

**31A-9-602 Fraternal expenditures and activities.**

- (1) Every fraternal shall report to the commissioner the information required by the commissioner concerning expenditures made by the fraternal and other activities and programs of the fraternal or its members in fulfillment of the purposes of Subsection 31A-9-101(1)(a)(ii)(B) or in maintaining its fraternal character.
- (2) A fraternal may create, maintain, and operate social, intellectual, educational, charitable, benevolent, moral, fraternal, patriotic, or religious institutions for the benefit of its members or their families or dependents or for children insured by the fraternal. For that purpose, it may own, hold, or lease real or personal property within or outside of this state. All that property is reported in the annual statement or an appendix to it, but the property is given only a nominal value in the statement. No profit may be made on those institutions, but the income and expenditures are reported separately in, or as an appendix to, the annual statement. Any of these institutions may be separately incorporated under Title 16, Chapter 10a, Utah Revised Business Corporation Act, and ownership of its stock shall be reported at a nominal value.
- (3) The fraternal may not own or operate a funeral or undertaking establishment.

Amended by Chapter 4, 1993 General Session