

16-16-1206 Winding up.

- (1) A limited cooperative association continues after dissolution only for purposes of winding up its activities.
- (2) In winding up a limited cooperative association's activities, the board of directors shall cause the association to:
 - (a) discharge its liabilities, settle and close its activities, and marshal and distribute its assets;
 - (b) preserve the association or its property as a going concern for no more than a reasonable time;
 - (c) prosecute and defend actions and proceedings;
 - (d) transfer association property; and
 - (e) perform other necessary acts.
- (3) After dissolution and upon application of a limited cooperative association, a member, or a holder of financial rights, the district court may order judicial supervision of the winding up of the association, including the appointment of a person to wind up the association's activities, if:
 - (a) after a reasonable time, the association has not wound up its activities; or
 - (b) the applicant establishes other good cause.
- (4) If a person is appointed pursuant to Subsection (3) to wind up the activities of a limited cooperative association, the association shall promptly deliver to the division for filing an amendment to the articles of organization to reflect the appointment.

Enacted by Chapter 363, 2008 General Session