

Part 1 General Provisions

16-6a-101 Title.

This chapter is known as the "Utah Revised Nonprofit Corporation Act."

Enacted by Chapter 300, 2000 General Session

16-6a-102 Definitions.

As used in this chapter:

- (1)
 - (a) "Address" means a location where mail can be delivered by the United States Postal Service.
 - (b) "Address" includes:
 - (i) a post office box number;
 - (ii) a rural free delivery route number; and
 - (iii) a street name and number.
- (2) "Affiliate" means a person that directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, the person specified.
- (3) "Articles of incorporation" include:
 - (a) amended articles of incorporation;
 - (b) restated articles of incorporation;
 - (c) articles of merger; and
 - (d) a document of a similar import to the documents described in Subsections (3)(a) through (c).
- (4) "Assumed corporate name" means a name assumed for use in this state:
 - (a) by a:
 - (i) foreign corporation as described in Section 16-10a-1506; or
 - (ii) a foreign nonprofit corporation as described in Section 16-6a-1506; and
 - (b) because the corporate name of the foreign corporation described in Subsection (4)(a) is not available for use in this state.
- (5)
 - (a) Except as provided in Subsection (5)(b), "board of directors" means the body authorized to manage the affairs of a domestic or foreign nonprofit corporation.
 - (b) Notwithstanding Subsection (5)(a), a person may not be considered a member of the board of directors because of a power delegated to that person under Subsection 16-6a-801(2).
- (6)
 - (a) "Bylaws" means the one or more codes of rules, other than the articles of incorporation, adopted under this chapter for the regulation or management of the affairs of a domestic or foreign nonprofit corporation irrespective of the one or more names by which the codes of rules are designated.
 - (b) "Bylaws" includes:
 - (i) amended bylaws; and
 - (ii) restated bylaws.
- (7)
 - (a) "Cash" or "money" means:
 - (i) legal tender;
 - (ii) a negotiable instrument; or
 - (iii) other cash equivalent readily convertible into legal tender.

- (b) "Cash" and "money" are used interchangeably in this chapter.
- (8) "Charitable organization" means the same as that term is defined in Section 13-22-2.
- (9)
 - (a) "Class" means a group of memberships that has the same right with respect to voting, dissolution, redemption, transfer, or other characteristics.
 - (b) For purposes of Subsection (9)(a), a right is considered the same if it is determined by a formula applied uniformly to a group of memberships.
- (10)
 - (a) "Conspicuous" means so written that a reasonable person against whom the writing is to operate should have noticed the writing.
 - (b) "Conspicuous" includes printing or typing in:
 - (i) italics;
 - (ii) boldface;
 - (iii) contrasting color;
 - (iv) capitals; or
 - (v) underlining.
- (11) "Control" or a "controlling interest" means the direct or indirect possession of the power to direct or cause the direction of the management and policies of an entity by:
 - (a) the ownership of voting shares;
 - (b) contract; or
 - (c) a means other than those specified in Subsection (11)(a) or (b).
- (12) Subject to Section 16-6a-207, "cooperative nonprofit corporation" or "cooperative" means a nonprofit corporation organized or existing under this chapter.
- (13) "Corporate name" means:
 - (a) the name of a domestic corporation as stated in the domestic corporation's articles of incorporation;
 - (b) the name of a domestic nonprofit corporation as stated in the domestic nonprofit corporation's articles of incorporation;
 - (c) the name of a foreign corporation as stated in the foreign corporation's:
 - (i) articles of incorporation; or
 - (ii) document of similar import to articles of incorporation; or
 - (d) the name of a foreign nonprofit corporation as stated in the foreign nonprofit corporation's:
 - (i) articles of incorporation; or
 - (ii) document of similar import to articles of incorporation.
- (14)
 - (a) "Corporate records" means the records described in Section 16-6a-1601.
 - (b) "Corporate records" does not include correspondence, communications, notes, or other similar information, regardless of format or method of storage, that are not an official decision, published document, or record of the corporation.
- (15) "Corporation" or "domestic corporation" means a corporation for profit that:
 - (a) is not a foreign corporation; and
 - (b) is incorporated under or subject to Chapter 10a, Utah Revised Business Corporation Act.
- (16) "Delegate" means a person elected or appointed to vote in a representative assembly:
 - (a) for the election of a director; or
 - (b) on matters other than the election of a director.
- (17) "Deliver" includes delivery by mail or another means of transmission authorized by Section 16-6a-103, except that delivery to the division means actual receipt by the division.
- (18) "Director" means a member of the board of directors.

