

214 70A-8-404 or a claim to a new security certificate under Section 70A-8-405.

215 (2) On and after July 1, 2011, Subsection (1) does not apply to the replacement of a
 216 lost, destroyed, or wrongfully taken share certificate of a water company. Section

216a ~~Ĥ~~→ [~~70A-8-709.1~~] **70A-8-409.1** ←~~Ĥ~~

217 governs replacement of a lost, destroyed, or wrongfully taken share certificate of a water
 218 company.

219 Section 6. Section **70A-8-409** is amended to read:

220 **70A-8-409. Application to water company.**

221 The procedures of this chapter [~~shall~~] apply to shares of stock in a water company[;
 222 irrigation company, canal company, reservoir company, or other similar water corporation].

223 Section 7. Section **70A-8-409.1** is enacted to read:

224 **70A-8-409.1. Replacement of lost, destroyed, or wrongfully taken share certificate**
 225 **of a water company.**

226 (1) For purposes of this section:

227 (a) "Affected share" means the share represented by a share certificate that is lost,
 228 destroyed, or wrongfully taken.

229 (b) "Distribution area" means the geographic area where the water company distributes
 230 water.

231 (c) "Original share certificate" means a share certificate that is alleged to be lost,
 232 destroyed, or wrongfully taken.

233 (d) "Person" means:

234 (i) an individual;

235 (ii) a corporation;

236 (iii) a business entity;

237 (iv) a political subdivision of the state, including a municipality;

238 (v) an agency of the state; or

239 (vi) an agency of the federal government.

240 (e) "Replacement share certificate" means a share certificate issued to replace a share
 241 certificate that is lost, destroyed, or wrongfully taken.

242 (f) "Share certificate" means a certificated share of stock in a water company.

243 (2) (a) On and after July 1, 2011, this section applies to the replacement of a lost,
 244 destroyed, or wrongfully taken share certificate.

276 objection within the 60-day period described in Subsection (5)(d). A protected purchaser's
277 failure to file a written notice of objection within the 60-day period eliminates any claim of the
278 protected purchaser.

279 (5) As an alternative to requiring an indemnity bond or other acceptable security under
280 Subsection (3)(d), a water company is considered to have followed a fair and reasonable
281 procedure without the necessity of a written policy or bylaw otherwise required by Section
282 16-6a-609, if the water company follows the following procedure:

283 (a) The water company shall publish written notice at least once a week for three
284 consecutive weeks:

285 (i) (A) in a newspaper of general circulation in the area that reasonably includes the
286 distribution area of the water company; and

287 (B) as required in Section 45-1-101;

288 (ii) with at least seven days between each publication date under Subsection
289 (5)(a)(i)(A); and

290 (iii) beginning no later than ~~H~~→ [10] 20 ←~~H~~ days after submission of the request to issue the
291 replacement share certificate.

292 (b) The water company shall post written notice in at least three conspicuous places
293 within the distribution area of the water company.

294 (c) No later than 20 days after the day on which the water company receives a request
295 to issue a replacement share certificate, the water company shall mail written notice:

296 (i) to the last known address of the owner of the affected share shown on the records of
297 the water company;

298 (ii) if a water company maintains a record of who pays annual assessments, to any
299 person who, within the five-year period immediately preceding the day on the written notice is
300 mailed, pays an assessment levied against the affected share; and

301 (iii) to any person that has notified the water company in writing of an interest in the
302 affected share, including a financial institution.

303 (d) A notice required under Subsections (5)(a) through (c) shall:

304 (i) identify the person who is requesting that a replacement share certificate be issued;

305 (ii) state that an interested person may file a written notice of objection with the water
306 company; and