

GENERAL ASSOCIATIONS LAW

LAWS 1909, CHAP. 34

AN ACT in relation to associations, constituting chapter twenty-nine of the consolidated laws.

Became a law February 17, 1909, with the approval of the Governor.

Passed, three-fifths being present.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

CHAPTER 29 OF THE CONSOLIDATED LAWS

GENERAL ASSOCIATIONS LAW

Article 1. Short title; definitions (§§ 1, 2).

2. Joint-stock associations (§§ 3-11).

3. Action or proceeding by or against unincorporated associations (§§ 12-17).

4. Certificate of designation by associations doing business within this state (§§ 18, 19, 19-a).

5. Laws repealed; when to take effect (§§ 20, 21).

ARTICLE 1

SHORT TITLE; DEFINITIONS

Section 1. Short title.

2. Definitions.

§ 1. Short title. This chapter shall be known as the "General Associations Law."

§ 2. Definitions. As used in this chapter: 1. The term "joint stock association" includes every unincorporated joint stock association, company or enterprise having written articles of association and capital stock divided into shares, but does not include a corporation or a business trust.

2. The term "business trust" means any association operating a business under a written instrument or declaration of trust, the

beneficial interest under which is divided into shares represented by certificates.

3. The term "stockholder" means every member of a joint stock association.

4. The term "association," as used in article four of this chapter, means a joint stock association or a business trust as defined in this section.

ARTICLE 2

JOINT-STOCK ASSOCIATIONS

Section 3. Contents of articles of association.

4. Certificate to be filed within sixty days and annually thereafter; penalty; evidence.
5. Dissolution.
6. Power to take and convey real property.
7. Changing articles of association.
- 7-a. Incorporation of joint-stock association.
8. Proceeding to mortgage, lease or sell real estate.
9. Receiver of joint-stock association.
10. Injunction against joint-stock association.
11. Misnomer of party not available.

§ 3. Contents of articles of association. The articles of association of a joint-stock association may:

1. Provide that the death of a stockholder thereof, or the transfer of his shares of stock therein, shall not work a dissolution of the association;

2. Prescribe the number of its directors, not less than three, to have the sole management of its affairs;

3. Contain any other provision for the management of its affairs not

inconsistent with law.

§ 4. Certificate to be filed within sixty days and annually thereafter; penalty; evidence. Every joint-stock association transacting business within this state shall, within sixty days after its formation, and in each January thereafter, file with the secretary of state, and with the clerk of the county in which its principal business is carried on, a written certificate, signed and verified by its president and treasurer, stating the name and date of organization of such association, the number of its stockholders, the names and places of residence of its officers, and its principal place of business. Any such certificate, the record thereof, or a certified copy of such certificate or record shall be presumptive evidence of the truth of all facts therein stated against such association, its officers and stockholders. The officers of a joint-stock association who fail to comply with the provisions of this section shall be jointly and severally liable to pay to the people of this state a penalty of fifty dollars for each day such failure continues.

§ 5. Dissolution. A joint-stock association shall not be dissolved except in pursuance of its articles of association, or by consent of all its stockholders, or by judgment of a court for fraud in its management, or for good cause shown.

§ 6. Power to take and convey real property. A joint-stock association, in the name of its president, as such president, may purchase, take, hold and convey such real property only,

1. As may be necessary for its immediate accommodation in the convenient transaction of its business.

2. As may be mortgaged to it in good faith by way of security for loans made by or moneys due to it.

3. As it may purchase at sales under judgments, decrees or mortgages held by it.

§ 7. Changing articles of association. Any change in the articles of association of a joint-stock association not inconsistent with law may be made with the consent of all its stockholders, or otherwise, as the articles of association may provide. Unless the articles of association of a joint-stock association contain provisions to the contrary, its directors may be increased or reduced to not less than three; its capital stock may be increased or reduced; or the term of its existence may be extended, with the consent of its stockholders owning at least two-thirds of its stock issued and outstanding, on the following terms and conditions: The consent of the requisite number of stockholders must be given by vote, or by writing presented and filed, at a regular or regularly called special meeting. Notice of the time and place of such meeting, with notice of the proposed change, must be personally served on each stockholder of the association at least thirty days before the meeting, or by mailing it to such stockholder at his last-known post-office address at least sixty days before the meeting. The amount of its capital stock shall not be reduced below the amount of its paid-up capital stock, nor shall it be reduced if the liabilities of the association exceed its assets.

