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### Title 16: Corporations Chapter 07-09 Sole to Escheat - 1987 Replacement Volume

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### 16-6-111. Provisions pertaining to clubs, recreational or athletic associations not repealed — Application of act.

Sections 16-6-13, 16-6-13.1, 16-6-13.2, 16-6-13.3, 16-6-14 and 16-6-15, Utah Code Annotated 1953, pertaining to certain types of nonprofit corporations, shall in no way be deemed repealed in whole or in part by the provisions of this act and all references in said sections to corporations "incorporating," "incorporated" or "to be incorporated" under or pursuant to "this chapter" shall be deemed to include such types of nonprofit corporations organized under this act or otherwise governed by the provisions of this act.

**History:** L. 1963, ch. 17, § 95.

**Meaning of "this act".** — See the note under the same catchline following § 16-6-102.

**Compiler's Notes.** — Section 16-6-13 was

repealed by Laws 1981, ch. 79, § 4, and §§ 16-6-13.1 to 16-6-13.3, 16-6-14, and 16-6-15 were repealed by Laws 1985, ch. 175, § 2.

## CHAPTER 7

### CORPORATIONS SOLE

Section	Section
16-7-1. Right to form—Purposes.	16-7-8. Execution of corporate instruments—Seal—Authority of agents—Revocation of authority.
16-7-2. Articles of incorporation—Execution—Filing.	16-7-9. Succession in event of death, resignation or removal of incumbent.
16-7-3. Contents of articles of incorporation.	16-7-10. Death of bishop, trustee, not incorporated—Succession to property.
16-7-4. Certified copies of articles as evidence.	16-7-11. Fees for filing documents and issuing certificates.
16-7-5. Amendments of articles of incorporation.	16-7-12. Dissolution of corporation sole.
16-7-6. Powers of corporations sole.	
16-7-7. Right to act without authorization from members—Sale of property.	

#### 16-7-1. Right to form — Purposes.

Corporations sole may be formed for acquiring, holding or disposing of church or religious society property for the benefit of religion, for works of charity and for public worship, in the manner hereinafter provided.

**History:** L. 1901, ch. 80, § 1; 1903, ch. 73, § 1; C.L. 1907, § 350x; C.L. 1917, § 930; R.S. 1933 & C. 1943, 18-7-1.

#### COLLATERAL REFERENCES

**Am. Jur. 2d.** — 18 Am. Jur. 2d Corporations § 29.

**C.J.S.** — 18 C.J.S. Corporations § 15.  
**Key Numbers.** — Corporations ⇌ 3.

### 16-7-2. Articles of incorporation — Execution — Filing.

Any person who is the archbishop, bishop, president, trustee in trust, president of stake, president of congregation, overseer, presiding elder, or clergyman of any church or religious society who has been duly chosen, elected, or appointed in conformity with the constitution, canons, rites, regulations, or discipline of such church or religious society, and in whom is vested the legal title to its property, may make and subscribe articles of incorporation, acknowledge the same before some officer authorized to take acknowledgments, and file the original articles with the Division of Corporations and Commercial Code; he shall retain a copy of these articles in his possession.

**History:** L. 1901, ch. 80, § 2; 1903, ch. 73, § 2; C.L. 1907, § 350x1; C.L. 1917, § 931; R.S. 1933 & C. 1943, 18-7-2; L. 1984, ch. 66, § 76; 1985, ch. 178, § 25.

**Amendment Notes.** — The 1984 amendment substituted "with the Division of Corporations and Commercial Code" for "in the office of the secretary of state."

The 1985 amendment substituted "who is" for "being", "has been" for "shall have been" and "is vested" for "shall be vested" in the first

part of the section; deleted "in duplicate" after "articles of incorporation" near the middle of the section; substituted "file the original articles" near the end of the section for "file one copy of such articles"; and substituted "he shall retain a copy of these articles" near the end of the section for "the other he shall retain."

**Cross-References.** — Filing of articles of incorporation required, Utah Const., Art. XII, Sec. 9.

### 16-7-3. Contents of articles of incorporation.

The articles of incorporation shall specify:

- (1) the name of the corporation by which it shall be known.
- (2) the object of the corporation.
- (3) the estimated value of the property at the time of the making of articles of incorporation.
- (4) the title of the person making such articles.

**History:** L. 1901, ch. 80, § 3; 1903, ch. 73, § 3; C.L. 1907, § 350x2; L. 1917, ch. 48, § 1; C.L. 1917, § 932; R.S. 1933 & C. 1943, 18-7-3.

#### COLLATERAL REFERENCES

**A.L.R.** — Right of charitable or religious association or corporation to protection against

use of same or similar name by another, 37 A.L.R.3d 277.

### 16-7-4. Certified copies of articles as evidence.

The articles of incorporation or a certified copy of those filed and recorded with the Division of Corporations and Commercial Code shall be evidence of the existence of such corporation.

