

Introduced: 2/22/66
Referred: Judiciary

BY GUESS, JOSEPHSON,
AND STEVENS

1 IN THE HOUSE

2 HOUSE BILL NO. 435

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act to be known as the Alaska Nonprofit
7 Corporation Act; to codify and amend the
8 state laws relating to nonprofit corpora-
9 tions; and providing for an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. AS 10.20 is repealed and re-enacted to read:

12 CHAPTER 20. NONPROFIT CORPORATIONS.

13 ARTICLE 1. SUBSTANTIVE PROVISIONS

14 Sec. 10.20.005. PURPOSES. Corporations may be orga-
15 nized under this chapter for any lawful purpose, including,
16 but not limited to, one or more of the following: charitable;
17 religious; benevolent; eleemosynary; educational; civic;
18 cemetery; patriotic; political; social; fraternal; literary;
19 cultural; athletic; scientific; agricultural; horticultural;
20 animal husbandry; and professional, commercial, industrial,
21 or trade association purposes. Trade unions and other labor
22 organizations may also be organized under this chapter, but
23 cooperative corporations, electric and telephone coopera-
24 tives, and organizations subject to state insurance or bank-
25 ing laws shall not be organized under this chapter.

26 Sec. 10.20.010. GENERAL POWERS. A corporation may

27 (1) have perpetual succession by its corporate
28 name unless its duration is limited by its articles of
29 incorporation;

1 (2) sue and be sued, complain and defend, in its
2 corporate name;

3 (3) adopt and use a corporate seal or a facsimile
4 thereof, which may be altered at pleasure, and which may be
5 impressed or affixed or in any manner reproduced;

6 (4) purchase, take, receive, lease, take by gift,
7 devise or bequest, or otherwise acquire, own, hold, improve,
8 use and otherwise deal in and with real or personal property,
9 or any interest therein, wherever situated;

10 (5) sell, convey, mortgage, pledge, lease, ex-
11 change, transfer and otherwise dispose of all or any part of
12 its property and assets;

13 (6) lend money to its employees other than its
14 officers and directors and otherwise assist its employees,
15 officers and directors;

16 (7) purchase, take, receive, subscribe to, or
17 otherwise acquire, own, hold, vote, use, employ, sell, mort-
18 gage, lend, pledge, or otherwise dispose of, and otherwise
19 use and deal in and with, shares or other interests in, or
20 obligations of, other domestic or foreign corporations,
21 whether for profit or not for profit, associations, partner-
22 ships or individuals, or direct or indirect obligations of
23 the United States, or of any other government, state, terri-
24 tory, governmental district or municipality or of any instru-
25 mentality thereof;

26 (8) make contracts, incur liabilities, borrow
27 money at such rates of interests as the corporation may
28 determine, issue its notes, bonds, and other obligations,
29 and secure any of its obligations by mortgage or pledge of

1 all or any of its property, franchises and income;

2 (9) lend money for its corporate purposes, invest
3 and reinvest its funds, and take and hold real and personal
4 property as security for the payment of funds so loaned or
5 invested;

6 (10) transact its business, carry on its opera-
7 tions, have offices and exercise the powers granted by this
8 chapter in any state, territory, district, or possession of
9 the United States, or in any foreign country;

10 (11) elect or appoint officers and agents of the
11 corporation, who may be directors or members, define their
12 duties and fix their compensation;

13 (12) make and alter bylaws, not inconsistent with
14 its articles of incorporation or with the laws of the state,
15 for the administration and regulation of the affairs of the
16 corporation;

17 (13) make donations for public welfare or for
18 charitable, scientific or educational purposes; and in time
19 of war make donations in aid of war activities;

20 (14) indemnify any director, officer or former
21 director or officer of the corporation, or any person who
22 may have served at its request as a director or officer of
23 another corporation in which it owns shares of capital stock
24 or of which it is a creditor, against expenses actually and
25 reasonably incurred by him in connection with the defense of
26 any action, suit or proceeding, civil or criminal, in which
27 he is made a party by reason of being or having been a
28 director or officer, except in relation to matters as to
29 which he shall be adjudged in such action, suit or

1 proceeding to be liable for negligence or misconduct in the
2 performance of his corporate duties; and to make any other
3 indemnification that shall be authorized by the articles
4 of incorporation or bylaws, or resolution adopted after
5 notice by the members entitled to vote;

6 (15) pay pensions and establish pension plans or
7 pension trusts for any or all of its directors, officers and
8 employees;

9 (16) cease its corporate activities and surrender
10 its corporate franchise;

11 (17) have and exercise all powers necessary or
12 convenient to effect any or all of the purposes for which
13 the corporation is organized.

14 Sec. 10.20.015. DEFENSE OF ULTRA VIRES. No act of a
15 corporation and no conveyance or transfer of real or person-
16 al property to or by a corporation is invalid because the
17 corporation did not have capacity or power to perform the
18 act or to convey or receive the property. But lack of
19 capacity or power may be asserted as follows.

20 (1) The assertion may be made in a proceeding by
21 a member or director against the corporation to enjoin the
22 performance of any act or the transfer of real or personal
23 property by or to the corporation. If the unauthorized act
24 or transfer sought to be enjoined is being or is to be
25 performed or made under a contract to which the corporation
26 is a party, the court may, if the parties to the contract
27 are parties to the proceeding and if the court considers it
28 equitable, set aside and enjoin the performance of the
29 contract. In so doing the court may allow compensation to

1 the corporation or to the other parties to the contract for
2 the loss or damage sustained by either of them resulting
3 from the action of the court in setting aside and enjoining
4 the performance of the contract. The court may not award
5 anticipated profits to be derived from the performance of
6 the contract as a loss or damage sustained.

7 (2) The assertion may be made in a proceeding by
8 the corporation, whether acting directly or through a
9 receiver, trustee, or other legal representative, or
10 though members in a representative suit, against the in-
11 cumbent or former officers or directors of the corporation.

12 (3) The assertion may be made in a proceeding by
13 the attorney general to dissolve the corporation, or to en-
14 join the corporation from the transaction of unauthorized
15 business.

16 Sec. 10.20.020. CORPORATE NAME. The corporate name

17 (1) shall not contain any word or phrase which
18 indicates or implies that it is organized for any purpose
19 other than one or more of the purposes contained in its
20 articles of incorporation;

21 (2) shall not be the same as, or deceptively
22 similar to, the name of any corporation, whether for profit
23 or not for profit, existing under the law of the state, or
24 any foreign corporation, whether for profit or not for pro-
25 fit, authorized to transact business in the state, or a
26 corporate name reserved or registered as permitted by the
27 laws of the state.

28 Sec. 10.20.025. REGISTERED OFFICE AND REGISTERED
29 AGENT. A corporation shall continuously maintain in the

1 state a registered office which may be, but need not be,
2 the same as its place of business, and a registered agent.
3 The registered agent may be either an individual resident
4 of the state whose business office is the same as the
5 registered office, or a domestic or foreign corporation
6 authorized to transact business in the state whose business
7 office is the same as the registered office.

8 Sec. 10.20.030. FILING LIST OF REGISTERED CORPORATIONS
9 WITH SUPERIOR COURT. The department shall file a list of
10 the name of each corporation, the address of the registered
11 office and the name and address of the registered agent
12 with each clerk of the superior court. The department
13 shall provide a periodic supplement to the list indicating
14 additions, deletions and changes at least once every six
15 months. The commissioner shall make the list available to
16 the public for a fee prescribed by him.

17 Sec. 10.20.035. CHANGE OF REGISTERED OFFICE OR AGENT.
18 (a) A corporation, domestic or foreign, may change its
19 registered office, agent, or both, by filing with the
20 department a verified statement signed by the president or
21 the vice president setting out

- 22 (1) the name of the corporation;
- 23 (2) the address of its registered office;
- 24 (3) the address of its new registered office if
25 the registered office is to be changed;
- 26 (4) the name of its registered agent;
- 27 (5) the name of its new registered agent, if its
28 registered agent is to be changed;
- 29 (6) that the change is authorized by resolution

1 of its board of directors.

2 (b) If the commissioner of commerce finds that the
3 verified statement complies with this chapter, he shall
4 file it in his office. The change becomes effective when
5 the statement is filed.

6 Sec. 10.20.040. REGISTRATION OF REGISTERED AGENT.

7 (a) If the registered agent of a corporation, domestic or
8 foreign, changes the location of his office from one
9 address to another within a city or town, or from one city
10 or town in the state to another, he may change the regis-
11 tered office for each corporation for whom he is acting as
12 registered agent by filing in the office of the commission-
13 er a statement setting out

14 (1) the name of the agent;

15 (2) the address of his office before change;

16 (3) the address to which the office is changed;

17 and

18 (4) a list of corporations for whom he is fur-
19 nishing a registered office.

20 (b) The statement in (a) of this section must be
21 executed by the registered agent in his individual name
22 and, if the agent is a corporation, domestic or foreign, it
23 must be executed and verified by its president or a vice
24 president. The statement must be delivered to the commis-
25 sioner and if he finds that the statement complies with
26 this chapter, he shall file it in his office. The change
27 becomes effective when the statement is filed.

28 (c) A registered agent may resign by filing a written
29 notice, executed in duplicate, with the commissioner. The

1 commissioner shall immediately mail a copy of the notice
2 to the corporation at its registered office. The appoint-
3 ment of the agent terminates 30 days after receipt of the
4 notice by the commissioner.

5 Sec. 10.20.045. SERVICE OF PROCESS ON CORPORATION.

6 (a) The registered agent of a corporation is an agent
7 upon whom process, notice or demand required or permitted
8 by law to be served upon the corporation may be served.

9 (b) Whenever a corporation fails to appoint or
10 maintain a registered agent in the state, the commissioner
11 is an agent of the corporation upon whom the process,
12 notice, or demand may be served. Service is made upon the
13 commissioner as agent by leaving with him, or with a clerk
14 having charge of the corporation department of his office,
15 duplicate copies of the process, notice or demand. When
16 process, notice or demand is served on the commissioner,
17 he shall immediately forward a copy of it by registered
18 mail to the corporation at its registered office. Service
19 on the commissioner is returnable in not less than 30
20 days.

21 (c) The commissioner shall keep a record of proces-
22 ses, notices and demands served upon him showing the time
23 of service and his action with reference to the service.

24 (d) This chapter does not limit or affect the right
25 to serve process, notice or demand required or permitted
26 by law to be served upon a corporation in any other manner
27 permitted by law.

28 Sec. 10.20.050. MEMBERS. (a) A corporation may
29 have one or more classes of members or may have no members.

1 If the corporation has one or more classes of members, the
2 designation of such class or classes, the manner of election
3 or appointment and the qualifications and rights of the
4 members of each class shall be set forth in the articles of
5 incorporation or the bylaws. If the corporation has no
6 members, that fact shall be set forth in the articles of in-
7 corporation or the bylaws. A corporation may issue certifi-
8 cates evidencing membership therein.

9 (b) The directors, officers, employees, and members of
10 the corporation shall not, as such, be liable on its obliga-
11 tions.

12 Sec. 10.20.055. BYLAWS. The board of directors shall
13 adopt the initial bylaws of a corporation. The power to
14 adopt, alter, amend or repeal bylaws is vested in the board
15 of directors unless it is reserved to the members by the
16 articles of incorporation. The bylaws may contain provisions
17 for the regulation and management of the affairs of the
18 corporation not inconsistent with law or the articles of
19 incorporation.

20 Sec. 10.20.060. MEETINGS OF MEMBERS. (a) Meetings of
21 members may be held at such place, either within or without
22 the state, as may be provided in the bylaws. In the absence
23 of such provision, all meetings shall be held at the register-
24 ed office of the corporation in the state.

25 (b) An annual meeting of the members shall be held at
26 a time provided in the bylaws. Failure to hold the annual
27 meeting at the designated time shall not work a forfeiture
28 or dissolution of the corporation.

