

Effective 5/13/2014

16-10b-106 Termination of benefit corporation status.

- (1) A benefit corporation may terminate its status as a benefit corporation and cease to be subject to this chapter by amending its articles of incorporation to delete the provision required by Section 16-10b-104 or 16-10b-105 to be stated in the articles of incorporation of a benefit corporation. To be effective, the amendment must be adopted by at least the minimum status vote.
- (2)
 - (a) Except as provided in Subsection (2)(b), if a plan of merger or share exchange would have the effect of terminating the status of a business corporation as a benefit corporation, the plan must be adopted by at least the minimum status vote to be effective.
 - (b) Subsection (2)(a) does not apply in the case of a corporation that is a party to a merger if the shareholders of the corporation are not entitled to vote on the merger pursuant to Section 16-10a-1104.
- (3) A sale, lease, exchange, or other disposition of all or substantially all of the assets of a benefit corporation, unless the transaction is in the usual and regular course of business, is not effective unless the transaction is approved by at least the minimum status vote.

Enacted by Chapter 394, 2014 General Session