§ 7-a. Incorporation of joint-stock association. 1. Any joint-stock association transacting business within this state under this chapter and created by or under the laws of this state on or before January first, nineteen hundred sixty-four may be incorporated under the business corporation law for a purpose or purposes for which a corporation may be formed under such law, in accordance with the following provisions of this section.

2. (a) The certificate of incorporation of a joint-stock association to be incorporated pursuant to this section shall be entitled "Certificate of incorporation of (name of corporation) under section four hundred two of the business corporation

law and section seven-a of the general associations law," shall be signed by the president of the joint-stock association as the incorporator, with his name and address stated beneath or opposite his signature, acknowledged by him and delivered to the department of state, and shall set forth the matters required or permitted to be set forth in a certificate of incorporation under section four hundred two of the business corporation law and shall also set forth:

(1) The name and date of organization of the joint-stock association to be incorporated.

(2) The number of outstanding shares of each class and series of the joint-stock association, specifying the classes and series entitled to vote and further specifying each class and series, if any, entitled to vote as a class, and a statement of the basis upon which and the manner in which such shares shall be converted into, or exchangeable for, the shares or other securities of the corporation, or the cash or other consideration which is to be paid or delivered in exchange for shares of the joint-stock association, or a combination thereof.

(3) A statement that the signer of the certificate of incorporation is the president of the joint-stock association and that he has been authorized by the stockholders of the joint-stock association, in accordance with the provisions of subdivision three of this section, to sign, acknowledge and deliver the certificate to the department of state for the purpose of incorporating the joint-stock association.

(b) (1) Notwithstanding the provisions of section three hundred one of the business corporation law, the corporation may have the same name as the joint-stock association to be incorporated, and shall not be required to add to, modify or otherwise change such name, if the joint-stock association has transacted business in this state under such name continuously since January first, nineteen hundred twelve.

(2) Subject to the requirements of the business corporation law, the certificate of incorporation approved in accordance with the provisions of subdivision three of this section may make any change in the purpose or purposes of the joint-stock association, in the shares which it shall have authority to issue and in its duration and may contain any provision, not inconsistent with law, which is permitted to be set forth in a certificate of incorporation under section four hundred two of the business corporation law.

3. The incorporation of a joint-stock association as provided in this section shall be authorized in the following manner:

(a) The board of directors of the joint-stock association shall call a meeting of its stockholders for the following purposes:

(1) To authorize the incorporation of the joint-stock association pursuant to this section, to approve the certificate of incorporation proposed to be made and delivered for such purpose and to authorize the president of the joint-stock association to sign, acknowledge and deliver to the department of state such certificate of incorporation for filing pursuant to this section; and

(2) To adopt by-laws of the corporation to take effect upon the filing of the certificate of incorporation by the department of state, which by-laws may contain any provisions permitted to be contained in the by-laws of a corporation formed under the business corporation law.

(b) Notice of such meeting of stockholders shall be given to each stockholder of record of the joint-stock association, whether or not entitled to vote, in the manner provided in its articles of association for special meetings of stockholders or, in the absence of any such provision, in conformity with the provisions of section six hundred five of the business corporation law as to special meetings of shareholders of a corporation subject to such law. A copy of the proposed certificate of incorporation, except for any information not available at the time of the notice, and a copy of the proposed by-laws of the corporation shall accompany such notice. Except as otherwise required by this section or as otherwise provided in the articles of association or by-laws of the joint-stock association, the provisions of sections six hundred four to six hundred twelve, inclusive, of the business corporation law shall govern the conduct of such meeting.

(c) At such meeting of stockholders the matters specified in paragraph (a) of subdivision three of this section shall be authorized, adopted and approved by vote of the holders of that proportion of the outstanding shares of the joint-stock association entitled to vote which is required by its articles of association to amend such articles, the holders of shares of a class or series voting as a class if the articles so provide, or, in the absence of any provision in the articles as to the amendment thereof, by vote of the holders of two-thirds of all the

outstanding shares of the joint-stock association entitled to vote in the election of any of its directors.