29 (c) Special meetings of the members may be called by

1 the president or by the board of directors. Special meetings
2 of the members may also be called by such other officers,
3 persons or number or proportion of members as may be pro-
4 vided in the articles of incorporation or bylaws. In the
5 absence of a provision fixing the number or proportion of
6 members entitled to call a meeting, a special meeting of
7 members may be called by members having one-twentieth of the
8 votes entitled to be cast at such meeting.

9 Sec. 10.20.065. NOTICE OF MEMBERS' MEETINGS. Unless
10 otherwise provided in the articles of incorporation or by-
11 laws, written notice stating the place, day and hour of the
12 meeting and, in case of a special meeting, the purpose or
13 purposes for which the meeting is called, shall be delivered
14 not less than 10 nor more than 50 days before the date of
15 the meeting, either personally or by mail, by or at the dir-
16 ection of the president, or the secretary, or the officers
17 or persons calling the meeting, to each member entitled to
18 vote at the meeting. If mailed, the notice shall be deemed
19 to be delivered when deposited in the United States mail ad-
20 dressed to the member at his address as it appears on the
21 records of the corporation, with postage prepaid.

22 Sec. 10.20.070. VOTING. (a) The right of the members,
23 or any class or classes of members, to vote may be limited,
24 enlarged, or denied to the extent specified in the articles
25 of incorporation or the bylaws. Unless so limited, enlarged,
26 or denied, each member, regardless of class, shall be entit-
27 led to one vote on each matter submitted to a vote of members.

28 (b) A member entitled to vote may vote in person or,
29 unless the articles of incorporation or the bylaws otherwise

1 provide, may vote by proxy executed in writing by the member
2 or by his duly authorized attorney-in-fact. No proxy shall
3 be valid after eleven months from the date of its execution,
4 unless otherwise provided in the proxy. Where directors or
5 officers are to be elected by members, the bylaws may pro-
6 vide that such elections may be conducted by mail.

7 (c) The articles of incorporation or the bylaws may
8 provide that in all elections for directors every member
9 entitled to vote shall have the right to cumulate his vote
10 and to give one candidate a number of votes equal to his
11 vote multiplied by the number of directors to be elected,
12 or by distributing the votes on the same principle among
13 any number of the candidates.

14 (d) If a corporation has no members or its members have
15 no right to vote, the directors shall have sole voting power.

16 (e) The articles of incorporation or the bylaws may
17 provide the number or percentage of members entitled to
18 vote represented in person or by proxy, or the number or
19 percentage of votes represented in person or by proxy, which
20 shall constitute a quorum at a meeting of members. In the
21 absence of any such provision, members holding one-tenth of
22 the votes entitled to be cast on the matter to be voted upon
23 represented in person or by proxy shall constitute a quorum.
24 A majority of the votes entitled to be cast on a matter to
25 be voted upon by the members present or represented by
26 proxy at a meeting at which the quorum is present shall be
27 necessary for the adoption thereof unless a greater propor-
28 tion is required by this chapter, the articles of incorpora-
29 tion or the bylaws.

1 Sec. 10.20.075. QUORUM OF SHAREHOLDERS. Unless other-
2 wise provided in the articles of incorporation or the by-
3 laws, members holding one-tenth of the votes entitled to
4 be cast, represented in person or by proxy, constitute
5 a quorum at a meeting of members. However, in no event
6 may a quorum consist of less than one-tenth of the votes
7 entitled to vote at a meeting. If a quorum is present,
8 the affirmative vote of a majority of the votes repre-
9 sented at the meeting and entitled to vote on the subject
10 matter is the act of the members, unless the vote of a
11 greater number is required by this chapter or the articles
12 of incorporation or the bylaws.

13 Sec. 10.20.080. BOARD OF DIRECTORS. The affairs of .
14 a corporation shall be managed by a board of directors.
15 Directors need not be residents of the state or members of
16 the corporation unless the articles of incorporation or the
17 bylaws so require. The articles of incorporation or the
18 bylaws may prescribe other qualifications for directors.

19 Sec. 10.20.085. NUMBER OF DIRECTORS. (a) The number
20 of directors of a corporation shall be at least three. The
21 number of directors shall be fixed by the bylaws, except
22 that the number constituting the initial board of directors
23 shall be fixed by the articles of incorporation.

24 (b) The number of directors may be increased or de-
25 creased from time to time by amendment to the bylaws, but
26 no decrease may have the effect of shortening the term of
27 an incumbent director.

28 (c) In the absence of a bylaw fixing the number of
29 directors, the number shall be the same as that stated in

1 the articles of incorporation.

2 Sec. 10.20.090. MEMBERSHIP AND TERM OF OFFICE OF FIRST
3 BOARD OF DIRECTORS. The names and addresses of the members
4 of the first board of directors shall be stated in the
5 articles of incorporation. Each member holds office until
6 the first annual election of directors or for the period
7 specified in the articles of incorporation. If no term of
8 office is specified, a director's term is one year.

9 Sec. 10.20.095. ELECTION OF DIRECTORS. At the first
10 annual election of directors and at each annual meeting
11 thereafter the members shall elect directors to hold office
12 for the terms provided in the bylaws. Each director holds
13 office for the term for which he is elected and until his
14 successor is elected and qualified. The terms of office of
15 directors may be staggered.

16 Sec. 10.20.100. VACANCIES. A vacancy occurring in the
17 board of directors and a directorship to be filled by reason
18 of an increase in the number of directors may be filled by
19 the affirmative vote of a majority of the remaining direc-
20 tors, though less than a quorum of the board of directors,
21 unless the articles of incorporation or the bylaws provide
22 that a vacancy or directorship so created shall be filled in
23 some other manner. A director elected or appointed to fill
24 a vacancy shall be elected or appointed for the unexpired
25 term of his predecessor in office. A directorship to be
26 filled by reason of an increase in the number of directors
27 shall be filled by the board of directors for a term of
28 office which continues only until the next election of
29 directors.

1 Sec. 10.20.105. QUORUM OF DIRECTORS. A majority of
2 the number of directors fixed by the bylaws, or in the
3 absence of a bylaw fixing the number of directors, the
4 number stated in the articles of incorporation, constitutes
5 a quorum for the transaction of business unless a greater
6 number is required by the articles of incorporation or the
7 bylaws. The act of the majority of the directors present
8 at a meeting at which a quorum is present is the act of the
9 board of directors, unless the act of a greater number is
10 required by the articles of incorporation or the bylaws.

11 Sec. 10.20.110. EXECUTIVE COMMITTEE. If the articles
12 of incorporation or the bylaws so provide, the board of
13 directors, by resolution adopted by a majority of the
14 number of directors fixed by the bylaws, or in the absence
15 of a bylaw fixing the number of directors, the number stated
16 in the articles of incorporation, may designate two or more
17 directors to constitute an executive committee, which, to
18 the extent provided in the resolution or in the articles of
19 incorporation or the bylaws of the corporation, may exercise
20 the authority of the board of directors in the management
21 of the corporation. The designation of the executive com-
22 mittee and the delegation of authority to it do not relieve
23 the board of directors or any member of the board from
24 responsibility imposed upon it or him by law.

25 Sec. 10.20.115. PLACE AND NOTICE OF DIRECTORS' MEET-
26 INGS. (a) Regular or special meetings of the board of
27 directors may be held either inside or outside the state.

28 (b) Regular meetings of the board of directors may be
29 held with or without notice as prescribed in the bylaws.

1 Special meetings of the board of directors shall be held
2 after the notice which shall be prescribed in the bylaws.
3 Attendance of a director at a meeting constitutes a waiver
4 of notice of the meeting, except where a director attends a
5 meeting for the express purpose of objecting to the trans-
6 action of any business because the meeting is not lawfully
7 called or convened. The business to be transacted or the
8 purpose of a regular or special meeting of the board of
9 directors need not be specified in the notice of the
10 meeting unless required by the bylaws.

11 Sec. 10.20.120. OFFICERS. (a) The officers of a
12 corporation consist of a president, one or more vice presi-
13 dents as prescribed by the bylaws, a secretary, and a
14 treasurer. Each of the officers shall be elected by the
15 board of directors at the time and in the manner prescribed
16 by the bylaws. Other necessary officers and assistant
17 officers and agents may be elected or appointed by the
18 board of directors or chosen in the manner prescribed by
19 the bylaws. Two or more offices may be held by the same
20 person, except the offices of president and secretary.

21 (b) The articles of incorporation or bylaws may pro-
22 vide that an officer is an ex officio member of the board
23 of directors.

24 (c) An officer may be designated by additional titles
25 as provided in the articles of incorporation or bylaws.

26 Sec. 10.20.125. REMOVAL OF OFFICERS. An officer or
27 agent may be removed by the board of directors, or by the
28 executive committee, whenever in its judgment the best
29 interests of the corporation will be served. Removal is

1 without prejudice to the contract rights of the person re-
2 moved. Election or appointment of an officer or agent does
3 not of itself create contract rights.

4 Sec. 10.20.130. BOOKS AND RECORDS. (a) A corporation
5 shall keep correct and complete books and records of account
6 and shall keep minutes of the proceedings of its members,
7 board of directors and committees having any of the authority
8 of the board of directors; and shall keep at its registered
9 office or principal office in the state a record of the
10 names and addresses of its members entitled to vote.

11 (b) All books and records of a corporation may be
12 inspected by any member, or his agent or attorney, for any
13 proper purpose at any reasonable time.

14 Sec. 10.20.135. SHARES OF STOCK AND DIVIDENDS PRO-
15 HIBITED. A corporation shall not have or issue shares of
16 stock. No dividend shall be paid and no part of the income
17 or profit of a corporation shall be distributed to its
18 members, directors or officers. A corporation may pay
19 compensation in a reasonable amount to its members, directors
20 or officers for services rendered, may confer benefits upon
21 its members in conformity with its purposes, and upon dis-
22 solution or final liquidation may make distribution to its
23 members as permitted by this chapter, and no such payment,
24 benefit or distribution shall be deemed to be a dividend or
25 a distribution of income or profit.

26 Sec. 10.20.140. LOANS TO DIRECTORS AND OFFICERS PRO-
27 HIBITED. A corporation shall make no loans to its directors
28 or officers. A director or officer who assents to or parti-
29 cipates in the making of such a loan shall be liable to the

1 corporation for the amount of such loan until its repayment.

2 ARTICLE 2. FORMATION OF CORPORATIONS.

3 Sec. 10.20.145. INCORPORATORS. Three or more natural
4 persons at least 21 years of age may act as incorporators
5 of a corporation by signing, verifying and delivering in
6 duplicate to the commissioner articles of incorporation
7 for the corporation.

8 Sec. 10.20.150. ARTICLES OF INCORPORATION. (a) The
9 articles of incorporation shall set forth

10 (1) the name of the corporation;

11 (2) the period of its duration, which may be
12 perpetual;

13 (3) the purpose or purposes for which the corpora-
14 tion is organized;

15 (4) provisions, not inconsistent with law, which
16 the incorporators elect to set forth in the articles of
17 incorporation for the regulation of the internal affairs
18 of the corporation, including any provision for distribution
19 of assets on dissolution or final liquidation;

20 (5) the address of its initial registered office,
21 and the name of its initial registered agent at the address;

22 (6) the number of directors constituting the
23 initial board of directors, and the names and addresses of
24 the persons who are to serve as the initial directors.

25 (7) the name and address of each incorporator.

26 (b) It is not necessary to set forth in the articles
27 of incorporation any of the corporate powers enumerated in
28 this chapter.

29 (c) Unless the articles of incorporation provide that

1 a change in the number of directors shall be made only by
2 amendment to the articles of incorporation, a change in the
3 number of directors made by amendment to the bylaws is
4 controlling. In all other cases, where a provision of the
5 articles of incorporation is inconsistent with a bylaw,
6 the provision of the articles of incorporation shall be
7 controlling.

8 Sec. 10.20.155. FILING OF ARTICLES OF INCORPORATION.

9 (a) Duplicate originals of the articles of incorporation
10 shall be delivered to the commissioner. If the commissioner
11 finds that the articles of incorporation conform to law, he
12 shall, when all fees prescribed by this chapter have been
13 paid:

14 (1) endorse on each duplicate original the word
15 "filed," and the date of the filing;

16 (2) file one duplicate original in his office;

17 (3) issue a certificate of incorporation and
18 affix the other duplicate original to it.