(19)

(a) "Distribution" means the payment of a dividend or any part of the income or profit of a nonprofit corporation to the nonprofit corporation's:

- (i) members;
- (ii) directors; or
- (iii) officers.

(b) "Distribution" does not include a fair-value payment for:

- (i) a good sold; or
- (ii) a service received.

(20) "Division" means the Division of Corporations and Commercial Code.

(21) "Effective date," when referring to a document filed by the division, means the time and date determined in accordance with Section 16-6a-108.

(22) "Effective date of notice" means the date notice is effective as provided in Section 16-6a-103.

(23) "Electronic transmission" or "electronically transmitted" means a process of communication not directly involving the physical transfer of paper that is suitable for the receipt, retention, retrieval, and reproduction of information by the recipient, whether by email, texting, facsimile, or otherwise.

(24)

(a) "Employee" includes an officer of a nonprofit corporation.

(b)

(i) Except as provided in Subsection (24)(b)(ii), "employee" does not include a director of a nonprofit corporation.

(ii) Notwithstanding Subsection (24)(b)(i), a director may accept one or more duties that make that director an employee of a nonprofit corporation.

(25) "Entity" includes:

- (a) a domestic or foreign corporation;
- (b) a domestic or foreign nonprofit corporation;
- (c) a limited liability company;
- (d) a profit or nonprofit unincorporated association;
- (e) a business trust;
- (f) an estate;
- (g) a partnership;
- (h) a trust;
- (i) two or more persons having a joint or common economic interest;
- (j) a state;
- (k) the United States; or
- (l) a foreign government.

(26) "Executive director" means the executive director of the Department of Commerce.

(27) "Foreign corporation" means a corporation for profit incorporated under a law other than the laws of this state.

(28) "Foreign nonprofit corporation" means an entity:

- (a) incorporated under a law other than the laws of this state; and
- (b) that would be a nonprofit corporation if formed under the laws of this state.

(29) "Governmental entity" means:

(a)

- (i) the executive branch of the state;
- (ii) the judicial branch of the state;
- (iii) the legislative branch of the state;

- (iv) an independent entity, as defined in Section 63E-1-102;
- (v) a political subdivision of the state;
- (vi) a state institution of higher education, as defined in Section 53B-3-102;
- (vii) an entity within the state system of public education; or
- (viii) the National Guard; or
- (b) any of the following that is established or controlled by a governmental entity listed in Subsection (29)(a) to carry out the public's business:
 - (i) an office;
 - (ii) a division;
 - (iii) an agency;
 - (iv) a board;
 - (v) a bureau;
 - (vi) a committee;
 - (vii) a department;
 - (viii) an advisory board;
 - (ix) an administrative unit; or
 - (x) a commission.
- (30) "Governmental subdivision" means:
 - (a) a county;
 - (b) a city;
 - (c) a town; or
 - (d) another type of governmental subdivision authorized by the laws of this state.
- (31) "Individual" means:
 - (a) a natural person;
 - (b) the estate of an incompetent individual; or
 - (c) the estate of a deceased individual.
- (32) "Internal Revenue Code" means the federal "Internal Revenue Code of 1986," as amended from time to time, or to corresponding provisions of subsequent internal revenue laws of the United States of America.
- (33)
 - (a) "Mail," "mailed," or "mailing" means deposit, deposited, or depositing in the United States mail, properly addressed, first-class postage prepaid.
 - (b) "Mail," "mailed," or "mailing" includes registered or certified mail for which the proper fee is paid.
- (34)
 - (a) "Member" means one or more persons identified or otherwise appointed as a member of a domestic or foreign nonprofit corporation as provided:
 - (i) in the articles of incorporation;
 - (ii) in the bylaws;
 - (iii) by a resolution of the board of directors; or
 - (iv) by a resolution of the members of the nonprofit corporation.
 - (b) "Member" includes:
 - (i) "voting member"; and
 - (ii) a shareholder in a water company.
- (35) "Membership" refers to the rights and obligations of a member or members.
- (36) "Mutual benefit corporation" means a nonprofit corporation:
 - (a) that issues shares of stock to its members evidencing a right to receive distribution of water or otherwise representing property rights; or