4. Minutes of the proceedings of such meeting shall be kept, and a copy of the certificate of incorporation authorized at such meeting and a copy of the by-laws adopted at such meeting shall be filed with the minutes. After the certificate of incorporation shall have been filed, such minutes shall be deemed minutes of proceedings of the shareholders of the corporation for all purposes of section six hundred twenty-four of the business corporation law.

5. The provisions of subparagraphs one, two, three, four and six of paragraph (b) of section eight hundred six of the business corporation law shall apply to any changes in the shares of the joint-stock association or in the rights, preferences or limitations of any such shares made by the certificate of incorporation authorized by this section as if such certificate were a certificate of amendment.

6. Upon the filing by the department of state of the certificate of incorporation authorized by this section:

(a) The joint-stock association shall no longer be governed by this chapter but shall become and be a corporation within the meaning of the business corporation law possessing, consistently with its certificate of incorporation, the business corporation law, and any other applicable statute of this state, all the rights, privileges, immunities, powers and purposes of the joint-stock association and having, without being deemed a new or different legal person or entity, all the rights and powers, subject to all the limitations thereon and qualifications thereof, which pertain to a corporation formed under the business corporation law, and the shareholders, directors and officers of the corporation shall have all the rights and privileges, and be subject to all the duties and obligations, and limitations thereon, which pertain to shareholders, directors and officers of a corporation formed under the business corporation law. The certificate of incorporation of the corporation may thereafter be amended or changed in any respect as permitted, and in the manner authorized, by said law.

(b) No further action by the incorporator shall be required for the

organization of the corporation. The by-laws adopted in accordance with subdivision three of this section shall be the by-laws of the corporation and, for all purposes of the business corporation law, shall be deemed by-laws adopted by the shareholders of the corporation. The directors of the joint-stock association in office at the time of incorporation shall continue to hold office as directors of the corporation for their respective terms in accordance with the by-laws and the provisions of article seven of the business corporation law.

(c) Subject to the provisions of subdivision five of this section, the initial capital, capital surplus and earned surplus of the corporation shall be the capital, capital surplus and earned surplus, respectively, of the joint-stock association as existing at the time of incorporation, provided that prior to the declaration by the board of directors of the first dividend after incorporation, the board may determine the amount of the corporation's earned surplus as provided in subparagraph one (A) of paragraph (a) of section five hundred seventeen of the business corporation law in respect of corporations formed before the effective date of said law, and such determination if made in good faith shall be conclusive.

(d) All property, real and personal, of the joint-stock association, including real property held in the name of the president, as such president, subscriptions to shares, causes of action, licenses, permits and every other asset of the joint-stock association shall vest in the corporation without further act or deed.

(e) No liability or obligation due or to become due, claim or demand for any cause existing against the joint-stock association, or any stockholder, officer or director thereof shall be released or impaired by such incorporation. The corporation shall assume and be liable for all the liabilities, obligations and penalties of the joint-stock association without further act or instrument, and an action or proceeding may be maintained thereon against the corporation in lieu of an action or proceeding against an officer of the joint-stock association under article three of this chapter.

(f) No action or proceeding, whether civil or criminal, then pending by or against the joint-stock association, or any stockholder, officer or director thereof, shall abate or be discontinued by such incorporation, but may be enforced, prosecuted, settled or compromised

as if such incorporation had not occurred, or the corporation may be substituted in any such action or proceeding brought pursuant to article three of this chapter by or against an officer of the joint-stock association, in place of such officer.

(g) The personal liability, if any, of any stockholder of the joint-stock association, as such stockholder, existing at the time of incorporation shall not thereby be extinguished but shall remain personal to such stockholder and shall not become the liability of any other shareholder of the corporation or of any subsequent transferee of any share of the corporation, and an action or proceeding may be maintained thereon against such stockholder in accordance with the provisions of article three of this chapter, provided that such an action or proceeding could have been maintained under said article three if the incorporation of the joint-stock association had not occurred, treating the corporation as an officer of the joint-stock association for such purpose.

7. After the filing of the certificate of incorporation by the department of state pursuant to this section, the corporation shall cause a copy of the certificate of incorporation, certified by the department of state, to be filed in the office of the official who is the recording officer of each county in this state in which real property of the joint-stock association is located.

8. The provisions of section ninety-six of the executive law prescribing the fee to be collected by the department of state for filing a certificate of incorporation under the business corporation law shall apply to the certificate of incorporation to be filed pursuant to this section.