19 (b) The certificate of incorporation, together with
20 the duplicate original of the articles of incorporation
21 affixed by the commissioner, shall be returned to the in-
22 corporators or their representative.

23 Sec. 10.20.160. EFFECT OF ISSUANCE OF CERTIFICATE OF
24 INCORPORATION. Upon the issuance of the certificate of
25 incorporation, the corporate existence begins. The certif-
26 icate of incorporation is conclusive evidence that all
27 conditions precedent required to be performed by the in-
28 corporators have been complied with and that the corporation
29 has been incorporated. The issuance of the certificate

1 does not affect the right of the state to bring a proceeding
2 to cancel or revoke the certificate of incorporation or for
3 involuntary dissolution of the corporation.

4 Sec. 10.20.165. ORGANIZATION MEETING OF DIRECTORS.

5 (a) After the issuance of the certificate of incorporation
6 an organization meeting of the board of directors named
7 in the articles of incorporation shall be held, either
8 inside or outside the state, at the call of a majority of
9 the incorporators, for the purpose of adopting bylaws,
10 electing officers and the transaction of other business as
11 may come before the meeting. The incorporators calling the
12 meeting shall give at least three days' notice of the meet-
13 ing by mail to each director named, which shall state the
14 time and place of the meeting.

15 (b) A first meeting of the members may be held at
16 the call of a majority of the directors for purposes stated
17 in the notice of the meeting.

18 ARTICLE 3. AMENDMENT.

19 Sec. 10.20.170. RIGHT TO AMEND ARTICLES OF INCORPORA-
20 TION. A corporation may amend its articles of incorpora-
21 tion, from time to time, in any and as many respects as
22 may be desired, so long as its articles of incorporation,
23 as amended, contain only those provisions which might
24 lawfully be contained in original articles of incorporation
25 at the time the amendment is made.

26 Sec. 10.20.175. PROCEDURE TO AMEND ARTICLES OF IN-
27 CORPORATION. Amendments to the articles of incorporation
28 shall be made in the following manner:

29 (1) If there are members entitled to vote, the

1 board of directors shall adopt a resolution setting forth
2 the proposed amendment and directing that it be submitted
3 to a vote at a meeting of members entitled to vote, which
4 may be either an annual or a special meeting. Written
5 notice setting forth the proposed amendment or a summary
6 of the changes shall be given to each member entitled to
7 vote within the time and in the manner provided in this
8 chapter for the giving of notice of meetings of members.
9 The proposed amendment shall be adopted upon receiving at
10 least two-thirds of the votes which members present at
11 the meeting or represented by proxy are entitled to cast.

12 (2) If there are no members, or no members
13 entitled to vote, an amendment shall be adopted at a
14 meeting of the board of directors upon receiving the vote
15 of a majority of the directors in office.

16 (3) Any number of amendments may be submitted
17 and voted upon at any one meeting.

18 Sec. 10.20.180. ARTICLES OF AMENDMENT. The articles
19 of amendment shall be executed in duplicate by the corpora-
20 tion by its president or a vice president, and its
21 secretary or an assistant secretary, and shall set forth

22 (1) the name of the corporation;

23 (2) the amendment adopted;

24 (3) if there are members entitled to vote there-
25 on,

26 (A) a statement setting forth the date of
27 the meeting of members at which the amendment was
28 adopted, that a quorum was present at the meeting,
29 and that the amendment received at least two-thirds

1 of the votes which members present at the meeting or
2 represented by proxy were entitled to cast, or

3 (B) A statement that the amendment was
4 adopted by a consent in writing signed by all members
5 entitled to vote with respect thereto;

6 (4) if there are no members, or no members en-
7 titled to vote, a statement of that fact, the date of the
8 meeting of the board of directors at which the amendment
9 was adopted, and a statement of the fact that the amendment
10 received the vote of a majority of the directors in office.

11 Sec. 10.20.185. FILING OF ARTICLES OF AMENDMENT. (a)
12 Duplicate originals of the articles of amendment shall be
13 delivered to the commissioner. If the commissioner finds
14 that the articles of amendment conform to law, he shall,
15 when all fees prescribed in this chapter have been paid:

16 (1) endorse on each duplicate original the word
17 "filed," and the date of the filing;

18 (2) file one duplicate original in his office;

19 (3) issue a certificate of amendment and affix
20 the other duplicate original to it.

21 (b) The certificate of amendment, together with the
22 duplicate original of the articles of amendment affixed by
23 the commissioner, shall be returned to the corporation or
24 its representative.

25 Sec. 10.20.190. EFFECT OF CERTIFICATE OF AMENDMENT.

26 (a) Upon the issuance of the certificate of amendment by
27 the commissioner, the amendment becomes effective and the
28 articles of incorporation are considered amended accordingly.

29 (b) An amendment does not affect an existing cause of

1 action in favor of or against the corporation, or a pending
2 suit to which the corporation is a party, or the existing
3 rights of persons other than shareholders. In the event
4 the corporate name is changed by amendment, no suit
5 brought by or against the corporation under its former
6 name abates for that reason.

7 Sec. 10.20.195. RESTATED ARTICLES OF INCORPORATION.
8 A domestic corporation may at any time restate its articles
9 of incorporation as theretofore amended in the following
10 manner.

11 (1) If there are members entitled to vote, the
12 board of directors shall adopt a resolution setting forth
13 the proposed restated articles of incorporation and dir-
14 ecting that they be submitted to a vote at a meeting of
15 members entitled to vote, which may be either an annual or
16 a special meeting.

17 (2) Written notice setting forth the proposed
18 restated articles or a summary of the provisions shall be
19 given to each member entitled to vote within the time and
20 in the manner provided in this chapter for giving notice
21 of meetings to members. If the meeting is an annual meet-
22 ing, the proposed restated articles or a summary of the
23 provisions may be included in the notice of the annual
24 meeting.

25 (3) At the meeting a vote of the members en-
26 titled to vote shall be taken on the proposed restated
27 articles. The restated articles shall be adopted upon
28 receiving the affirmative vote of a majority of the
29 members entitled to vote who are present at the meeting or

1 represented by proxy. .

2 (4) If there are no members, or no members
3 entitled to vote, the proposed restated articles shall be
4 adopted at a meeting of the board of directors upon receiv-
5 ing the affirmative vote of a majority of the directors in
6 office.

7 Sec. 10.20.200. EXECUTION OF RESTATED ARTICLES OF
8 INCORPORATION. Upon approval, the restated articles of
9 incorporation shall be executed in duplicate by the corpor-
10 ation by its president or a vice president, and by its
11 secretary or assistant secretary, and verified by one of
12 the officers signing the articles.

13 Sec. 10.20.205. CONTENTS OF RESTATED ARTICLES OF IN-
14 CORPORATION. The restated articles of incorporation shall
15 set forth:

- 16 (1) the name of the corporation;
17 (2) the period of its duration;
18 (3) the purpose or purposes which the corporation
19 is authorized to pursue;
20 (4) other provisions, not inconsistent with law,
21 which are set forth in the articles of incorporation as
22 amended, except that it shall not be necessary to set forth
23 in the restated articles of incorporation the registered
24 office of the corporation, its registered agent, its
25 directors or its incorporators;
26 (5) a statement that the restated articles of
27 incorporation correctly set forth the provisions of the
28 articles of incorporation as amended, and that they have
29 been duly adopted as required by law and that they supersede

1 the original articles of incorporation and all amendments.

2 Sec. 10.20.210. FILING OF RESTATED ARTICLES OF INCOR-
3 PORATION WITH COMMISSIONER. (a) Duplicate originals of
4 the restated articles of incorporation shall be delivered to
5 the commissioner. If the commissioner finds that the re-
6 stated articles of incorporation conform to law, he shall,
7 when all fees prescribed in this chapter have been paid,

8 (1) endorse on each duplicate original the word
9 "filed," and the date of the filing;

10 (2) file one duplicate original in his office;

11 (3) issue a restate certificate of incorporation
12 and affix the other duplicate original to it.

13 (b) The restate certificate of incorporation, together
14 with the duplicate original of the restated articles of in-
15 corporation affixed by the commissioner, shall be returned
16 to the corporation or its representative.

17 ARTICLE 4. MERGER, CONSOLIDATION, AND SALE OF ASSETS.

18 Sec. 10.20.215. MERGER. Two or more domestic nonprofit
19 corporations may merge into one of the two or more corpora-
20 tions pursuant to a plan of merger approved in the manner
21 provided in this chapter.

22 Sec. 10.20.220. PROCEDURE FOR MERGER. The board of
23 directors of each corporation shall, by resolution, approve
24 a plan of merger setting forth:

25 (1) the names of the corporations proposing to
26 merge and the name of the corporation into which they
27 propose to merge, which is hereafter referred to as the
28 surviving corporation;

29 (2) the terms and conditions of the proposed

1 merger;

2 (3) a statement of changes in the articles of
3 incorporation of the surviving corporation caused by the
4 merger;

5 (4) other provisions with respect to the merger
6 considered necessary or desirable.

7 Sec. 10.20.225. CONSOLIDATION. Two or more domestic
8 corporations may consolidate into a new corporation pursuant
9 to a plan of consolidation approved in the manner provided
10 in this chapter.

11 Sec. 10.20.230. PROCEDURE FOR CONSOLIDATION. The
12 board of directors of each corporation shall, by a resolu-
13 tion, approve a plan of consolidation setting forth

14 (1) the names of the corporations proposing to
15 consolidate, and the name of the new corporation into which
16 they propose to consolidate, which is hereafter referred to
17 as the new corporation;

18 (2) the terms and conditions of the proposed
19 consolidation;

20 (3) all of the statements with respect to the
21 new corporation required to be set forth in articles of
22 incorporation for corporations organized under this chapter;

23 (4) other provisions with respect to the consol-
24 idation considered necessary or desirable.

25 Sec. 10.20.235. APPROVAL OF MERGER OR CONSOLIDATION.

26 (a) A plan of merger or consolidation shall be adopted in
27 the following manner.

28 (1) If the members of any merging or consolidating
29 corporation are entitled to vote, the board of directors of

1 the corporation shall adopt a resolution approving the pro-
2 posed plan and directing that it be submitted to a vote at a
3 meeting of members entitled to vote, which may be either an
4 annual or a special meeting. Written notice setting forth
5 the proposed plan or a summary shall be given to each member
6 entitled to vote at the meeting within the time and in the
7 manner provided in this chapter for the giving of notice of
8 meetings of members. The proposed plan shall be adopted
9 upon receiving at least two-thirds of the votes which
10 members present at the meeting or represented by proxy are
11 entitled to cast.

12 (2) If any merging or consolidating corporation
13 has no members, or no members entitled to vote, a plan of
14 merger or consolidation shall be adopted at a meeting of the
15 board of directors of the corporation upon receiving the
16 vote of a majority of the directors in office.

17 Sec. 10.20.240. ABANDONMENT OF PLAN OF MERGER OR
18 CONSOLIDATION. After approval by a vote of the members, or
19 in the case of a corporation with no members or no members
20 entitled to vote, after approval by its board of directors,
21 of each corporation, and prior to the filing of the articles
22 of merger or consolidation, the merger or consolidation
23 may be abandoned pursuant to provisions, if any, set forth
24 in the plan of merger or consolidation.

25 Sec. 10.20.245. ARTICLES OF MERGER OR CONSOLIDATION.
26 Upon approval of the plan of merger or consolidation, arti-
27 cles of merger or articles of consolidation shall be
28 executed in duplicate by each corporation by its president
29 or a vice president and its secretary or an assistant

1 secretary, and verified by one of the officers of each cor-
2 poration signing the articles.