- (b) all of whose assets are contributed or acquired by or for the members of the nonprofit corporation or the members' predecessors in interest to serve the mutual purposes of the members.
- (37) "Nonprofit corporation" or "domestic nonprofit corporation" means an entity that:
 - (a) is not a foreign nonprofit corporation; and
 - (b) is incorporated under or subject to this chapter.
- (38) "Notice" means the same as that term is defined in Section 16-6a-103.
- (39) "Party related to a director" means:
 - (a) the spouse of the director;
 - (b) a child of the director;
 - (c) a grandchild of the director;
 - (d) a sibling of the director;
 - (e) a parent of the director;
 - (f) the spouse of an individual described in Subsections (39)(b) through (e);
 - (g) an individual having the same home as the director;
 - (h) a trust or estate of which the director or another individual specified in this Subsection (39) is a substantial beneficiary; or
 - (i) any of the following of which the director is a fiduciary:
 - (i) a trust;
 - (ii) an estate;
 - (iii) an incompetent;
 - (iv) a conservatee; or
 - (v) a minor.
- (40) "Person" means an:
 - (a) individual; or
 - (b) entity.
- (41) "Principal office" means:
 - (a) the office, in or out of this state, designated by a domestic or foreign nonprofit corporation as its principal office in the most recent document on file with the division providing that information, including:
 - (i) an annual report;
 - (ii) an application for a certificate of authority; or
 - (iii) a notice of change of principal office; or
 - (b) if no principal office can be determined, a domestic or foreign nonprofit corporation's registered office.
- (42) "Proceeding" includes:
 - (a) a civil suit;
 - (b) arbitration;
 - (c) mediation;
 - (d) a criminal action;
 - (e) an administrative action; or
 - (f) an investigatory action.
- (43) "Receive," when used in reference to receipt of a writing or other document by a domestic or foreign nonprofit corporation, means the writing or other document is actually received:
 - (a) by the domestic or foreign nonprofit corporation at:
 - (i) its registered office in this state; or
 - (ii) its principal office;

- (b) by the secretary of the domestic or foreign nonprofit corporation, wherever the secretary is found; or
 - (c) by another person authorized by the bylaws or the board of directors to receive the writing or other document, wherever that person is found.
- (44)
- (a) "Record date" means the date established under Part 6, Members, or Part 7, Member Meetings and Voting, on which a nonprofit corporation determines the identity of the nonprofit corporation's members.
 - (b) The determination described in Subsection (44)(a) shall be made as of the close of business on the record date unless another time for doing so is specified when the record date is fixed.
- (45) "Registered agent" means the registered agent of:
- (a) a domestic nonprofit corporation; or
 - (b) a foreign nonprofit corporation.
- (46) "Registered office" means the office within this state designated by a domestic or foreign nonprofit corporation as its registered office in the most recent document on file with the division providing that information, including:
- (a) articles of incorporation;
 - (b) an application for a certificate of authority; or
 - (c) a notice of change of registered office.
- (47) "Secretary" means the corporate officer to whom the bylaws or the board of directors delegates responsibility under Subsection 16-6a-818(3) for:
- (a) the preparation and maintenance of:
 - (i) minutes of the meetings of:
 - (A) the board of directors; or
 - (B) the members; and
 - (ii) the other records and information required to be kept by the nonprofit corporation as described in Section 16-6a-1601; and
 - (b) authenticating records of the nonprofit corporation.
- (48) "Share" means a unit of interest in a nonprofit corporation.
- (49) "Shareholder" means a person in whose name a share is registered in the records of a nonprofit corporation.
- (50) "State," when referring to a part of the United States, includes:
- (a) a state;
 - (b) a commonwealth;
 - (c) the District of Columbia;
 - (d) an agency or governmental and political subdivision of a state, commonwealth, or District of Columbia;
 - (e) territory or insular possession of the United States; or
 - (f) an agency or governmental and political subdivision of a territory or insular possession of the United States.
- (51) "Street address" means:
- (a)
 - (i) street name and number;
 - (ii) city or town; and
 - (iii) United States post office zip code designation; or
 - (b) if, by reason of rural location or otherwise, a street name, number, city, or town does not exist, an appropriate description other than that described in Subsection (51)(a) fixing as nearly as possible the actual physical location, but only if the information includes:

- (i) the rural free delivery route;
 - (ii) the county; and
 - (iii) the United States post office zip code designation.
- (52) "Tribal nonprofit corporation" means a nonprofit corporation:
 - (a) incorporated under the law of a tribe; and
 - (b) that is at least 51% owned or controlled by the tribe.
- (53) "Tribe" means a tribe, band, nation, pueblo, or other organized group or community of Indians, including an Alaska Native village, that is legally recognized as eligible for and is consistent with a special program, service, or entitlement provided by the United States to Indians because of the tribe's status as Indians.
- (54) "United States" includes a district, authority, office, bureau, commission, department, and another agency of the United States of America.
- (55) "Vote" includes authorization by:
 - (a) written ballot; and
 - (b) written consent.
- (56)
 - (a) "Voting group" means all the members of one or more classes of members or directors that, under this chapter, the articles of incorporation, or the bylaws, are entitled to vote and be counted together collectively on a matter.
 - (b) All members or directors entitled by this chapter, the articles of incorporation, or the bylaws to vote generally on a matter are for that purpose a single voting group.
- (57)
 - (a) "Voting member" means a person entitled to vote for all matters required or permitted under this chapter to be submitted to a vote of the members, except as otherwise provided in the articles of incorporation or bylaws.
 - (b) A person is not a voting member solely because of:
 - (i) a right the person has as a delegate;
 - (ii) a right the person has to designate a director; or
 - (iii) a right the person has as a director.
 - (c) Except as the bylaws may otherwise provide, "voting member" includes a "shareholder" if the nonprofit corporation has shareholders.
- (58) "Water company" means:
 - (a) the same as that term is defined in Subsection 16-4-102(5); or
 - (b) a mutual benefit corporation, when the stock in the mutual benefit corporation represents a right to receive a distribution of water for beneficial use.

Amended by Chapter 102, 2024 General Session

16-6a-103 Notice.

- (1) Notice given under this chapter shall be in writing unless oral notice is reasonable under the circumstances.
- (2)
 - (a) Notice may be communicated:
 - (i) in person;
 - (ii) by telephone;
 - (iii) by electronic transmission; or
 - (iv) by mail or private carrier.

- (b) If the forms of personal notice described in Subsection (2)(a) are impracticable, notice may be communicated by:
 - (i)
 - (A) a newspaper of general circulation in the county or similar governmental subdivision in which the corporation's principal or registered office is located; and
 - (B) as required in Section 45-1-101; or
 - (ii) radio, television, or other form of public broadcast communication in the county or similar governmental subdivision in which the corporation's principal or registered office is located.
- (3) Written notice to a domestic or foreign nonprofit corporation authorized to conduct affairs in this state may be addressed to:
 - (a) its registered agent at its registered office; or
 - (b) the corporation's secretary at its principal office.
- (4)
 - (a) Written notice by a domestic or foreign nonprofit corporation to its members, is effective as to each member when mailed, if:
 - (i) in a comprehensible form; and
 - (ii) addressed to the member's address shown in the domestic or foreign nonprofit corporation's current record of members.
 - (b) If three successive notices given to a member pursuant to Subsection (5) have been returned as undeliverable, further notices to that member are not necessary until another address of the member is made known to the nonprofit corporation.
- (5) Except as provided in Subsection (4), written notice, if in a comprehensible form, is effective at the earliest of the following:
 - (a) when received;
 - (b) five days after it is mailed; or
 - (c) on the date shown on the return receipt if:
 - (i) sent by registered or certified mail;
 - (ii) sent return receipt requested; and
 - (iii) the receipt is signed by or on behalf of the addressee.
- (6) Oral notice is effective when communicated if communicated in a comprehensible manner.
- (7) Notice by publication is effective on the date of first publication.
- (8) A written notice or report delivered as part of a newsletter, magazine, or other publication regularly sent to members shall constitute a written notice or report if:
 - (a) addressed or delivered to the member's address shown in the nonprofit corporation's current list of members; or
 - (b) if two or more members are residents of the same household and have the same address in the nonprofit corporation's current list of members, addressed or delivered to one of the members at the address appearing on the current list of members.
- (9)
 - (a) If this chapter prescribes notice requirements for particular circumstances, the notice requirements for the particular circumstances govern.
 - (b) If articles of incorporation or bylaws prescribe notice requirements not inconsistent with this section or other provisions of this chapter, the notice requirements of the articles of incorporation or bylaws govern.

Amended by Chapter 240, 2015 General Session

16-6a-104 Powers of the division.

The division has the power reasonably necessary to perform the duties required of the division under this chapter.

Enacted by Chapter 300, 2000 General Session

16-6a-105 Filing requirements.