§ 8. Proceeding to mortgage, lease or sell real estate. Whenever any unincorporated association is required by law to make application to the court for leave to mortgage, lease or sell its real estate, the proceeding therefor shall be had as prescribed for corporations in article five of the general corporation law.

§ 9. Receiver of joint-stock association. Section ten of this chapter and sections one hundred fifty and one hundred thirty-six of the general corporation law apply to an action or a special proceeding, against a joint-stock association created by or under the laws of the state, or a trustee, director, or other officer thereof; or against a joint-stock association created by or under the laws of another state, government, or country, or a trustee, director, or other officer thereof, where the association does business within the state, or has, within the state, a business agency or a fiscal agency, or an agency for the transfer of its stock.

§ 10. Injunction against joint-stock association. An injunction order, suspending the general and ordinary business of a joint-stock association, consisting of seven or more persons, or suspending from office, or restraining from the performance of his duties, a trustee, director, or other officer thereof, can be granted only by the court, upon notice of the application therefor, to the proper officer of the association, or to the trustee, director, or other officer enjoined. If such an injunction order is made, otherwise than as prescribed in this section, it is void.

§ 11. Misnomer of party not available. Where an action, authorized by a law of the state, is brought against one or more persons, as stockholders of a joint-stock association, an objection to any of the proceedings cannot be taken, by a person properly made a defendant in the action, on the ground that the plaintiff has joined with him, as a defendant in the action, a person, whose name appears on the stock-books of the association, as a stockholder thereof, by the name so appearing; but who is misnamed, or dead, or is not liable for any cause. In such a case, the court may, at any time before final judgment, upon motion of either party, amend the pleadings and other papers, without prejudice to the previous proceedings, by substituting the true name of the person intended, or by striking out the name of the person who is dead, or not liable, and, in a proper case, inserting the name of his representative

or successor.

ARTICLE 3

ACTION OR PROCEEDING BY OR AGAINST UNINCORPORATED ASSOCIATIONS

Section 12. Action or proceeding by unincorporated association.

13. Action or proceeding against unincorporated association.

14. When action not to abate.

15. Effect of judgment; execution thereupon.

16. Subsequent action against members.

17. Article permissive; effect upon statute of limitations.

§ 12. Action or proceeding by unincorporated association. An action or special proceeding may be maintained, by the president or treasurer of an unincorporated association to recover any property, or upon any cause of action, for or upon which all the associates may maintain such an action or special proceeding, by reason of their interest or ownership therein, either jointly or in common. An action may likewise be maintained by such president or treasurer to recover from one or more members of such association his or their proportionate share of any moneys lawfully expended by such association for the benefit of such associates, or to enforce any lawful claim of such association against such member or members.

§ 13. Action or proceeding against unincorporated association. An action or special proceeding may be maintained, against the president or treasurer of such an association, to recover any property, or upon any cause of action, for or upon which the plaintiff may maintain such an action or special proceeding, against all the associates, by reason of their interest or ownership, or claim of ownership therein, either jointly or in common, or their liability therefor, either jointly or severally. Any partnership, or other company of persons, which has a president or treasurer, is deemed an association within the meaning of this section.

The service of summons, subpoena or other legal process of any court upon the president, vice president, treasurer, assistant treasurer, secretary, assistant secretary, or business agent, in his capacity as such, shall constitute service upon a labor organization. Such service shall be made on such individuals in the manner provided by law for the service of a summons on a natural person.

§ 14. When action not to abate. The death or legal incapacity of a member of the association does not affect an action or special proceeding, brought as prescribed in the last two sections. If the officer, by or against whom it is brought, dies, is removed, resigns, or becomes otherwise incapacitated, during the pendency thereof, the court must make an order, directing it to be continued by or against his successor in office, or any other officer, by or against whom it might have been originally commenced.

§ 15. Effect of judgment; execution thereupon. In such an action, the officer against whom it is brought cannot be arrested; and a judgment against him does not authorize an execution to be issued against his property, or his person; nor does the docketing thereof bind his real property, or chattels real. Where such a judgment is for a sum of money, an execution issued thereupon must require the sheriff to satisfy the same, out of any personal or real property belonging to the association, or owned, jointly or in common, by all the members thereof.