3 Sec. 10.20.250. ARTICLES OF MERGER OR CONSOLIDATION.

4 The articles of merger or consolidation shall set forth

5 (1) the plan of merger or the plan of consolida-
6 tion;

7 (2) if the members of any merging or consoli-
8 dating corporation are entitled to vote, as to each such
9 corporation

10 (A) a statement setting forth the date of
11 the meeting of members at which the plan was adopted,
12 that a quorum was present at the meeting, and that the
13 plan received at least two-thirds of the votes which
14 members present at such meeting or ~~represented~~ by
15 proxy were entitled to cast, or

16 (B) a statement that the plan was adopted
17 by a consent in writing signed by all members entitled
18 to vote;

19 (3) if any merging or consolidating corporation
20 has no members, or no members entitled to vote, as to each
21 corporation a statement of this fact, the date of the
22 meeting of the board of directors at which the plan was
23 adopted and a statement of the fact that the plan received
24 the vote of a majority of the directors in office.

25 Sec. 10.20.255. FILING OF ARTICLES OF MERGER OR CON-
26 SOLIDATION WITH COMMISSIONER. (a) Duplicate originals of
27 the articles of merger or articles of consolidation shall
28 be delivered to the commissioner. If the commissioner
29 finds that the articles conform to law, he shall, when all

1 fees prescribed in this chapter have been paid,

2 (1) endorse on each duplicate original the word
3 "filed," and the date of the filing;

4 (2) file one duplicate original in his office;

5 (3) issue a certificate of merger or a certifi-
6 cate of consolidation and affix the other duplicate original
7 to it.

8 (b) The certificate of merger or certificate of con-
9 solidation, together with the duplicate original of the
10 articles of merger or articles of consolidation affixed
11 shall be returned to the surviving or new corporation or
12 its representative.

13 Sec. 10.20.260. EFFECT OF MERGER OR CONSOLIDATION.

14 (a) Upon the issuance of the certificate of merger or the
15 certificate of consolidation, the merger or consolidation
16 becomes effective.

17 (b) Merger or consolidation has the following effect.

18 (1) The merging or consolidating corporations
19 are a single corporation, which, in the case of a merger, is
20 the corporation designated in the plan of merger as the
21 surviving corporation, and, in the case of a consolidation,
22 is the new corporation provided for in the plan of consoli-
23 dation.

24 (2) The separate existence of the corporations,
25 except the surviving or new corporation, ceases.

26 (3) The surviving or new corporation has the
27 rights, privileges, immunities and powers and is subject to
28 the duties and liabilities of a corporation organized under
29 this chapter.

1 (4) The surviving or new corporation possesses
2 the rights, privileges, immunities and franchises, public
3 and private, of the merging or consolidating corporations.
4 All real, personal and mixed property, and all debts due,
5 including subscriptions to shares, and all other choses in
6 action, and every other interest of or belonging to or due
7 to each of the corporations are transferred to and vested
8 in the surviving or new corporation. The title to real
9 estate, or interest in real estate, vested in the corpora-
10 tions does not revert nor is it in any way impaired because
11 of the merger or consolidation.

12 (5) The surviving or new corporation is liable
13 for the liabilities and obligations of each of the corpora-
14 tions merged or consolidated. A claim existing or action
15 or proceeding pending by or against the corporations may
16 be prosecuted as if the merger or consolidation had not
17 taken place, or the surviving or new corporation may be
18 substituted in its place. Neither the rights of creditors
19 nor liens upon the property of a merging or consolidating
20 corporation are impaired by the merger or consolidation.

21 (6) In the case of a merger, the articles of in-
22 corporation of the surviving corporation are amended to the
23 extent that changes in its articles of incorporation are
24 stated in the plan of merger. In the case of a consolida-
25 tion, the statements set forth in the articles of
26 consolidation which are required or permitted to be set
27 forth in the articles of incorporation of corporations
28 organized under this chapter are the original articles of
29 incorporation of the new corporation.

1 Sec. 10.20.265. MERGER OR CONSOLIDATION OF DOMESTIC
2 AND FOREIGN CORPORATIONS. One or more foreign corporations
3 and one or more domestic corporations may be merged or con-
4 solidated in the manner provided in Secs. 270 and 275 of
5 this chapter if the merger or consolidation is permitted by
6 the laws of the state under which each foreign corporation is
7 organized.

8 Sec. 10.20.270. PROCEDURE WHEN SURVIVING OR NEW COR-
9 PORATION IS GOVERNED BY LAWS OF ANOTHER STATE. (a) Each
10 domestic corporation shall comply with the provisions of
11 this chapter with respect to the merger or consolidation of
12 domestic corporations and each foreign corporation shall
13 comply with the applicable provisions of the laws of the
14 state under which it is organized.

15 (b) If the surviving or new corporation is to be
16 governed by the laws of a state other than this state, it
17 shall comply with the provisions of this chapter with
18 respect to foreign corporations if it is to transact business
19 in this state and in every case it shall file with the
20 commissioner

21 (1) an agreement that it may be served with pro-
22 cess in this state in a proceeding for the enforcement of
23 an obligation of a domestic corporation which is a party
24 to the merger or consolidation;

25 (2) an irrevocable appointment of the commissioner
26 as its agent to accept service of process in these proceed-
27 ings.

28 Sec. 10.20.275. EFFECT OF MERGER OR CONSOLIDATION OF
29 FOREIGN AND DOMESTIC CORPORATION. If the surviving or new

1 corporation is to be governed by the law of this state, the
2 effect of the merger or consolidation is the same as the
3 merger or consolidation of domestic corporations. If the
4 surviving or new corporation is to be governed by the laws
5 of another state, the effect of the merger or consolidation
6 is the same as the merger or consolidation of domestic cor-
7 porations except insofar as the laws of the other state
8 provide otherwise.

9 Sec. 10.20.280. SALE, LEASE, EXCHANGE, OR MORTGAGE OF
10 ASSETS. A sale, lease, exchange, mortgage, pledge or other
11 disposition of all, or substantially all, the property and
12 assets of a corporation may be made upon such terms and
13 conditions and for such consideration, which may consist in
14 whole or in part of money or property, real or personal,
15 including shares of any corporation for profit, domestic or
16 foreign, as may be authorized in the following manner.

17 (1) If there are members entitled to vote, the
18 board of directors shall adopt a resolution recommending the
19 sale, lease, exchange, mortgage, pledge or other disposition
20 and directing that it be submitted to a vote at a meeting of
21 members entitled to vote, which may be either an annual or
22 a special meeting. Written notice stating that the purpose,
23 or one of the purposes, of the meeting is to consider the
24 sale, lease, exchange, mortgage, pledge or other disposition
25 of all or substantially all, the property and assets of the
26 corporation shall be given to each member entitled to vote
27 at such meeting, within the time and in the manner provided
28 by this chapter for the giving of notice of meetings of
29 members. At the meeting the members may authorize such

1 sale, lease, exchange, mortgage, pledge or other disposition
2 and may fix, or may authorize the board of directors to
3 fix the terms and conditions thereof and the consideration
4 to be received by the corporation therefor. This authoriza-
5 tion shall require at least two-thirds of the votes which
6 members present at the meeting or represented by proxy are
7 entitled to cast. After authorization by a vote of members,
8 the board of directors may abandon the sale, lease, exchange,
9 mortgage, pledge or other disposition of assets, subject to
10 the rights of third parties under related contracts, without
11 further action or approval by members.

12 (2) If there are no members, or no members
13 entitled to vote, a sale, lease, exchange, mortgage, pledge
14 or other disposition of all, or substantially all, the
15 property and assets of a corporation shall be authorized
16 upon receiving the vote of a majority of the directors in
17 office.

18 ARTICLE 5. DISSOLUTION.

19 Sec. 10.20.290. VOLUNTARY DISSOLUTION. (a) A corpora-
20 tion may dissolve and wind up its affairs in the following
21 manner.

22 (1) If there are members entitled to vote, the
23 board of directors shall adopt a resolution recommending
24 that the corporation be dissolved, and directing that the
25 question of such dissolution be submitted to a vote at a
26 meeting of members entitled to vote, which may be either an
27 annual or a special meeting. Written notice stating that
28 the purpose, or one of the purposes, of the meeting is to
29 consider the advisability of dissolving the corporation,

1 shall be given to each member entitled to vote at the meet-
2 ing, within the time and in the manner provided in this
3 chapter for the giving of notice of meetings of members. A
4 resolution to dissolve the corporation shall be adopted upon
5 receiving at least two-thirds of the votes which members
6 present at such meeting or represented by proxy are entitled
7 to cast.

8 (2) If there are no members, or no members
9 entitled to vote, the dissolution of the corporation shall
10 be authorized at a meeting of the board of directors upon
11 the adoption of a resolution to dissolve by the vote of a
12 majority of the directors in office.

13 (b) Upon the adoption of a resolution by the members,
14 or by the board of directors if there are no members or no
15 members entitled to vote, the corporation shall cease to
16 conduct its affairs except insofar as may be necessary to
17 wind them up, shall immediately cause a notice of the pro-
18 posed dissolution to be mailed to each known creditor of
19 the corporation, and shall proceed to collect its assets
20 and apply and distribute them as provided in this chapter.

21 Sec. 10.20.295. DISTRIBUTION OF ASSETS. The assets of
22 a corporation in the process of dissolution shall be applied
23 and distributed as follows.

24 (1) All liabilities and obligations of the cor-
25 poration shall be paid and discharged, or adequate provision
26 shall be made therefor;

27 (2) Assets held by the corporation upon condition
28 requiring return, transfer or conveyance, which condition
29 occurs by reason of the dissolution, shall be returned,

1 transferred or conveyed in accordance with the requirements;

2 (3) Assets received and held by the corporation
3 subject to limitations permitting their use only for chari-
4 table, religious, eleemosynary, benevolent, educational or
5 similar purposes, but not held upon a condition requiring
6 return, transfer or conveyance by reason of the dissolution,
7 shall be transferred or conveyed to one or more domestic or
8 foreign corporations, societies or organizations engaged in
9 activities substantially similar to those of the dissolving
10 corporation, pursuant to a plan of distribution adopted as
11 provided in this chapter;

12 (4) Other assets, if any, shall be distributed in
13 accordance with the provisions of the articles of incorpora-
14 tion or bylaws to the extent that the articles of incor-
15 poration or bylaws determine the distributive rights of
16 members, or any class or classes of members, or provide for
17 distribution to others;

18 (5) Any remaining assets may be distributed to
19 persons, societies, organizations or domestic or foreign
20 corporations, whether for profit or nonprofit, as may be
21 specified in a plan of distribution adopted as provided in
22 this chapter.

23 Sec. 10.20.300. PLAN OF DISTRIBUTION. A plan pro-
24 viding for the distribution of assets, not inconsistent with
25 the provisions of this chapter, may be adopted by a corpora-
26 tion in the process of dissolution and shall be adopted by a
27 corporation for the purpose of authorizing any transfer or
28 conveyance of assets for which this chapter requires a plan
29 of distribution, in the following manner.

1 (1) If there are members entitled to vote, the
2 board of directors shall adopt a resolution recommending a
3 plan of distribution and directing the submission to a vote
4 at a meeting of members entitled to vote, which may be
5 either an annual or a special meeting. Written notice
6 setting forth the proposed plan of distribution or a sum-
7 mary shall be given to each member entitled to vote at the
8 meeting, within the time and in the manner provided in this
9 chapter for giving notice of meetings of members. The plan
10 of distribution shall be adopted upon receiving at least
11 two-thirds of the votes which members present at the meeting
12 or represented by proxy are entitled to cast.

13 (2) If there are no members, or no members
14 entitled to vote, a plan of distribution shall be adopted
15 at a meeting of the board of directors upon receiving a vote
16 of a majority of the directors in office.

17 Sec. 10.20.305. REVOCATION OF VOLUNTARY DISSOLUTION
18 PROCEEDINGS. (a) A corporation may, at any time prior
19 to the issuance of a certificate of dissolution by the
20 commissioner, revoke the action taken to dissolve the cor-
21 poration, in the following manner.