**History:** L. 1901, ch. 80, § 7; 1903, ch. 73, § 7; C.L. 1907, § 350x6; C.L. 1917, § 936; R.S. 1933 & C. 1943, 18-7-4; L. 1984, ch. 66, § 77.

**Amendment Notes.** — The 1984 amendment substituted "with the Division of Corporations and Commercial Code" for "in the office of the secretary of state."

### **16-7-5. Amendments of articles of incorporation.**

Any corporation so formed shall have power from time to time to alter or amend its articles of incorporation; such amendment shall be made by the corporation sole and executed by the same person who executed the original articles of incorporation or by his successor in office, and shall be filed in the same manner as is provided for the filing of the original articles.

**History:** L. 1901, ch. 80, § 3; 1903, ch. 73, § 3; C.L. 1907, § 350x2; L. 1917, ch. 48, § 1; C.L. 1917, § 932; R.S. 1933 & C. 1943, 18-7-5.

### **16-7-6. Powers of corporations sole.**

Upon making and filing articles of incorporation as herein provided the person subscribing the same and his successor in office, by the name or title specified in the articles, shall thereafter be deemed and is hereby created a body politic and a corporation sole, with perpetual succession, and shall have power:

- (1) to acquire and possess, by donation, gift, bequest, devise or purchase, and to hold and maintain, property, real, personal and mixed; and to grant, sell, convey, rent or otherwise dispose of the same as may be necessary to carry on or promote the objects of the corporation.
- (2) to borrow money and to give written obligations therefor, and to secure the payment thereof by mortgage or other lien upon real or personal property, when necessary to promote such objects.
- (3) to contract and be contracted with.
- (4) to sue and be sued.
- (5) to plead and be impleaded in all courts of justice.
- (6) to have and use a common seal by which all deeds and acts of such corporation may be authenticated.

**History:** L. 1901, ch. 80, §§ 4, 5; 1903, ch. 73, §§ 4, 5; C.L. 1907, §§ 350x3, 350x4; C.L. 1917, §§ 933, 934; R.S. 1933 & C. 1943, 18-7-6.

### **16-7-7. Right to act without authorization from members — Sale of property.**

Any corporation sole created under this chapter, and any such archbishop, bishop, president, trustee in trust, president of stake, president of congregation, overseer, presiding elder or clergyman of the state of Utah, who holds the title to trust property for the use and benefit of any church or religious society and who is not so incorporated, unless the articles of incorporation or deed under which such corporation or individual trustee holds such property provides otherwise, shall have power without any authority or authorization from the members of such church or religious society to mortgage, exchange, sell and convey the same; and any such corporation sole, or individual trustee residing within this state may hold title to property, real or personal, which is situated in any other state or jurisdiction; which holding shall be subject to

the same conditions, limitations, powers and rights and with the same trusts, duties and obligations in regard to the property that like property is held for such purposes in this state.

**History:** C.L. 1907, § 350x9, added by L. 1917, ch. 48, § 1; C.L. 1917, § 939; R.S. 1933 & C. 1943, 18-7-7.

**Cross-References.** — Fiduciaries and trusts, Title 22.

### 16-7-8. Execution of corporate instruments — Seal — Authority of agents — Revocation of authority.

All deeds and other instruments of writing shall be made in the name of the corporation, signed by the person representing the corporation in the official capacity designated in the articles of incorporation, or by a duly authorized agent or agents designated and named in a certificate filed by such corporation in the office of the Division of Corporations and Commercial Code, and sealed with the seal of the corporation; an impression of which seal shall be filed with the Division of Corporations and Commercial Code. The authority of any agent or agents designated as herein provided shall continue until revoked. A corporation sole designating an agent or agents to sign deeds and instruments of writing by certificate may revoke such authority by filing a notice of revocation of authority with the Division of Corporations and Commercial Code.

**History:** L. 1901, ch. 80, § 6; 1903, ch. 73, § 6; C.L. 1907, § 350x5; C.L. 1917, § 935; R.S. 1933 & C. 1943, 18-7-8; L. 1947, ch. 21, § 1; 1984, ch. 66, § 78.

**Amendment Notes.** — The 1984 amend-

ment substituted "Division of Corporations and Commercial Code" for "secretary of state" throughout the section; and made minor changes in phraseology.

### 16-7-9. Succession in event of death, resignation or removal of incumbent.

In the event of death or resignation of any such archbishop, bishop, president, trustee in trust, president of stake, president of congregation, overseer, presiding elder or clergyman, being at the time a corporation sole, or of his removal from office by the person or body having authority to remove him, his successor in office, as such corporation sole, shall be vested with the title to any and all property held by his predecessor as such corporation sole, with like power and authority over the same and subject to all the legal liabilities and obligations with reference thereto. Such successor shall file in the office of the county recorder of each county wherein any of such real property is situated a certified copy of his commission, certificate or letter of election or appointment.