§ 16. Subsequent action against members. Where an action has been brought against an officer, or a counterclaim has been made, in an action brought by an officer, as prescribed in this article, another action, for the same cause, shall not be brought against the members of the association, or any of them, until after final judgment in the first action, and the return, wholly or partly unsatisfied or unexecuted, of an execution issued thereupon. After such a return, the party in whose favor the execution was issued, may maintain an action, as follows:

1. Where he was the plaintiff, or a defendant recovering upon a counterclaim, he may maintain an action against the members of the association, or, in a proper case, against any of them, as if the first action had not been brought, or the counterclaim had not been made, as the case requires; and he may recover therein, as part of his damages, the costs of the first action, or so much thereof, as the sum, collected by virtue of the execution, was insufficient to satisfy.

2. Where he was a defendant, and the case is not within subdivision first of this section, he may maintain an action, to recover the sum remaining uncollected, against the persons who composed the association, when the action against him was commenced, or the survivors of them.

But this section does not affect the right of the person, in whose favor the judgment in the first action was rendered, to enforce a bond or undertaking, given in the course of the proceedings therein. Section eleven of this chapter applies to an action brought, as prescribed in this section against the members of any association, which keeps a book for the entry of changes in the membership of the association, or the ownership of its property; and to each book so kept.

§ 17. Article permissive; effect upon statute of limitations. This article does not prevent an action from being brought by or against all the members of an association, except as prescribed in the last section. Where an action is brought against the members of the association, as prescribed in subdivision first of the last section, the time between the commencement of the action by or against the officer, and the return of the first execution issued upon the final judgment rendered therein, is not a part of the time limited by law, for the commencement of the second action.

ARTICLE 4
**CERTIFICATE OF DESIGNATION BY ASSOCIATIONS DOING BUSINESS
WITHIN THIS STATE**

Section 18. Designation of secretary of state as an agent for service of process.

18-a. Electronic service of process.

19. Service of process.

19-a. Records and certificates of department of state.

§ 18. Designation of secretary of state as an agent for service of process. 1. The term "association," as used in this article, is defined in section two, subdivision four, of this chapter.

2. Every association doing business within this state shall file in the department of state a certificate in its associate name, signed and acknowledged by its president, or a vice-president, or secretary, or treasurer, or managing director, or trustee, designating the secretary of state as an agent upon whom process in any action or proceeding against the association may be served within this state, and setting forth an address to which the secretary of state shall mail a copy of any process against the association which may be served upon him or her pursuant to law. The association may include an email address to which the secretary of state shall email a notice of the fact that process against it has been electronically served upon him or her. Annexed to the certificate of designation shall be a statement, executed in the same manner as the certificate is required to be executed under this section, which shall set forth:

(a) the names and places of residence of its officers and trustees

(b) its principal place of business

(c) the place where its office within this state is located and if such place be in a city, the location thereof by street and number or other particular description.

3. Any association, from time to time, may change the address to which the secretary of state is directed to mail copies of process or specify, change or delete the email address to which the secretary of state shall email a notice of the fact that process against the association has been electronically served upon him or her, by filing a statement to that effect, executed, signed and acknowledged in like manner as a

certificate of designation as herein provided.

4. Any association doing business within this state without having filed the certificate of designation prescribed by this section shall not maintain any action or special proceeding in this state unless and until such association has filed the certificate of designation prescribed by this section and it has paid to the state all fees, penalties and franchise taxes for the years or parts thereof during which it did business in this state without having filed the certificate of designation prescribed by this section. This prohibition shall apply to any successor in interest of such association. The failure of an association to file the certificate of designation prescribed by this section shall not impair the validity of any contract or act of the association or the right of any other party to the contract to maintain any action or special proceeding thereon, and shall not prevent the association from defending any action or special proceeding in this state.

§ 18-a. Electronic service of process. The secretary of state shall advise any association subject to the laws of this chapter in prominent written form as follows: (a) electronic service of process authorized by the provisions of this chapter is an optional program at no additional cost to the user; (b) any association subject to the laws of this chapter will continue to receive service of process by mail unless such association notifies the secretary of an affirmative choice to receive service of process by way of the program through electronic means, in which case digital copies will be made accessible but paper documents will not be mailed; and (c) such choice may be reversed by the association at any time and, thereafter, service by mail will resume.

