

16-6a-1008.7 Conversion to or from a domestic limited liability company.

- (1)
 - (a) A domestic nonprofit corporation may convert to a domestic limited liability company subject to Title 48, Chapter 2c, Utah Revised Limited Liability Company Act, or Title 48, Chapter 3a, Utah Revised Uniform Limited Liability Company Act, as appropriate pursuant to Section 48-3a-1405, by complying with:
 - (i) this Subsection (1); and
 - (ii) Section 48-2c-1401 or 48-3a-1041.
 - (b) If a domestic nonprofit corporation converts to a domestic limited liability company in accordance with this Subsection (1), the articles of conversion or statement of conversion, as applicable, shall:
 - (i) comply with Section 48-2c-1402 or Sections 48-3a-1042 and 48-3a-1045; and
 - (ii) if the corporation has any members, provide for:
 - (A) the cancellation of any membership; or
 - (B) the conversion of any membership in the domestic nonprofit corporation to a membership interest in the domestic limited liability company.
 - (c) Before articles of conversion or statement of conversion may be filed with the division, the conversion shall be approved:
 - (i) in the manner provided for the articles of incorporation or bylaws of the domestic nonprofit corporation; or
 - (ii) if the articles of incorporation or bylaws of the domestic nonprofit corporation do not provide the method for approval:
 - (A) if the domestic nonprofit corporation has voting members, by all of the members of the domestic nonprofit corporation regardless of limitations or restrictions on the voting rights of the members; or
 - (B) if the nonprofit domestic corporation does not have voting members, by a majority of:
 - (I) the directors in office at the time the conversion is approved by the board of directors; or
 - (II) if directors have not been appointed or elected, the incorporators.
- (2) A domestic limited liability company may convert to a domestic nonprofit corporation subject to this chapter by:
 - (a) filing articles of incorporation in accordance with this chapter; and
 - (b) complying with Section 48-2c-1406 or 48-3a-1041, as appropriate pursuant to Section 48-3a-1405.
- (3) Any conversion under this section may not result in a violation, directly or indirectly, of:
 - (a) Section 16-6a-1301; or
 - (b) any other provision of this chapter.

Amended by Chapter 412, 2013 General Session