- (1) To be entitled to filing by the division, a document shall satisfy the requirements of:
 - (a) this section; and
 - (b) any other section of this chapter that adds to or varies the requirements of this section.
- (2) This chapter shall require or permit filing the document with the division.
- (3)
 - (a) A document shall contain the information required by this chapter.
 - (b) In addition to the document information required by this chapter, a document may contain other information.
- (4) A document shall be:
 - (a) typewritten; or
 - (b) machine printed.
- (5)
 - (a) A document shall be in the English language.
 - (b) A corporate name need not be in English if written in:
 - (i) English letters; or
 - (ii) Arabic or Roman numerals.
 - (c) Notwithstanding Subsection (5)(a), a certificate of existence required of a foreign nonprofit corporation need not be in English if accompanied by a reasonably authenticated English translation.
- (6)
 - (a) A document shall be:
 - (i) executed by a person in Subsection (6)(b); or
 - (ii) a true copy made by photographic, xerographic, electronic, or other process that provides similar copy accuracy of a document that has been executed by a person listed in Subsection (6)(b).
 - (b) A document shall be executed by:
 - (i) the chair of the board of directors of a domestic or foreign nonprofit corporation;
 - (ii) all of the directors of a domestic or foreign nonprofit corporation;
 - (iii) an officer of the domestic or foreign nonprofit corporation;
 - (iv) if directors have not been selected or the domestic or foreign nonprofit corporation has not been formed, an incorporator;
 - (v) if the domestic or foreign nonprofit corporation is in the hands of a receiver, trustee, or other court-appointed fiduciary, that receiver, trustee, or court-appointed fiduciary;
 - (vi) if the document is that of a registered agent:
 - (A) the registered agent, if the person is an individual; or
 - (B) a person authorized by the registered agent to execute the document, if the registered agent is an entity; or
 - (vii) an attorney in fact if a nonprofit corporation retains the power of attorney with the nonprofit corporation's records.
- (7) A document shall state beneath or opposite the signature of the person executing the document:
 - (a) the signer's name; and

- (b) the capacity in which the document is signed.
- (8) A document may contain:
 - (a) the corporate seal;
 - (b) an attestation by the secretary or an assistant secretary; or
 - (c) an acknowledgment, verification, or proof.
- (9) The signature of each person signing a document, whether or not the document contains an acknowledgment, verification, or proof permitted by Subsection (8), constitutes the affirmation or acknowledgment of the person, under penalties of perjury, that:
 - (a) the document is:
 - (i) the person's act and deed; or
 - (ii) the act and deed of the entity on behalf of which the document is executed; and
 - (b) the facts stated in the document are true.
- (10) If the division has prescribed a mandatory form or cover sheet for the document under Section 16-6a-106, a document shall be:
 - (a) in or on the prescribed form; or
 - (b) have the required cover sheet.
- (11) A document shall be:
 - (a) delivered to the division for filing; and
 - (b) accompanied by:
 - (i) one exact or conformed copy, except as provided in Section 16-6a-1510;
 - (ii) the correct filing fee; and
 - (iii) any franchise tax, license fee, or penalty required by this chapter or other law.
- (12) Except with respect to a filing pursuant to Section 16-6a-1510, a document shall state, or be accompanied by a writing stating, the address to which the division may send a copy upon completion of the filing.

Amended by Chapter 364, 2008 General Session

16-6a-106 Forms.

- (1)
 - (a) The division may prescribe forms or cover sheets for documents required or permitted to be filed by this chapter.
 - (b) If the division prescribes a form or cover sheet pursuant to Subsection (1)(a), the division shall provide the form or cover sheet on request.
- (2) Notwithstanding Subsection (1):
 - (a) the use of a form or cover sheet is not mandatory unless the division specifically requires the use of the form or cover sheet; and
 - (b) a requirement that a form or cover sheet be used may not:
 - (i) preclude in any way the inclusion in any document of any item that is not prohibited to be included by this chapter; or
 - (ii) require the inclusion with the filed document of any item that is not otherwise required by this chapter.

Enacted by Chapter 300, 2000 General Session

16-6a-107 Fees.

- (1) Unless otherwise provided by statute, the division shall charge and collect a fee for services established by the division in accordance with Section 63J-1-504 including fees:

- (a) for furnishing a certified copy of any document, instrument, or paper relating to a domestic or foreign nonprofit corporation; and
 - (b) for the certificate and affixing the seal to a certified copy described in Subsection (1)(a).
- (2)
- (a) The division shall provide expedited, 24-hour processing of any item under this section upon request.
 - (b) The division shall charge and collect additional fees established by the division in accordance with Section 63J-1-504 for expedited service provided under Subsection (2)(a).
- (3)
- (a) The division shall charge and collect a fee determined by the division in accordance with Section 63J-1-504 at the time of any service of process on the director of the division as resident agent of a domestic or foreign nonprofit corporation.
 - (b) The fee paid under Subsection (3)(a) may be recovered as taxable costs by the party to the suit or action causing the service to be made if the party prevails in the suit or action.