22 (1) If there are members entitled to vote, the
23 board of directors shall adopt a resolution recommending
24 that the voluntary dissolution proceedings be revoked, and
25 directing that the question of revocation be submitted to a
26 vote at a meeting of members entitled to vote, which may
27 be either an annual or a special meeting. Written notice
28 stating that the purpose, or one of the purposes, of the
29 meeting is to consider the advisability of revoking the

1 voluntary dissolution proceedings, shall be given to each
2 member entitled to vote at the meeting, within the time
3 and in the manner provided in this chapter for the giving
4 of notice of meetings of members. A resolution to revoke
5 the voluntary dissolution proceedings shall be adopted upon
6 receiving at least two-thirds of the votes which members
7 present at the meeting or represented by proxy are entitled
8 to cast.

9 (2) If there are no members, or no members
10 entitled to vote, a resolution to revoke the voluntary dis-
11 solution proceedings shall be adopted at a meeting of the
12 board of directors upon receiving the vote of a majority of
13 the directors in office.

14 (3) Upon the adoption of such resolution by the
15 members, or by the board of directors where there are no
16 members or no members entitled to vote thereon, the cor-
17 poration may thereupon again conduct its affairs.

18 Sec. 10.20.310. ARTICLES OF DISSOLUTION. If voluntary
19 dissolution proceedings have not been revoked, then after
20 all debts, liabilities and obligations of the corporation
21 shall have been paid and discharged, or adequate provision
22 shall have been made for payment, and all of the remaining
23 property and assets of the corporation shall have been
24 transferred, conveyed or distributed in accordance with
25 the provisions of this chapter, articles of dissolution
26 shall be executed in duplicate by the corporation by its
27 president or a vice president, and its secretary or an
28 assistant secretary, and verified by one of the officers
29 signing the articles. The articles of dissolution shall

1 set forth

2 (1) the name of the corporation;

3 (2) if there are members entitled to vote,

4 (A) a statement setting forth the date of
5 the meeting of members at which the resolution to dis-
6 solve was adopted, that a quorum was present at the
7 meeting, and that the resolution received at least
8 two-thirds of the votes which members present at the
9 meeting or represented by proxy were entitled to cast,
10 or

11 (B) a statement that the resolution was
12 adopted by a consent in writing signed by all members
13 entitled to vote;

14 (3) if there are no members, or no members
15 entitled to vote, a statement of such fact, the date of
16 the meeting of the board of directors at which the resolu-
17 tion to dissolve was adopted and a statement of the fact
18 that the resolution received the vote of a majority of
19 the directors in office;

20 (4) that all debts, obligations, and liabilities
21 of the corporation have been paid and discharged or that
22 adequate provision has been made for the payment;

23 (5) a copy of the plan of distribution, if any,
24 as adopted by the corporation, or a statement that no plan
25 was adopted;

26 (6) that all the remaining property and assets
27 of the corporation have been transferred, conveyed or dis-
28 tributed in accordance with the provisions of this chapter;

29 (7) that there are no suits pending against the

1 corporation in any court, or that adequate provision has
2 been made for the satisfaction of a judgment, order or
3 decree which may be entered against it in a pending suit.

4 Sec. 10.20.315. FILING OF ARTICLES OF DISSOLUTION. (a)

5 Duplicate originals of the articles of dissolution shall be
6 delivered to the commissioner. If the commissioner finds
7 that such articles of dissolution conform to law, he shall,
8 when all fees prescribed by this chapter have been paid:

9 (1) endorse on each of such duplicate originals
10 the word "filed," and the date of the filing;

11 (2) file one of such duplicate originals in his
12 office;

13 (3) issue a certificate of dissolution and affix
14 the other duplicate original to it.

15 (b) The certificate of dissolution, together with the
16 duplicate original of the articles of dissolution affixed
17 shall be returned to the representative of the dissolved
18 corporation.

19 Sec. 10.20.320. EFFECT OF CERTIFICATE OF DISSOLUTION.

20 Upon the issuance of the certificate of dissolution the
21 existence of the corporation ceases, except for the purpose
22 of suits, other proceedings and appropriate corporate action
23 by members, directors and officers as provided in this
24 chapter.

25 Sec. 10.20.325. GROUNDS FOR INVOLUNTARY DISSOLUTION.

26 A corporation may be dissolved involuntarily by a decree of
27 the superior court in an action filed by the attorney
28 general when it is established that

29 (1) the corporation has failed to file its annual

1 report within the time required by this chapter; or

2 (2) the corporation procured its articles of
3 incorporation through fraud; or

4 (3) the corporation has continued to exceed or
5 abuse the authority conferred upon it by law; or

6 (4) the corporation has failed for 30 days to
7 appoint and maintain a registered agent in the state; or

8 (5) the corporation has failed for 30 days after
9 change of its registered office or registered agent to
10 file in the office of the commissioner a statement of the
11 change.

12 Sec. 10.20.330. NOTIFICATION TO ATTORNEY GENERAL.

13 The commissioner, before July 2 of each year, shall certify
14 to the attorney general the names of all corporations which
15 have failed to file their annual reports in accordance with
16 this chapter, together with the pertinent facts. The
17 commissioner shall also certify, from time to time, the
18 names of corporations which have given cause to be dissolved
19 involuntarily as provided in this chapter, together with
20 the pertinent facts.

21 Sec. 10.20.335. NOTICE TO CORPORATION. When the

22 commissioner certifies a corporation to the attorney gen-
23 eral as having given any cause for involuntary dissolution,
24 the commissioner shall at the same time mail to the cor-
25 poration at its registered office a notice that the
26 certification has been made.

27 Sec. 10.20.340. ACTION FOR INVOLUNTARY DISSOLUTION.

28 Upon receipt of the certification, the attorney general
29 shall file an action in the name of the state against the

1 corporation for its dissolution. A certificate from the
2 commissioner to the attorney general pertaining to the
3 failure of a corporation to file an annual report is prima
4 facie evidence in all courts of the facts stated in the
5 certificate.

6 Sec. 10.20.345. REMOVAL OF GROUND FOR DISSOLUTION.

7 (a) If, before action is filed, the corporation files its
8 annual report or appoints or maintains a registered agent
9 as provided in this chapter, or files with the commissioner
10 the required statement of change of registered office of
11 registered agent, the commissioner shall certify that fact
12 to the attorney general and an action against the corpora-
13 tion shall not be filed.

14 (b) If, after the action is filed, the corporation
15 files its annual report or appoints or maintains a regis-
16 tered agent as provided in this chapter, or files with
17 the commissioner the required statement of change of
18 registered office or registered agent, and pays the cost
19 of the action, the action abates.

20 Sec. 10.20.350. VENUE AND PROCESS. (a) An action
21 for the involuntary dissolution of a corporation shall be
22 commenced by the attorney general in the superior court.

23 (b) Summons shall issue and be served as in other
24 civil actions. If process is returned not found, the
25 attorney general shall publish notice as in other civil
26 cases in a newspaper published in the judicial district
27 where the registered office of the corporation is situated,
28 containing a notice of the pendency of the action, the
29 title of the court, the title of the action, and the date

1 on or after which default may be entered. The attorney
2 general may include in one notice the names of any number
3 of corporations against which actions are pending in the
4 same court.

5 (c) The attorney general shall have a copy of the
6 notice mailed to the corporation at its registered office
7 within 10 days after the first publication of it.

8 (d) Notice shall be published at least once each week
9 for two successive weeks, and the first publication may
10 begin at any time after the summons has been returned.

11 (e) Unless a corporation is served with summons, no
12 default may be taken against it earlier than 30 days after
13 the first publication of the notice.

14 Sec. 10.20.355. JURISDICTION OF COURT TO LIQUIDATE
15 ASSETS AND BUSINESS OF CORPORATION. The superior court may
16 liquidate the assets and business of a corporation in the
17 cases provided in Secs. 360-375 of this chapter.

18 Sec. 10.20.360. ACTION BY MEMBERS FOR LIQUIDATION.
19 In an action by a member, the superior court may liquidate
20 the assets and business of a corporation when it is
21 established

22 (1) that the directors are deadlocked in the
23 management of the corporate affairs, the members are unable
24 to break the deadlock, and that irreparable injury to the
25 corporation is being suffered or is threatened by reason
26 of the deadlock; or

27 (2) that the acts of the directors or those in
28 control of the corporation are illegal, oppressive or
29 fraudulent; or

1 (3) that the members are deadlocked in voting
2 power, and have failed, for a period which includes at
3 least two consecutive annual meeting dates, to elect suc-
4 cessors to directors whose terms have expired or would have
5 expired upon the election of their successors; or

6 (4) that the corporate assets are being misap-
7 plied or wasted.

8 Sec. 10.20.365. ACTION BY CREDITOR FOR LIQUIDATION.

9 In an action by a creditor, the superior court may liquidate
10 the assets and business of a corporation when

11 (1) the claim of the creditor has been reduced
12 to judgment and an execution on the judgment has been re-
13 turned unsatisfied and it is established that the corpora-
14 tion is insolvent; or

15 (2) the corporation has admitted in writing that
16 the claim of the creditor is due and owing and it is estab-
17 lished that the corporation is insolvent.

18 Sec. 10.20.370. LIQUIDATION ON APPLICATION BY CORPORA-
19 TION. Upon application by a corporation which has filed a
20 statement of intent to dissolve, as provided in this
21 chapter, to have its liquidation continued under the super-
22 vision of the court, the superior court may liquidate the
23 assets and affairs of the corporation.

24 Sec. 10.20.375. LIQUIDATION IN ACTION BY ATTORNEY
25 GENERAL FOR DISSOLUTION. When an action has been filed by
26 the attorney general to dissolve a corporation and it is
27 established that liquidation of its business and affairs
28 should precede the entry of a decree of dissolution, the
29 superior court may liquidate the assets and business of a

1 corporation.

2 Sec. 10.20.380. JOINDER OF MEMBERS NOT MANDATORY.

3 It is not necessary to make members parties to an action
4 or proceeding for liquidation of the assets of a corporation
5 unless relief is sought against them personally.

6 Sec. 10.20.385. PROCEDURE IN LIQUIDATION OF CORPORA-
7 TION BY COURT. In a proceeding to liquidate the assets and
8 business of a corporation the superior court may issue in-
9 junctions, appoint a receiver pendente lite with powers and
10 duties as the court may direct, and take other proceedings
11 necessary to preserve the corporate assets wherever situated
12 and carry on the business of the corporation until a full
13 hearing is had.

14 Sec. 10.20.390. APPOINTMENT OF RECEIVER. After a
15 hearing held upon such notice as the court may direct to be
16 given to all parties to the proceedings and to any other
17 parties in interest designated by the court, the court may
18 appoint a liquidating receiver with authority to collect the
19 assets of the corporation, including amounts owing to the
20 corporation by members. The liquidating receiver may,
21 subject to the order of the court, sell, convey, and dispose
22 of all or a part of the assets of the corporation wherever
23 situated, either at public or private sale.

24 Sec. 10.20.395. DISPOSITION OF ASSETS OR PROCEEDS.
25 The assets of the corporation or the proceeds resulting from
26 a sale, conveyance, or other disposition thereof shall be
27 applied and distributed as follows.

28 (1) All costs and expenses of the court proceed-
29 ings and all liabilities and obligations of the corporation

1 shall be paid, satisfied and discharged, or adequate provi-
2 sion shall be made for payment;

3 (2) Assets held by the corporation upon condition
4 requiring return, transfer or conveyance, which condition
5 occurs by reason of the dissolution or liquidation, shall be
6 returned, transferred or conveyed in accordance with these
7 requirements;

8 (3) Assets received and held by the corporation
9 subject to limitations permitting their use only for chari-
10 table, religious, eleemosynary, benevolent, educational or
11 similar purposes, but not held upon a condition requiring
12 return, transfer or conveyance by reason of the dissolution
13 or liquidation, shall be transferred or conveyed to one or'
14 more domestic or foreign corporations, societies or organi-
15 zations engaged in activities substantially similar to those
16 of the dissolving or liquidating corporation as the court
17 may direct;

18 (4) Other assets, if any, shall be distributed in
19 accordance with the provisions of the articles of incorpora-
20 tion or the bylaws to the extent that the articles of incor-
21 poration or bylaws determine the distributive right of
22 members, or any class or classes of members, or provide for
23 distribution to others;

24 (5) Any remaining assets may be distributed to
25 persons, societies, organizations or domestic or foreign
26 corporations, whether for profit or not for profit, speci-
27 fied in the plan of distribution adopted as provided in this
28 chapter, or where no plan of distribution has been adopted,
29 as the court may direct.

