

16-16-1504 Disposition of assets.

- (1) Subject to Subsection (2), a disposition of assets under Section 16-16-1502 shall be approved by:
 - (a) at least two-thirds of the voting power of members present at a members meeting called under Subsection 16-16-1503(2); and
 - (b) if the limited cooperative association has investor members, at least a majority of the votes cast by patron members, unless the organic rules require a greater percentage vote by patron members.
- (2) The organic rules may require that the percentage of votes under Subsection (1)(a) is:
 - (a) a different percentage that is not less than a majority of members voting at the meeting;
 - (b) measured against the voting power of all members; or
 - (c) a combination of Subsections (2)(a) and (b).
- (3) Subject to any contractual obligations, after a disposition of assets is approved and at any time before the consummation of the disposition, a limited cooperative association may approve an amendment to the contract for disposition or the resolution authorizing the disposition or approve abandonment of the disposition:
 - (a) as provided in the contract or the resolution; and
 - (b) except as prohibited by the resolution, with the same affirmative vote of the board of directors and of the members as was required to approve the disposition.
- (4) The voting requirements for districts, classes, or voting groups under Section 16-16-404 apply to approval of a disposition of assets under this part.

Amended by Chapter 378, 2010 General Session