Amended by Chapter 183, 2009 General Session

16-6a-108 Effective time and date of filed documents.

- (1)
- (a) Except as provided in Subsection (2) and Subsection 16-6a-109(4), a document submitted to the division for filing under this chapter is effective:
 - (i) at the time of filing; and
 - (ii) on the date it is filed.
 - (b) The division's endorsement on the document as described in Subsection 16-6a-110(2) is evidence of the time and date of filing.
- (2)
- (a) Unless otherwise provided in this chapter, a document, other than an application for a reserved or registered name, may specify conspicuously on its face:
 - (i) a delayed effective time;
 - (ii) a delayed effective date; or
 - (iii) both a delayed effective time and date.
 - (b) If in accordance with Subsection (2)(a), a delayed time, date, or both, is specified, the document becomes effective as provided in this Subsection (2).
 - (c) If both a delayed effective time and date are specified, the document becomes effective as specified.
 - (d) If a delayed effective time but no date is specified, the document is effective on the date it is filed, as that date is specified in the division's time and date endorsement on the document, at the later of:
 - (i) the time specified on the document as its effective time; or
 - (ii) the time specified in the time and date endorsement.
 - (e) If a delayed effective date but no time is specified, the document is effective at the close of business on the date specified as the delayed effective date.
 - (f) Notwithstanding the other provisions of this Subsection (2), a delayed effective date for a document may not be later than 90 days after the date the document is filed. If a document specifies a delayed effective date that is more than 90 days after the date the document is filed, the document is effective 90 days after the day the document is filed.
- (3) If a document specifies a delayed effective date pursuant to Subsection (2), the document may be prevented from becoming effective by the same domestic or foreign nonprofit corporation

that originally submitted the document for filing delivering to the division, prior to the specified effective date of the document, a certificate of withdrawal:

- (a) executed:
 - (i) on behalf of the same domestic or foreign nonprofit corporation that originally submitted the document for filing; and
 - (ii) in the same manner as the document being withdrawn;
- (b) stating that:
 - (i) the document has been revoked by:
 - (A) appropriate corporate action; or
 - (B) court order or decree pursuant to Section 16-6a-1007; and
 - (ii) the document is void; and
- (c) if a court order or decree pursuant to Section 16-6a-1007 revokes the document, the court order or decree was entered by a court having jurisdiction of the proceeding for the reorganization of the nonprofit corporation under a specified statute of the United States.

Enacted by Chapter 300, 2000 General Session

16-6a-109 Correcting filed documents.

- (1) A domestic or foreign nonprofit corporation may correct a document filed with the division if the document:
 - (a) contains an incorrect statement; or
 - (b) was defectively executed, attested, sealed, verified, or acknowledged.
- (2) A document is corrected by delivering to the division for filing articles of correction that:
 - (a)
 - (i) describe the document, including its filing date; or
 - (ii) have attached a copy of the document;
 - (b) specify:
 - (i)
 - (A) the incorrect statement; and
 - (B) the reason it is incorrect; or
 - (ii) the manner in which the execution, attestation, sealing, verification, or acknowledgment was defective; and
 - (c) correct:
 - (i) the incorrect statement; or
 - (ii) defective execution, attestation, sealing, verification, or acknowledgment.
- (3) Articles of correction may be executed by any person:
 - (a) designated in Subsection 16-6a-105(6); or
 - (b) who executed the document that is corrected.
- (4)
 - (a) Articles of correction are effective on the effective date of the document they correct except as to a person:
 - (i) relying on the uncorrected document; and
 - (ii) adversely affected by the correction.
 - (b) As to a person described in Subsection (4)(a), the articles of correction are effective when filed.

Enacted by Chapter 300, 2000 General Session

16-6a-110 Filing duty of division.

- (1) If a document delivered to the division for filing satisfies the requirements of Section 16-6a-105, the division shall file the document.
- (2)
 - (a) The division files a document by stamping or otherwise endorsing "Filed" together with the name of the division and the date and time of acceptance for filing on both the document and the accompanying copy.
 - (b) After filing a document, except as provided in Sections 16-6a-1510 and 16-6a-1608, the division shall deliver the accompanying copy, with the receipt for any filing fees:
 - (i)
 - (A) to the domestic or foreign nonprofit corporation for which the filing is made; or
 - (B) to the representative of the domestic or foreign nonprofit corporation for which the filing is made; and
 - (ii) at the address:
 - (A) indicated on the filing; or
 - (B) that the division determines to be appropriate.
- (3) If the division refuses to file a document, the division within 10 days after the day the document is delivered to the division shall return to the person requesting the filing:
 - (a) the document; and
 - (b) a written notice providing a brief explanation of the reason for the refusal to file.
- (4)
 - (a) The division's duty to file a document under this section is ministerial.
 - (b) Except as otherwise specifically provided in this chapter, the division's filing or refusal to file a document does not:
 - (i) affect the validity or invalidity of the document in whole or in part;
 - (ii) relate to the correctness or incorrectness of information contained in the document; or
 - (iii) create a presumption that:
 - (A) the document is valid or invalid; or
 - (B) information contained in the document is correct or incorrect.