1 Sec. 10.20.400. STATED POWERS AND DUTIES OF RECEIVER.

2 The order appointing the liquidating receiver shall state
3 his powers and duties. The powers and duties may be in-
4 creased or diminished at any time during the liquidation
5 proceedings.

6 Sec. 10.20.405. COMPENSATION OF RECEIVER AND ATTORNEYS.

7 The court may allow from time to time, as expenses of the
8 liquidation, compensation to the receiver and to attorneys
9 in the proceeding, and direct the payment of compensation
10 out of the assets of the corporation or the proceeds of a
11 sale or disposition of assets.

12 Sec. 10.20.410. POWER OF RECEIVER TO SUE AND BE SUED.

13 A receiver of a corporation appointed under this chapter
14 may sue and defend in all courts in his own name as receiver
15 of the corporation.

16 Sec. 10.20.415. APPOINTING COURT HAS EXCLUSIVE JURIS-

17 DICTION. The court appointing the receiver has exclusive
18 jurisdiction of the corporation and its property, wherever
19 situated.

20 Sec. 10.20.420. QUALIFICATIONS OF RECEIVERS. A re-
21 ceiver shall be a citizen of the United States or a corpora-
22 tion authorized to act as receiver, which corporation may be
23 a domestic corporation or a foreign corporation authorized
24 to transact business in the state. A receiver shall give
25 the bond the court directs with sureties the court requires.

26 Sec. 10.20.425. FILING OF CLAIMS IN LIQUIDATION PRO-
27 CEEDINGS. (a) In a proceeding to liquidate the assets and
28 business of a corporation the court may require creditors of
29 the corporation to file with the clerk of the court or with

1 the receiver, in the form the court prescribes, proof under
2 oath of their respective claims.

3 (b) If the court requires the filing of claims it
4 shall fix a date, not less than four months from the date
5 of the order, as the last day for the filing of claims, and
6 shall prescribe the notice to be given to creditors and
7 claimants of the date fixed. Prior to the date fixed, the
8 court may extend the time of the filing of claims.

9 (c) A creditor who fails to file proof of his claim
10 on or before the date fixed may be barred by order of the
11 court from participating in the distribution of the assets
12 of the corporation.

13 Sec. 10.20.430. DISCONTINUANCE OF LIQUIDATION
14 PROCEEDINGS. The liquidation of the assets and business of
15 a corporation may be discontinued at any time during the
16 liquidation proceeding when it is established that cause
17 for liquidation no longer exists. In this event, the court
18 shall dismiss the proceeding and direct the receiver to
19 redeliver to the corporation its remaining property and
20 assets.

21 Sec. 10.20.435. DECREEE OF INVOLUNTARY DISSOLUTION.
22 In proceedings to liquidate the assets and business of a
23 corporation, when the costs and expenses of the proceeding
24 and the debts, obligations and liabilities of the corpora-
25 tion have been paid and discharged or when the remaining
26 property and assets are not sufficient to satisfy and
27 discharge the costs, expenses, debts and obligations, and
28 all the property and assets have been applied to their
29 payment, the court shall enter a decree dissolving the

1 corporation. Upon entry of the decree, the existence of
2 the corporation ceases.

3 Sec. 10.20.440. FILING OF DECREE OF DISSOLUTION. If
4 the court enters a decree dissolving a corporation, the
5 clerk of the court shall file a certified copy of the
6 decree with the commissioner. No fee may be charged for
7 this filing.

8 Sec. 10.20.445. DEPOSIT WITH COMMISSIONER OF AMOUNT
9 DUE SHAREHOLDERS. Upon the voluntary or involuntary disso-
10 lution of a corporation, the portion of the assets distribut-
11 able to a creditor or member who is unknown or cannot be
12 found, or who is under disability and there is no legally
13 competent person to receive the distributive portion, shall
14 be reduced to cash and deposited with the commissioner and
15 shall be paid over to the creditor or member or his legal
16 representative upon proof satisfactory to the commissioner
17 of his right to it.

18 Sec. 10.20.450. SURVIVAL OF REMEDY AFTER DISSOLUTION.
19 The dissolution of a corporation either by (1) the issuance
20 of a certificate of dissolution by the commissioner, or (2)
21 a decree of the court when the court has not liquidated the
22 assets and business of the corporation as provided in this
23 chapter, or (3) by expiration of its period of duration,
24 does not take away or impair a remedy available to or
25 against the corporation, its directors, officers, or share-
26 holders, for a right or claim existing, or a liability
27 incurred, prior to dissolution if an action or other pro-
28 ceeding is commenced within two years after the date of
29 dissolution. The action or proceeding by or against the

1 corporation may be prosecuted or defended by the corporation
2 in its corporate name. The shareholders, directors, and
3 officers may take appropriate action to protect the remedy,
4 right, or claim. If the corporation was dissolved by the
5 expiration of its period of duration, it may amend its
6 articles of incorporation at any time during the two year
7 period in order to extend its period of duration.

8 ARTICLE 6. FOREIGN CORPORATIONS.

9 Sec. 10.20.455. ADMISSION OF FOREIGN CORPORATION. No
10 foreign nonprofit corporation may transact business in the
11 state until it has procured a certificate of authority from
12 the commissioner. No foreign corporation may procure a
13 certificate of authority to transact business in the state
14 which a corporation organized under this chapter is not
15 permitted to transact. A foreign corporation may not be
16 denied a certificate of authority because the laws of the
17 state or country under which it is organized governing its
18 organization and internal affairs differ from the laws of
19 the state. Nothing in this chapter authorizes the state to
20 regulate the organization or the internal affairs of a
21 foreign corporation.

22 Sec. 10.20.460. ACTIVITIES EXCLUDED FROM REGULATIONS.
23 Without excluding other activities which may not constitute
24 transacting business in the state, a foreign corporation
25 does not transact business in the state by carrying on any
26 of the following activities:

27 (1) maintaining or defending any action or suit
28 of an administrative or arbitration proceeding, or effecting
29 its settlement or the settlement of claims or disputes;

1 (2) holding meetings of its directors or share-
2 holders, or carrying on other activities concerning its
3 internal affairs;

4 (3) maintaining bank accounts;

5 (4) securing or collecting debts, or enforcing
6 rights in property securing debts;

7 (5) transacting business in interstate commerce;

8 (6) granting funds;

9 (7) distributing information to members;

10 (8) conducting an isolated transaction completed
11 within a period of 30 days not in the course of a number of
12 repeated transactions of like nature.

13 Sec. 10.20.465. POWERS OF A FOREIGN CORPORATION. A
14 foreign corporation which has received a certificate of
15 authority enjoys the same, but no greater, rights and priv-
16 ileges as a domestic corporation organized for the purposes
17 set forth in the application pursuant to which the certifi-
18 cate of authority is issued and, except as otherwise
19 provided in this chapter, is subject to the duties, restric-
20 tions, penalties and liabilities imposed upon a domestic
21 corporation of like character.

22 Sec. 10.20.470. CORPORATE NAME OF FOREIGN CORPORATION.
23 No certificate of authority shall be issued to a foreign
24 corporation unless the corporate name of the corporation

25 (1) does not contain any word or phrase which
26 indicates or implies that it is organized for any purpose
27 other than the purposes contained in its articles of
28 incorporation;

29 (2) is not the same as, or deceptively similar

1 to, the name of any corporation, whether for profit or not
2 for profit, existing under the laws of this state, or any
3 foreign corporation, whether for profit or not for profit,
4 authorized to transact business or conduct affairs in this
5 state, or a corporate name reserved or registered as per-
6 mitted by the laws of this state.

7 Sec. 10.20.475. CHANGE OF NAME BY FOREIGN CORPORATION.

8 When a foreign corporation authorized to transact business
9 in the state changes its name to one under which a certif-
10 icate of authority would not be granted to it, the
11 certificate of authority of the corporation is suspended
12 and it may not transact business in the state until it has
13 changed its name to a name available to it under the laws
14 of the state.

15 Sec. 10.20.480. APPLICATION FOR CERTIFICATE OF AUTH-
16 ORITY. To procure a certificate of authority to transact
17 business in the state, a foreign corporation shall file an
18 application in duplicate with the commissioner.

19 Sec. 10.20.485. CONTENTS OF APPLICATION. The applica-
20 tion shall set forth

21 (1) the name of the corporation and the state or
22 country under the laws of which it is incorporated;

23 (2) the date of incorporation and the period of
24 duration of the corporation;

25 (3) the address of the principal office of the
26 corporation in the state or country under the laws of
27 which it is incorporated;

28 (4) the address of the proposed registered
29 office of the corporation in this state, and the name of its

1 proposed registered agent in this state at that address;

2 (5) the purpose or purposes of the corporation
3 which it proposes to pursue in conducting its affairs in
4 the state;

5 (6) the names and addresses of the directors and
6 officers of the corporation;

7 (7) additional information as may be necessary or
8 appropriate in order to enable the commissioner to determine
9 whether such corporation is entitled to a certificate of
10 authority to conduct affairs in the state.

11 Sec. 10.20.490. FORM OF APPLICATION. The application
12 shall be on forms prescribed and furnished by the commission-
13 er and shall be executed in duplicate by the corporation, by
14 its president or vice president, and by its secretary or an
15 assistant secretary, and verified by one of the officers
16 signing the application.

17 Sec. 10.20.495. FILING OF APPLICATION FOR CERTIFICATE
18 OF AUTHORITY. (a) If the commissioner finds that the appli-
19 cation conforms to law, he shall, when all fees prescribed
20 in this chapter have been paid

21 (1) endorse on each document the word "filed,"
22 and the date of the filing;

23 (2) file one duplicate original of the applica-
24 tion in his office;

25 (3) issue a certificate of authority to transact
26 business in the state and affix the other duplicate original
27 application to it.

28 (b) The certificate of authority, together with the
29 duplicate original of the application affixed to it by the

1 commissioner, shall be returned to the corporation or its
2 representative.

3 Sec. 10.20.500. EFFECT OF CERTIFICATE OF AUTHORITY.

4 Upon the issuance of a certificate of authority by the com-
5 missioner, the corporation may transact business in the
6 state for the purpose set forth in its application, subject,
7 however, to the right of the state to suspend or revoke
8 such authority as provided in this chapter.

9 Sec. 10.20.505. REGISTERED OFFICE AND REGISTERED AGENT
10 OF FOREIGN CORPORATION. Each foreign corporation authorized
11 to transact business in the state shall have and continuous-
12 ly maintain in the state

13 (1) a registered office which may be, but need .
14 not be, the same as its place of business in the state;

15 (2) a registered agent, who may be either an
16 individual resident in the state whose business office is
17 identical with the registered office, or a domestic corpora-
18 tion, or a foreign corporation authorized to transact busi-
19 ness in the state, which has a business office identical
20 with the registered office.

21 Sec. 10.20.510. LIST OF FOREIGN CORPORATIONS AND
22 REGISTERED OFFICES AND AGENTS. The commissioner shall
23 provide each clerk of the superior court with a current list
24 of the names of all foreign corporations, the address of
25 their registered office, and the name and address of their
26 registered agent. The commissioner shall provide a supple-
27 ment to the list indicating additions, deletions and
28 changes at least every six months. The list shall be made
29 available to the public by the commissioner for a fee

1 prescribed by him.

2 Sec. 10.20.515. CHANGE OF REGISTERED OFFICE OR REGIS-
3 TERED AGENT OF FOREIGN CORPORATION. A foreign corporation
4 authorized to transact business in the state may change its
5 registered office or change its registered agent, or both,
6 upon filing with the department a statement setting forth

7 (1) the name of the corporation;

8 (2) the address of its registered office;

9 (3) if the address of its registered office is to
10 be changed, the address of the proposed office;

11 (4) the name of its registered agent;

12 (5) if its registered agent is to be changed, the
13 name of its successor registered agent;

14 (6) that the address of its registered office and
15 the address of the business office of its registered agent,
16 as changed, will be identical;

17 (7) that the change is authorized by resolution
18 adopted by the board of directors.