*** § 19. Service of process.** Service of process against an association upon the secretary of state shall be made in the manner provided by subdivision one or two of this section. Either option of service authorized pursuant to this section shall be available at no extra cost to the consumer. (1) Personally delivering to and leaving with him or

her or with a person authorized by the secretary of state to receive such service, duplicate copies of such process at the office of the department of state in the city of Albany. At the time of such service the plaintiff shall pay a fee of forty dollars to the secretary of state which shall be a taxable disbursement. The secretary of state shall promptly send by certified mail one of such copies to the association at the address fixed for that purpose, as herein provided. (2)

Electronically submitting a copy of the process to the department of state together with the statutory fee, which fee shall be a taxable disbursement, through an electronic system operated by the department of state, provided the association has an email address on file in the department of state to which the secretary of state shall email a notice of the fact that process has been served electronically on the secretary of state. Service of process on such association shall be complete when the secretary of state has reviewed and accepted service of such process. The secretary of state shall promptly send a notice of the fact that process against such association has been served electronically upon him or her, to such association at the email address on file in the department of state, specified for the purpose and shall make a copy of the process available to such association. If the action or proceeding is instituted in a court of limited jurisdiction, service of process may be made in the manner provided in this section if the cause of action arose within the territorial jurisdiction of the court and the office of the defendant, as set forth in its statement filed pursuant to section eighteen of this chapter, is within such territorial jurisdiction.

* NB Effective until February 24, 2027

* § 19. Service of process. Service of process against an association upon the secretary of state shall be made in the manner provided by subdivision one, two or three of this section. Each option of service authorized pursuant to this section shall be available at no extra cost to the consumer.

1. Personally delivering to and leaving with the secretary of state or with a person authorized by the secretary of state to receive such service, duplicate copies of such process at the office of the department of state in the city of Albany. At the time of such service the plaintiff shall pay a fee of forty dollars to the secretary of state

which shall be a taxable disbursement. The secretary of state shall promptly send by certified mail one of such copies to the association at the address fixed for that purpose, as herein provided.

2. Electronically submitting a copy of the process to the department of state together with the statutory fee, which fee shall be a taxable disbursement, through an electronic system operated by the department of state, provided the association has an email address on file in the department of state to which the secretary of state shall email a notice of the fact that process has been served electronically on the secretary of state. Service of process on such association shall be complete when the secretary of state has reviewed and accepted service of such process. The secretary of state shall promptly send a notice of the fact that process against such association has been served electronically upon the secretary of state, to such association at the email address on file in the department of state, specified for the purpose and shall make a copy of the process available to such association. If the action or proceeding is instituted in a court of limited jurisdiction, service of process may be made in the manner provided in this section if the cause of action arose within the territorial jurisdiction of the court and the office of the defendant, as set forth in its statement filed pursuant to section eighteen of this chapter, is within such territorial jurisdiction.

3. Provided process is served by or on behalf of the state or a city, town, village or other political subdivision of the state, by electronically submitting a copy of the process to the department of state, through an electronic system operated by and with capabilities determined by the department of state, together with the statutory fee, if required, which fee shall be a taxable disbursement. Service of process on such association shall be complete when the secretary of state has reviewed and accepted service of such process. The secretary of state shall promptly either: (a) send a copy of such process by certified mail, return receipt requested, to such association, at the post office address, on file in the department of state, specified for the purpose; or (b) email a notice of the fact that process against the association has been served electronically on the secretary of state to

the email address on file in the department of state, specified for the purpose and shall make a copy of the process available to such association.

* NB Effective February 24, 2027

§ 19-a. Records and certificates of department of state. The department of state shall keep a record of each process served upon the secretary of state under this chapter, including the date of service. It shall, upon request made within ten years of such service, issue a certificate under its seal certifying as to the receipt of the process by an authorized person, the date and the place of such service and the receipt of the statutory fee. Process served upon the secretary of state under this chapter shall be destroyed by him after a period of ten years from such service.

ARTICLE 5

LAWS REPEALED; WHEN TO TAKE EFFECT

Section 20. Laws repealed.

21. When to take effect.

§ 20. Laws repealed. Of the laws enumerated in the schedule hereto annexed, that portion specified in the last column is hereby repealed.

§ 21. When to take effect. This chapter shall take effect immediately.