

1                   **UTAH REVISED BUSINESS CORPORATION ACT**

2                                   **AMENDMENTS**

3   2015 GENERAL SESSION

4   STATE OF UTAH

5                                   **Chief Sponsor: Curtis S. Bramble**

6                                   House Sponsor: Daniel McCay

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8   **LONG TITLE**

9   **General Description:**

10           This bill modifies the Utah Revised Business Corporation Act to address the purposes  
11 and powers of a corporation.

12   **Highlighted Provisions:**

13           This bill:

- 14           ▶ amends the purposes for which a corporation may be formed under the act;
- 15           ▶ amends the general powers of a corporation under the act; and
- 16           ▶ makes technical changes.

17   **Money Appropriated in this Bill:**

18           None

19   **Other Special Clauses:**

20           None

21   **Utah Code Sections Affected:**

22   AMENDS:

23           **16-10a-301**, as enacted by Laws of Utah 1992, Chapter 277

24           **16-10a-302**, as enacted by Laws of Utah 1992, Chapter 277

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26   *Be it enacted by the Legislature of the state of Utah:*

27           Section 1. Section **16-10a-301** is amended to read:

28           **16-10a-301. Purposes.**

29           (1) [Every] A corporation incorporated under this chapter and including in [its] the

30 corporation's articles of incorporation a statement [~~meeting~~] that meets the requirements of  
31 Subsection 16-10a-202(3) may engage in any lawful business or activity except for express  
32 limitations set forth in the articles of incorporation.

33 (2) A corporation engaging in a business or an activity that is subject to regulation  
34 under another statute of this state may incorporate under this chapter only if permitted by, and  
35 subject to all limitations of, the other statute.

36 Section 2. Section 16-10a-302 is amended to read:

37 **16-10a-302. General powers.**

38 Unless its articles of incorporation provide otherwise, and except as restricted by the  
39 Utah Constitution, every corporation has perpetual duration and succession in its corporate  
40 name and has the same powers as an individual to do all things necessary or convenient to carry  
41 out its permitted [~~business~~] and lawful purposes, activities, and affairs, including without  
42 limitation the power:

43 (1) to sue and be sued, complain and defend in [~~its~~] the corporation's corporate name;

44 (2) to have a corporate seal, which may be altered at will, and to use [~~it~~] the corporate  
45 seal, or a facsimile of [~~it~~] the corporate seal, by impressing or affixing [~~it~~] the corporate seal or  
46 in any other manner reproducing [~~it~~] the corporate seal;

47 (3) to make and amend bylaws, not inconsistent with [~~its~~] the corporation's articles of  
48 incorporation or with the laws of this state, for managing the business and regulating the affairs  
49 of the corporation;

50 (4) to purchase, receive, lease, or otherwise acquire, and own, hold, improve, use, and  
51 otherwise deal with, real or personal property, or any legal or equitable interest in property,  
52 wherever located;

53 (5) to sell, convey, mortgage, pledge, lease, exchange, and otherwise dispose of all or  
54 any part of [~~its~~] the corporation's property and assets;

55 (6) to purchase, receive, subscribe for, or otherwise acquire, own, hold, vote, use, sell,  
56 mortgage, lend, pledge, or otherwise dispose of, and deal in and with shares or other interests  
57 in, or obligations of, any other entity;

58           (7) to make contracts and guarantees, incur liabilities, borrow money, issue [~~its~~] the  
59 corporation's notes, bonds, and other obligations that may or may not be convertible into or  
60 include the option to purchase other securities of the corporation, and secure any of [~~its~~] the  
61 corporation's obligations by mortgage or pledge of any of [~~its~~] the corporation's property,  
62 assets, franchises, or income;

63           (8) to lend money, invest and reinvest [~~its~~] the corporation's funds, and receive and  
64 hold real and personal property as security for repayment;

65           (9) to be a promoter, partner, member, associate, or manager of any partnership, joint  
66 venture, trust, or other entity;

67           (10) to conduct [~~its~~] the corporation's business and activities, locate offices, and  
68 exercise the powers granted by this chapter within or without this state;

69           (11) to elect directors and appoint officers, employees, and agents of the corporation,  
70 define their duties, fix their compensation, and lend them money and credit;

71           (12) to pay pensions and establish pension plans, pension trusts, profit sharing plans,  
72 share bonus plans, share option plans, and benefit or incentive plans for any or all of [~~its~~] the  
73 corporation's current or former directors, officers, employees, and agents;

74           (13) to operate, and to make donations, for the public welfare or for charitable,  
75 religious, scientific, or educational purposes;

76           (14) to transact any lawful business that will aid governmental policy;

77           (15) to make payments or donations, or do any other act, not inconsistent with law, that  
78 furthers the business and affairs of the corporation; and

79           (16) to establish rules governing the conduct of the business and affairs of the  
80 corporation in the event of an emergency.