19 Sec. 10.20.520. FILING OF STATEMENT. The statement
20 shall be executed by the corporation, by its president or a
21 vice president, and verified by him, and delivered to the
22 commissioner. If the commissioner finds that the statement
23 conforms to the provisions of this chapter, he shall file
24 the statement in his office, and upon filing the statement,
25 the change of address of the registered office, or the
26 change of registered agent, or both, becomes effective.

27 Sec. 10.20.525. SERVICE OF PROCESS ON FOREIGN CORPORA-
28 TION. The registered agent appointed by a foreign corpora-
29 tion authorized to transact business in the state shall be

1 an agent of the corporation upon whom process, notice or
2 demand required or permitted by law to be served upon the
3 corporation may be served.

4 Sec. 10.20.530. SERVICE ON COMMISSIONER OF COMMERCE.

5 When a foreign corporation authorized to transact business
6 in the state, or not authorized to transact business in the
7 state but doing so, fails to appoint or maintain a reg-
8 istered agent in the state, or when a registered agent
9 cannot with reasonable diligence be found at the registered
10 office, or when the certificate of authority of a foreign
11 corporation is suspended or revoked, the commissioner is
12 an agent upon whom process, notice, or demand may be served.
13 Service on the commissioner shall be made by delivering to
14 and leaving with him, or with a person designated by him
15 in the corporation department of his office, duplicate
16 copies of the process, notice, or demand. The commissioner
17 shall immediately have one copy forwarded by registered or
18 certified mail, addressed to the corporation at its prin-
19 cipal office in the state or country under whose laws it
20 is incorporated. Service on the commissioner is returnable
21 in not less than 30 days.

22 Sec. 10.20.535. RECORDS. The commissioner shall keep
23 a record of all processes, notices, or demands served upon
24 him under Secs. 525 and 530 of this chapter, and shall
25 record the time of service and his action with reference to
26 the service.

27 Sec. 10.20.540. PROCEDURE NOT EXCLUSIVE. Nothing in
28 Secs. 525-535 of this chapter limits or affects the right
29 to serve any process, notice or demand required or

1 permitted by law to be served upon a corporation in any
2 other manner.

3 Sec. 10.20.545. AMENDMENT TO ARTICLES OF INCORPORATION
4 OF FOREIGN CORPORATION. When the articles of incorporation
5 of a foreign corporation authorized to transact business in
6 the state are amended, the foreign corporation shall, within
7 30 days after the amendment becomes effective, file with the
8 department a copy of the amendment authenticated by the pro-
9 per officer of the state or country under whose laws it is
10 incorporated. The filing of the amendment does not enlarge
11 or alter the purpose which the corporation may pursue in the
12 transaction of business in the state, nor authorize the cor-
13 poration to transact business in the state under a name
14 other than the name set out in its certificate of authority.

15 Sec. 10.20.550. MERGER OF FOREIGN CORPORATION AUTH-
16 RORIZED TO TRANSACT BUSINESS IN THE STATE. When a foreign
17 corporation authorized to transact business in the state
18 is a party to a statutory merger permitted by the laws of
19 the state or country where it is incorporated, and the cor-
20 poration is the surviving corporation, it shall, within 30
21 days after the merger becomes effective, file with the
22 commissioner a copy of the articles of merger authenticated
23 by the proper office of the state or country under whose
24 laws the statutory merger was carried out. It is not nec-
25 essary for the corporation to procure either a new or
26 amended certificate of authority to transact business in
27 the state unless the name of the corporation is changed or
28 unless the corporation desires to pursue in the state other
29 or additional purposes than those which it is authorized to

1 conduct in the state.

2 Sec. 10.20.555. AMENDED CERTIFICATE OF AUTHORITY. A
3 foreign corporation authorized to transact business in the
4 state shall procure an amended certificate of authority if
5 it changes its corporate name, or desires to pursue in the
6 state other or additional purposes than those set forth in
7 its earlier application for a certificate of authority, by
8 making application to the commissioner.

9 Sec. 10.20.560. WITHDRAWAL OF FOREIGN CORPORATION. A
10 foreign corporation authorized to transact business in the
11 state may withdraw from the state upon procuring from the
12 commissioner a certificate of withdrawal. To procure a
13 certificate of withdrawal, the foreign corporation shall
14 deliver to the commissioner an application for withdrawal.

15 Sec. 10.20.565. CONTENTS OF APPLICATION FOR WITH-
16 DRAWAL. The application for withdrawal shall set forth:

- 17 (1) the name of the corporation and the state or
18 country where it is incorporated;
- 19 (2) that the corporation is not transacting
20 business in the state;
- 21 (3) that the corporation surrenders its authority
22 to transact business in the state;
- 23 (4) that the corporation revokes the authority
24 of its registered agent in the state to accept service of
25 process and consents that service of process in an action,
26 suit or proceeding based upon a cause of action arising in
27 the state during the time the corporation was authorized to
28 transact business in the state may be made on the corpora-
29 tion by service on the commissioner;

1 (5) a post office address to which the commis-
2 sioner may mail a copy of a process against the corporation
3 that may be served on him;

4 (6) additional information necessary or approp-
5 riate to enable the commissioner to determine and assess
6 unpaid fees payable as prescribed in this chapter.

7 Sec. 10.20.570. FORM OF APPLICATION FOR WITHDRAWAL.
8 The application for withdrawal shall be made on forms pre-
9 scribed and furnished by the commissioner and shall be
10 executed by the corporation, by its president or a vice
11 president and by its secretary or an assistant secretary,
12 and verified by one of the officers signing the application,
13 or, if the corporation is in the hands of a receiver or
14 trustee, the application shall be executed on behalf of the
15 corporation by the receiver or trustee and verified by him.

16 Sec. 10.20.575. FILING OF APPLICATION FOR WITHDRAWAL.

17 (a) Duplicate originals of the application for withdrawal
18 shall be delivered to the commissioner. If the commissioner
19 finds that the application conforms to the provisions of
20 this chapter, he shall, when all fees prescribed in this
21 chapter have been paid,

22 (1) endorse on each duplicate original the word
23 "filed," and the date of the filing;

24 (2) file one duplicate original in his office;

25 (3) issue a certificate of withdrawal and affix
26 the other duplicate original to it.

27 (b) The certificate of withdrawal, together with the
28 duplicate original of the application for withdrawal affixed
29 by the commissioner shall be returned to the corporation or

1 its representative.

2 Sec. 10.20.580. EFFECT OF CERTIFICATE OF WITHDRAWAL.

3 Upon the issuance of the certificate of withdrawal, the
4 authority of the corporation to transact business in the
5 state ceases.

6 Sec. 10.20.585. REVOCATION OF CERTIFICATE OF AUTHOR-
7 ITY. The certificate of authority of a foreign corporation
8 to transact business in the state may be revoked by the
9 commissioner when

10 (1) the corporation fails to file its annual
11 report within the time required by this chapter, or fails to
12 pay fees or penalties prescribed in this chapter when they
13 are due and payable; or

14 (2) the corporation fails to appoint and maintain
15 a registered agent in this state; or

16 (3) the corporation fails, after change of its
17 registered office or registered agent, to file with the
18 commissioner a statement of the change as required by this
19 chapter; or

20 (4) the corporation fails to file with the
21 department an amendment to its articles of incorporation or
22 articles of merger within the time prescribed by this
23 chapter; or

24 (5) a misrepresentation has been made of a
25 material matter in an application, report, affidavit, or
26 other document submitted under this chapter.

27 Sec. 10.20.590. LIMITATIONS ON REVOCATION OF CERTIF-
28 ICATE OF AUTHORITY. The commissioner may not revoke a
29 certificate of authority of a foreign corporation unless

1 (1) he has given the corporation at least 60 days' notice
2 by mail addressed to its registered office in the state,
3 and (2) the corporation fails prior to revocation to file
4 the annual report, or pay the fees, or file the required
5 statement of change of registered agent or registered
6 office, or file the articles of amendment or articles of
7 merger, or correct the misrepresentation.

8 Sec. 10.20.595. ISSUANCE OF CERTIFICATE OF REVOCATION.

9 Upon revoking a certificate of authority, the commissioner
10 shall

11 (1) issue a certificate of revocation in dupli-
12 cate;

13 (2) file one of the certificates in his office;

14 (3) mail to the corporation at its registered
15 office in the state a notice of the revocation accompanied
16 by one of the certificates.

17 Sec. 10.20.600. EFFECT OF CERTIFICATE OF REVOCATION.

18 Upon the issuance of the certificate of revocation, the
19 authority of the corporation to transact business in the
20 state ceases.

21 Sec. 10.20.605. TRANSACTING BUSINESS WITHOUT CERTIFI-
22 CATE OF AUTHORITY AS A BAR TO RIGHT TO SUE. A foreign
23 corporation transacting business in the state without a
24 certificate of authority may not maintain an action, suit
25 or proceeding in a court of the state until it obtains a
26 certificate of authority. A successor or assignee of a
27 foreign corporation transacting business without a certif-
28 icate of authority may not maintain an action, suit or
29 proceeding in a court of the state on a right, claim or

1 demand arising out of the transaction of business by the
2 corporation in the state until a certificate of authority
3 is obtained by the corporation or by a corporation which
4 has acquired all or substantially all of its assets.

5 Sec. 10.20.610. TRANACTING BUSINESS WITHOUT CERTIF-
6 ICATE OF AUTHORITY NOT AFFECTING CONTRACTS AND RIGHT TO
7 DEFEND ACTION. The failure of a foreign corporation to
8 obtain a certificate of authority to transact business in
9 the state does not impair the validity of a contract or act
10 of it, and does not prevent the corporation from defending
11 an action, suit or proceeding in a court of the state.

12 Sec. 10.20.615. LIABILITY TO STATE FOR TRANACTING
13 BUSINESS WITHOUT CERTIFICATE OF AUTHORITY. A foreign
14 corporation which transacts business in the state without a
15 certificate of authority is liable to the state, for the
16 years or portions of years during which it transacted bus-
17 iness in the state without a certificate of authority, in
18 an amount equal to all fees and franchise taxes which
19 would have been imposed by this chapter on the corporation
20 if it had applied for and received a certificate of author-
21 ity to transact business in the state as required by this
22 chapter and filed all reports required by this chapter,
23 plus all penalties imposed by this chapter for failure to
24 pay the fees. The attorney general shall bring proceedings
25 to receover amounts due the state under this section.

26 ARTICLE 7. ANNUAL REPORTS.

27 Sec. 10.20.620. ANNUAL REPORT OF DOMESTIC AND FOREIGN
28 CORPORATIONS. Each domestic corporation and each foreign
29 corporation authorized to transact business in the state

1 shall file an annual report within the time prescribed by
2 this chapter.

3 Sec. 10.20.625. CONTENTS OF ANNUAL REPORT. The annu-
4 al report shall set out

5 (1) the name of the corporation and the state or
6 country where it is incorporated;

7 (2) the address of the registered office of the
8 corporation in the state, and the name of its registered
9 agent in the state at that address, and, in the case of a
10 foreign corporation, the address of its principal office in
11 the state or country where it is incorporated;

12 (3) a brief statement of the character of the
13 business in which the corporation is engaged in the state;

14 (4) the names and addresses of the directors and
15 officers of the corporation.

16 Sec. 10.20.630. FILING OF ANNUAL REPORT OF DOMESTIC
17 AND FOREIGN CORPORATIONS. (a) The annual report of a
18 domestic or foreign corporation shall be delivered to the
19 commissioner between January 1 and March 1 of each year.
20 However, the first annual report of a domestic or foreign
21 corporation shall be filed between January 1 and March 1
22 of the year succeeding the calendar year in which its
23 certificate of incorporation or its certificate of authority,
24 as the case may be, was issued by the commissioner.

