

16-6a-1501 Authority to conduct affairs required.

- (1)
 - (a) A foreign nonprofit corporation may not conduct affairs in this state until its application for authority to conduct affairs is filed by the division.
 - (b) This part shall be applicable to foreign nonprofit corporations that conduct affairs governed by other statutes of this state only to the extent this part is not inconsistent with such other statutes.
- (2) A foreign nonprofit corporation may not be considered to be conducting affairs in this state within the meaning of Subsection (1) by reason of carrying on in this state any one or more of the following activities:
 - (a) maintaining, defending, or settling in its own behalf any proceeding or dispute;
 - (b) holding meetings of its board of directors or members or carrying on other activities concerning internal corporate affairs;
 - (c) maintaining bank accounts;
 - (d) maintaining offices or agencies for the transfer, exchange, and registration of memberships or securities;
 - (e) maintaining trustees or depositaries with respect to the memberships or securities described in Subsection (2)(d);
 - (f) selling through independent contractors;
 - (g) soliciting or obtaining orders, if the orders require acceptance outside this state before they become contracts, whether by mail or through employees or agents or otherwise;
 - (h) creating, as borrower or lender, or acquiring indebtedness, mortgages, or other security interests in real or personal property;
 - (i) securing or collecting debts in its own behalf or enforcing mortgages or security interests in property securing the debts;
 - (j) owning, without more, real or personal property;
 - (k) conducting an isolated transaction that is:
 - (i) completed within 30 days; and
 - (ii) not one in the course of repeated transactions of a like nature;
 - (l) conducting affairs in interstate commerce;
 - (m) granting funds;
 - (n) distributing information to its members; or
 - (o) any other activity not considered to constitute conducting affairs in this state in the discretion of the division.
- (3) The list of activities in Subsection (2) is not exhaustive.
- (4) Nothing in this section shall limit or affect the right to subject a foreign nonprofit corporation that does not, or is not required to, have authority to conduct affairs in this state:
 - (a) to the jurisdiction of the courts of this state; or
 - (b) to serve upon any foreign nonprofit corporation any process, notice, or demand required or permitted by law to be served upon a nonprofit corporation pursuant to:
 - (i) any applicable provision of law; or
 - (ii) any applicable rules of civil procedure.

Enacted by Chapter 300, 2000 General Session