Amended by Chapter 364, 2008 General Session

16-6a-111 Appeal from division's refusal to file document.

If the division refuses to file a document delivered to it for filing, in accordance with Title 63G, Chapter 4, Administrative Procedures Act, the following may appeal the refusal to the executive director:

- (1) the domestic or foreign nonprofit corporation for which the filing was requested; or
- (2) the representative of the domestic or foreign nonprofit corporation for which filing was requested.

Amended by Chapter 382, 2008 General Session

16-6a-112 Evidentiary effect of copy of filed document.

One or more of the following is conclusive evidence that the original document has been filed with the division:

- (1) a certificate attached to a copy of a document filed by the division; or
- (2) an endorsement, seal, or stamp placed on the copy by the division.

Enacted by Chapter 300, 2000 General Session

16-6a-113 Certificates issued by the division.

- (1) Any person may apply to the division for:
 - (a) a certificate of existence for a domestic nonprofit corporation;
 - (b) a certificate of authorization for a foreign nonprofit corporation; or
 - (c) a certificate that sets forth any facts of record in the division.
- (2) A certificate of existence or certificate of authorization sets forth:
 - (a)
 - (i) the domestic nonprofit corporation's corporate name; or
 - (ii) the foreign nonprofit corporation's corporate name registered in this state;
 - (b) that:
 - (i)
 - (A) the domestic nonprofit corporation is incorporated under the law of this state; and
 - (B) the date of its incorporation; or
 - (ii) the foreign nonprofit corporation is authorized to conduct affairs in this state;
 - (c) that all fees, taxes, and penalties owed to this state have been paid, if:
 - (i) payment is reflected in the records of the division; and
 - (ii) nonpayment affects the existence or authorization of the domestic or foreign nonprofit corporation;
 - (d) that the domestic or foreign nonprofit corporation's most recent annual report required by Section 16-6a-1607 has been filed by the division;
 - (e) that articles of dissolution have not been filed by the division; and
 - (f) other facts of record in the division that may be requested by the applicant.
- (3) Subject to any qualification stated in the certificate, a certificate issued by the division may be relied upon as conclusive evidence of the facts set forth in the certificate.

Enacted by Chapter 300, 2000 General Session

16-6a-114 Penalty for signing false documents.

- (1) It is unlawful for a person to sign a document:
 - (a) knowing it to be false in any material respect; and
 - (b) with intent that the document be delivered to the division for filing.
- (2) An offense under this section is a class A misdemeanor punishable by a fine not to exceed the fine specified in Section 76-3-301.

Enacted by Chapter 300, 2000 General Session

16-6a-115 Liability to third parties.

The directors, officers, employees, and members of a nonprofit corporation are not personally liable in their capacity as directors, officers, employees, and members for the acts, debts, liabilities, or obligations of a nonprofit corporation.

Enacted by Chapter 300, 2000 General Session

16-6a-116 Private foundations.

Except when otherwise determined by a court of competent jurisdiction, a nonprofit corporation that is a private foundation as defined in Section 509(a), Internal Revenue Code:

- (1) shall make distributions for each taxable year at the time and in the manner as not to subject the nonprofit corporation to tax under Section 4942, Internal Revenue Code;
- (2) may not engage in any act of self-dealing as defined in Section 4941(d), Internal Revenue Code;
- (3) may not retain any excess business holdings as defined in Section 4943(c), Internal Revenue Code;
- (4) may not make any investments that would subject the nonprofit corporation to taxation under Section 4944, Internal Revenue Code; and
- (5) may not make any taxable expenditures as defined in Section 4945(d), Internal Revenue Code.

Amended by Chapter 240, 2015 General Session

16-6a-117 Judicial relief.

