provisions of the law, they shall not be registered.

Article 3 The people's government at or above the county (city) level is the competent authority for the registration of cooperatives, but may entrust a cooperative association (or other temporary leading authority) at or above the county (city) level to handle the registration of cooperatives.

Article 4 The types of cooperative registration are as follows:

- (1) Registration of establishment;
- (2) Registration of reorganization;
- (3) Registration of dissolution;

Article 5 After the establishment of a cooperative, it shall apply for registration of establishment within one month.

For cooperatives that have been established before the promulgation of the Cooperative Society Law but have not been registered, if they conform to the provisions of the Cooperative Societies Law, the establishment registration shall be completed within three months after the promulgation of these Measures. If the local competent authority has issued a registration certificate, it may apply for a renewal of the registration certificate in accordance with the establishment registration procedures.

Article 6 When a cooperative is reorganized, it shall apply for reorganization registration within one month after the reorganization.

Cooperatives established before the promulgation of the Cooperative Law, which do not comply with the provisions of the Cooperative Law, shall be reorganized, and the reorganization registration shall be processed within one month after the reorganization.

Article 7 Cooperatives that apply for registration of establishment should fill in the "Registration Form for Establishment", and for cooperatives that apply for registration of reorganization, they should fill out the "Registration Form for Reorganization". Those who have registered certificates before the promulgation of these Measures shall cancel their originals. The impression of the registration certificate and the cutaway image.

Article 8 A cooperative's application for establishment or reorganization registration can only obtain its legal status after the registration certificate is filled out after review and approval. Those who use the name of the cooperative without registration or the application for registration without approval shall not use the name of the cooperative, and offenders shall be banned. .

Article 9 When a cooperative is disbanded, the "Registration Form for Dissolution" shall be filled in to apply for dissolution registration within half a month after the approval of the member assembly or the member representative assembly or the dissolution instruction of the higher-level society or the government dissolution order.

Article 10 When a cooperative merges with another or several cooperatives, the new cooperative established by the merger or the surviving cooperative shall apply for registration of reorganization, and the cooperative dissolved due to the merger shall apply for registration of dissolution.

Article 11 After the cooperative has decided to dissolve, the liquidation committee shall be organized to liquidate the claims and debts, and after the liquidation is completed, it shall be reported to the local people's government and the superior society for the record.

Article 12 The cooperative association or the head office (or other temporary leading agency) of the county (city) or above shall give an approval within one month after receiving the application registration form of the cooperative, and fill in the "cooperative" for the registration status on a monthly basis. "Registration report", report to the superior agency and the people's government at the same level.

Article 13 The format of various forms used for registration of cooperatives shall be uniformly prescribed by the National Cooperative Federation of the People's Republic of China.

Article 14 The registration of county (city) and prefecture cooperative unions shall be handled by provincial unions. The registration of cooperatives of provinces (municipalities) and large administrative regions is handled by the National Federation.

Article 15 These Measures shall be promulgated and implemented by the Administrative Council of the Central People's Government.