

Effective 5/13/2014

16-10a-1405 Effect of dissolution.

- (1) A dissolved corporation continues its corporate existence but may not carry on any business except that appropriate to wind up and liquidate its business and affairs, including:
 - (a) collecting its assets;
 - (b) disposing of its properties that will not be distributed in kind to its shareholders;
 - (c) discharging or making provision for discharging its liabilities;
 - (d) distributing its remaining property among its shareholders according to their interests; and
 - (e) doing every other act necessary to wind up and liquidate its business and affairs.
- (2) Dissolution of a corporation does not:
 - (a) transfer title to the corporation's property;
 - (b) prevent transfer of its shares or securities, although the authorization to dissolve may provide for closing the corporation's share transfer records;
 - (c) subject its directors or officers to standards of conduct different from those prescribed in Part 8, Directors and Officers;
 - (d) change:
 - (i) quorum or voting requirements for its board of directors or shareholders;
 - (ii) provisions for selection, resignation, or removal of its directors or officers or both; or
 - (iii) provisions for amending its bylaws or its articles of incorporation;
 - (e) prevent commencement of a proceeding by or against the corporation in its corporate name;
 - (f) abate or suspend a proceeding pending by or against the corporation on the effective date of dissolution; or
 - (g) terminate the authority of the registered agent of the corporation.

Amended by Chapter 189, 2014 General Session