- (1)
 - (a) A director, officer, delegate, or member may petition a court to take an action provided in Subsection (1)(b) if for any reason it is impractical or impossible for a nonprofit corporation in the manner prescribed by this chapter or the nonprofit corporation's articles of incorporation or bylaws to:
 - (i) call or conduct a meeting of the nonprofit corporation's members, delegates, or directors; or
 - (ii) otherwise obtain the consent of the nonprofit corporation's members, delegates, or directors.
 - (b) If a petition is filed under Subsection (1)(a), the court, in the manner the court finds fair and equitable under the circumstances, may order that:
 - (i) a meeting be called; or
 - (ii) a written consent or other form of obtaining the vote of members, delegates, or directors be authorized.
- (2)
 - (a) A court shall, in an order issued pursuant to this section, provide for a method of notice reasonably designed to give actual notice to all persons who would be entitled to notice of a meeting held pursuant to this chapter, the articles of incorporation, or bylaws.
 - (b) The method of notice described in Subsection (1) complies with this section whether or not the method of notice:
 - (i) results in actual notice to all persons described in Subsection (2)(a); or
 - (ii) conforms to the notice requirements that would otherwise apply.
 - (c) In a proceeding under this section, the court may determine who are the members or directors of a nonprofit corporation.
- (3) An order issued pursuant to this section may dispense with any requirement relating to the holding of or voting at meetings or obtaining votes that would otherwise be imposed by this chapter or the nonprofit corporation's articles of incorporation, or bylaws, including any requirement as to:
 - (a) quorums; or
 - (b) the number or percentage of votes needed for approval.
- (4)
 - (a) Whenever practical, any order issued pursuant to this section shall limit the subject matter of a meeting or other form of consent authorized to items the resolution of which will or may enable the nonprofit corporation to continue managing the nonprofit corporation's affairs without further resort to this section, including amendments to the articles of incorporation or bylaws.

- (b) Notwithstanding Subsection (4)(a), an order under this section may authorize the obtaining of whatever votes and approvals are necessary for the dissolution, merger, or sale of assets of a nonprofit corporation.
- (5) A meeting or other method of obtaining the vote of members, delegates, or directors conducted pursuant to and that complies with an order issued under this section:
 - (a) is for all purposes a valid meeting or vote, as the case may be; and
 - (b) shall have the same force and effect as if it complied with every requirement imposed by this chapter or the nonprofit corporation's articles of incorporation or bylaws.
- (6) In addition to a meeting held under this section, a court-ordered meeting may be held pursuant to Section 16-6a-703.

Amended by Chapter 401, 2023 General Session

16-6a-118 Electronic documents.

- (1) Notwithstanding the other requirements of this chapter except subject to Section 16-6a-106, the division may by rule permit a writing required or permitted to be filed with the division under this chapter:
 - (a) to be delivered, mailed, or filed:
 - (i) in an electronic medium; or
 - (ii) by electronic transmission; or
 - (b) to be signed by photographic, electronic, or other means prescribed by rule, except that a writing signed in an electronic medium shall be signed by electronic signature in accordance with Title 46, Chapter 4, Uniform Electronic Transactions Act.
- (2) The division may by rule provide for any writing required or permitted to be prepared, delivered, or mailed by the division under this chapter to be prepared, delivered, or mailed:
 - (a) in an electronic medium; or
 - (b) by electronic transmission.

Amended by Chapter 21, 2006 General Session

16-6a-119 Execution against a mutual benefit corporation.

- (1) As used in this section:
 - (a) "Judicial lien" means one or more of the following:
 - (i) a judgment lien; or
 - (ii) other lien obtained by a judicial or equitable process or proceeding.
 - (b) "Water right" means:
 - (i) a right to use water evidenced by a means identified in Section 73-1-10; or
 - (ii) a right to use water under an approved application:
 - (A) to appropriate;
 - (B) for a change of use; or
 - (C) for the exchange of water.
 - (c) "Water rights and related assets" means a water right or title to:
 - (i) a water conveyance facility; or
 - (ii) other asset of a mutual benefit corporation necessary to divert or distribute water to its members.
- (2) Except as provided in Subsection (3), a court may not do the following with regard to a judicial lien recorded on or after May 12, 2009 against the water rights and related assets of a mutual

benefit corporation earlier than 180 days after the day on which the judicial lien is recorded or takes effect:

- (a) execute the judicial lien;
 - (b) impose a levy as a result of the judicial lien; or
 - (c) force the sale, transfer, or change in ownership of the water rights and related assets pursuant to the judicial lien.
- (3) This section does not apply to a judicial lien related to a cause of action brought against a mutual benefit corporation by a shareholder under Section 73-3-3.5.

Enacted by Chapter 37, 2009 General Session