25 (b) A corporation organized under this chapter whose
26 fiscal year ends at a time other than at the end of the
27 calendar year shall be allowed 60 days from the date on
28 which its fiscal year ends within which to file the annual
29 report.

1 (c) Proof to the satisfaction of the commissioner
2 that before March 1 the report was deposited in the United
3 States mail in a sealed envelope, properly addressed, with
4 postage prepaid, is compliance with (a) of this section.

5 (d) If the commissioner finds that the report con-
6 forms to the requirements of this chapter, he shall file
7 it. If he finds that it does not conform to the require-
8 ments of this chapter, he shall promptly return it to the
9 corporation for necessary corrections. If the report is
10 corrected to conform to the requirements of this chapter
11 and returned to the commissioner in sufficient time to be
12 filed prior to April 1 of the year in which it is due, the
13 penalties for failure to file the report provided in Sec.
14 645 of this chapter do not apply.

15 ARTICLE 8. FEES AND CHARGES.

16 Sec. 10.20.635. FEES FOR FILING DOCUMENTS AND ISSUING
17 CERTIFICATES. The commissioner shall charge and collect
18 for

19 (1) filing articles of incorporation and issuing
20 a certificate of incorporation, \$25.00;

21 (2) filing articles of amendment and issuing a
22 certificate of amendment, \$10.00;

23 (3) filing restated articles of incorporation
24 and issuing restated certificate of incorporation, \$10.00;

25 (4) filing articles of merger or consolidation
26 and issuing a certificate of merger or consolidation,
27 \$10.00;

28 (5) filing a statement of change of address of
29 registered office or change of registered agent, or both,

1 \$5.00;

2 (6) filing articles of dissolution, \$5.00;

3 (7) filing an application of a foreign corpora-
4 tion for a certificate of authority to conduct affairs in
5 this state and issuing a certificate of authority, \$25.00;

6 (8) filing an application of a foreign corporation
7 for an amended certificate of authority to conduct affairs in
8 this state and issuing an amended certificate of authority,
9 \$10.00;

10 (9) filing a copy of an amendment to the articles
11 of incorporation of a foreign corporation holding a certif-
12 icate of authority to conduct affairs in this state, \$10.00;

13 (10) filing a copy of articles of merger of a
14 foreign corporation holding a certificate of authority to
15 conduct affairs in this state, \$10.00;

16 (11) filing an application for withdrawal of a
17 foreign corporation and issuing a certificate of withdrawal,
18 \$5.00;

19 (12) filing any other statement or report, in-
20 cluding an annual report, of a domestic or foreign corpora-
21 tion, \$2.50.

22 Sec. 10.20.640. FEE FOR CERTIFIED COPIES OF INSTRU-
23 MENTS. The fee for furnishing a certified copy of any
24 instrument is \$1 for the first three folios or less and 20
25 cents a folio for each additional folio. However, the
26 charge for a certified copy of articles of incorporation is
27 \$5 for the first 20 folios or less and 20 cents a folio for
28 each additional folio.

29 ARTICLE 9. PENALTIES.

1 Sec. 10.20.645. PENALTIES IMPOSED UPON CORPORATION.

2 (a) A domestic or foreign corporation that fails or refuses
3 to file its annual report for any year within the time pre-
4 scribed by this chapter is subject to a penalty of \$2.50
5 to be assessed by the commissioner.

6 (b) A domestic or foreign corporation that fails or
7 refuses to answer truthfully and fully within the time pre-
8 scribed by this chapter interrogatories propounded by the
9 commissioner in accordance with the provisions of this
10 chapter is guilty of a misdemeanor and upon conviction
11 thereof may be fined in any amount not exceeding \$500.

12 Sec. 10.20.650. PENALTIES IMPOSED UPON OFFICERS AND
13 DIRECTORS. Each officer and director of a domestic or for-
14 eign corporation who fails or refuses within the time pre-
15 scribed by this chapter to answer truthfully and fully inter-
16 rogatories propounded to him by the commissioner in accordance
17 with this chapter, or who signs any articles, statement, re-
18 port, application or other document filed with the commis-
19 sioner which is known to the officer or director to be false
20 in any material respect, is guilty of a misdemeanor, and upon
21 conviction may be fined in an amount not exceeding \$500.

22 ARTICLE 10. MISCELLANEOUS PROVISIONS.

23 Sec. 10.20.655. INTERROGATORIES BY COMMISSIONER. (a)
24 The commissioner may propound to a domestic or foreign cor-
25 poration and to an officer or director of a domestic or
26 foreign corporation those interrogatories reasonably neces-
27 sary and proper to enable him to ascertain whether the
28 corporation has complied with the provisions of this chapter.

29 (b) The interrogatories shall be answered within 30

1 days after mailing, or within the additional time fixed by
2 the commissioner, and the answers shall be full and
3 complete, in writing and under oath. If the interrogatories
4 are directed to an individual they shall be answered by him,
5 and if directed to a corporation they shall be answered by
6 the president, vice president, secretary or assistant
7 secretary of the corporation.

8 (c) The commissioner need not file the document to
9 which the interrogatories relate until the interrogatories
10 are properly answered and need not then file the document
11 if the answers disclose that the document does not conform
12 to the provisions of this chapter.

13 (d) The commissioner shall certify to the attorney
14 general, for appropriate action, all interrogatories and
15 answers which disclose a violation of this chapter.

16 Sec. 10.20.660. INFORMATION DISCLOSED BY INTERROGA-
17 TORIES. Interrogatories and answers are not open to public
18 inspection and the commissioner shall not disclose facts
19 or information obtained from the interrogatories except as
20 his official duty requires or in the event the interroga-
21 tories or the answers are required for evidence in criminal
22 proceedings or other action by the state.

23 Sec. 10.20.665. APPEAL FROM DISAPPROVAL OF DOCUMENT.
24 If the commissioner fails to approve articles of incorpora-
25 tion, amendment, merger, consolidation or dissolution, or
26 any other document required by this chapter to be approved
27 by him, he shall, within 10 days after the delivery of the
28 document to him, give written notice of his disapproval
29 to the person or corporation, domestic or foreign, delivering

1 the document, specifying the reasons for disapproval. The
2 person or corporation may appeal from the disapproval to
3 the superior court by filing with the clerk of the court
4 a petition setting forth a copy of the document sought to
5 be filed and a copy of the written disapproval. The matter
6 shall be tried de novo by the superior court, which shall
7 either sustain the action of the commissioner or direct
8 him to take action the court considers proper.

9 Sec. 10.20.670. APPEAL FROM REVOCATION OF CERTIFICATE
10 OF AUTHORITY. If the commissioner revokes the certificate
11 of authority of a foreign corporation to transact business
12 in the state under this chapter, the foreign corporation
13 may appeal to the superior court by filing with the clerk
14 of the court a petition setting forth a copy of its certifi-
15 cate of authority and a copy of the notice of revocation
16 given by the commissioner. The matter shall be tried de
17 novo by the superior court, and the court shall either
18 sustain the action of the commissioner or direct him to
19 take action the court considers proper.

20 Sec. 10.20.675. CERTIFICATES AND CERTIFIED COPIES TO
21 BE RECEIVED IN EVIDENCE. Certificates issued by the
22 commissioner in accordance with this chapter, and copies of
23 documents filed in his office in accordance with the pro-
24 visions of this chapter when certified by him, are prima
25 facie evidence of the facts stated. A certificate by the
26 commissioner under the seal of the state as to the existence
27 or nonexistence of facts relating to corporations which do
28 not appear from a certified copy of the foregoing documents
29 or certificates is prima facie evidence of the existence or

1 nonexistence of the facts stated.

2 Sec. 10.20.680. FORMS TO BE FURNISHED BY THE COMMIS-
3 SIONER. All reports required by this chapter to be filed
4 with the department or the commissioner shall be on forms
5 prescribed and furnished by the commissioner. Forms for
6 all other documents to be filed in the office of the depart-
7 ment or the commissioner shall be furnished by the commis-
8 sioner on request, but their use, unless required in this
9 chapter, is not mandatory.

10 Sec. 10.20.685. GREATER VOTING REQUIREMENTS. When,
11 with respect to any action to be taken by the members or
12 directors of a corporation, the articles of incorporation
13 or bylaws require the vote or concurrence of a greater
14 proportion of the directors or members or any class of
15 members than required by this chapter, the provisions of
16 the articles of incorporation or bylaws control.

17 Sec. 10.20.690. WAIVER OF NOTICE. When notice is
18 required to be given to a shareholder or director of a
19 corporation under the provisions of this chapter or under
20 the provisions of the articles of incorporation or bylaws
21 of the corporation, a waiver of the notice in writing signed
22 by the person entitled to notice, whether before or after
23 the time stated for notice, is equivalent to the giving of
24 notice.

25 Sec. 10.20.695. ACTION BY MEMBERS OF DIRECTORS WITHOUT
26 A MEETING. (a) Action required by this chapter to be taken
27 at a meeting of the members or directors of a corporation,
28 or action which may be taken at a meeting of the members or
29 directors, may be taken without a meeting if a consent in

1 writing, setting forth the action so taken, shall be signed
2 by all of the members entitled to vote with respect to
3 the subject matter or all of the directors.

4 (b) The consent has the same effect as a unanimous
5 vote, and may be stated as such in articles or documents
6 filed with the commissioner.

7 Sec. 10.20.700. UNAUTHORIZED ASSUMPTION OF CORPORATE
8 POWERS. Persons who assume to act as a corporation with-
9 out authority are jointly and severally liable for debts
10 and liabilities incurred or arising as a result of such
11 action.

12 ARTICLE 11. GENERAL PROVISIONS.

13 Sec. 10.20.705. POWERS OF COMMISSIONER. The com-
14 missioner has the power and authority reasonably necessary
15 to enable him to administer this chapter efficiently and
16 to perform the duties imposed upon him by this chapter.

17 Sec. 10.20.710. APPLICABILITY. (a) The provisions
18 of this chapter relating to domestic corporations apply
19 to

20 (1) all corporations organized under this
21 chapter;

22 (2) all nonprofit corporations organized under
23 an act repealed by this chapter, for the purpose or
24 purposes for which a corporation might be organized under
25 this chapter;

26 (b) The provisions of this chapter relating to
27 foreign corporations apply to all foreign nonprofit cor-
28 porations conducting affairs in this state for a purpose
29 or purposes for which a corporation might be organized

1 under this chapter.

2 Sec. 10.20.715. APPLICATION TO FOREIGN AND INTERSTATE
3 COMMERCE. This chapter applies to commerce with foreign
4 nations and among the several states only as permitted
5 under the Constitution of the United States.

6 Sec. 10.20.720. DEFINITIONS. In this chapter, unless
7 the context otherwise requires, the term:

8 (1) "commissioner" means commissioner of
9 commerce;

10 (2) "corporation" or "domestic corporation"
11 means a nonprofit corporation subject to the provisions of
12 this chapter, except a foreign corporation;

13 (3) "department" means the Department of Com-
14 merce;

15 (4) "foreign corporation" means a nonprofit
16 corporation organized under laws other than the laws of
17 this state;

18 (5) "nonprofit corporation" means a corporation
19 no part of the income or profit of which is distributable
20 to its members, directors or officers;

21 (6) "articles of incorporation" means the orig-
22 inal or restated articles of incorporation or articles of
23 consolidation and all amendments thereto, including articles
24 of merger;

25 (7) "bylaws" means the code or codes of rules
26 adopted for the regulation or management of the affairs of
27 the corporation irrespective of the name or names by which
28 such rules are designated;

29 (8) "member" means one having membership rights

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

in a corporation in accordance with the provisions of its articles of incorporation or bylaws;

(9) "board of directors" means the group of persons vested with the management of the affairs of the corporation irrespective of the name by which the group is designated;

(10) "insolvent" means inability of a corporation to pay its debts as they become due in the usual course of its business.

Sec. 10.20.725. SHORT TITLE. This chapter may be cited as the Alaska Nonprofit Corporation Act.

* Sec. 2. AS 10.20.010 - 10.20.270 and 10.30.010 - 10.30.150 are repealed.

* Sec. 3. This Act takes effect on July 1, 1966.