**History:** L. 1903, ch. 73, § 8; C.L. 1907, § 350x7; C.L. 1917, § 937; R.S. 1933 & C. 1943, 18-7-9.

### 16-7-10. Death of bishop, trustee, not incorporated — Succession to property.

In case of the death, resignation or removal of any such archbishop, bishop, president, trustee in trust, president of stake, president of congregation, overseer, presiding elder or clergyman who at the time of his death, resignation or removal was holding the title to trust property for the use or benefit of any church or religious society, and was not incorporated as a corporation sole, the title to any and all such property held by him, of every nature and kind, shall not revert to the grantor nor vest in the heirs of such deceased person, but shall be deemed to be in abeyance after such death, resignation or removal until his successor is duly appointed to fill such vacancy, and upon the appointment of such successor the title to all the property held by his predecessor shall at once, without any other act or deed, vest in the person appointed to fill such vacancy.

**History:** L. 1903, ch. 73, § 9; C.L. 1907, § 350x8; L. 1917, ch. 48, § 1; C.L. 1917, § 938; R.S. 1933 & C. 1943, 18-7-10.

### 16-7-11. Fees for filing documents and issuing certificates.

The Division of Corporations and Commercial Code shall charge and collect a fee determined by it pursuant to Subsection 63-38-3(2) for:

- (1) filing articles of incorporation of a corporation sole and issuing a certificate of incorporation;
- (2) filing articles of amendment and issuing a certificate of amendment;
- (3) issuing each additional certificate of incorporation or amendment;
- (4) filing a certificate of authorized agent and issuing his certificate thereof;
- (5) filing a revocation of authority; and
- (6) furnishing a certified copy of any document, instrument, or paper relating to a corporation sole and affixing its seal; and
- (7) issuing a certificate of dissolution.

**History:** C. 1953, 16-7-11, enacted by L. 1963, ch. 18, § 1; L. 1984, ch. 66, § 79; 1984 (2nd S.S.), ch. 15, § 33; 1985, ch. 178, § 26.

**Amendment Notes.** — The 1984 amendment substituted the reference to "Division of Corporations and Commercial Code" for "secretary of state."

The 1984 (2nd S.S.) amendment inserted "a fee determined by it pursuant to Subsection 63-38-3(2)" in the introductory portion of the section; and deleted "\$1" at the end of Subsections (1) through (6).

The 1985 amendment added Subsection (7); and made minor changes in phraseology.

### 16-7-12. Dissolution of corporation sole.

(1) A corporation sole may be dissolved and its affairs wound up voluntarily by filing with the Division of Corporations and Commercial Code articles of dissolution, fully executed and signed under penalty of perjury, by the chief officer of the corporation. If any corporation sole ceases to have assets, has failed to function, or desires to terminate its existence, the articles of dissolu-

tion may be filed by any officer of the corporation authorized to administer the affairs and property of the corporation.

(2) An original and a copy of the articles of dissolution shall be submitted to the Division of Corporations and Commercial Code. If it conforms to law, the division shall file it and issue a certificate of dissolution. After the issuance of this certificate, the corporation shall cease to carry on business, except for the purpose of adjusting and winding up its affairs.

(3) The articles of dissolution shall set forth:

- (a) the name of the corporation;
- (b) the reason for its dissolution or winding up;
- (c) that dissolution of the corporation has been duly authorized by the organization governed by the corporation sole;
- (d) the names and addresses of the persons who are to supervise the winding up of the affairs of the corporation;
- (e) that all debts, obligations, and liabilities of the corporation sole have been paid and discharged or that adequate provision has been made therefor;
- (f) that all the remaining property and assets of the corporation sole have been transferred, conveyed, or distributed in accordance with the purposes of § 16-7-1; and
- (g) that there are no suits pending against the corporation sole in any court, or that adequate provision has been made for the satisfaction of any judgment, order, or decree which may be entered against it in any pending suit.

**History:** C. 1953, 16-7-12, enacted by L. 1985, ch. 178, § 27.

## CHAPTER 8

### FOREIGN CORPORATIONS

(Repealed by Laws 1961, ch. 28, § 142; 1985, ch. 178, § 72)

#### 16-8-1 to 16-8-4. Repealed.

**Repeals.** — Sections 16-8-1 to 16-8-4 (R.S. 1898 & C.L. 1907, §§ 351, 352; L. 1909, ch. 20, § 1; 1911, ch. 136, § 1; 1915, ch. 101, § 1; C.L. 1917, §§ 945, 945x1, 946, 947; L. 1919, ch. 17, § 1; 1923, ch. 66, § 1; 1925, ch. 41, § 1; 1929, ch. 88, § 1; R.S. 1933, 18-8-1, 18-8-2, 18-8-5, 18-8-6; L. 1933, ch. 12, § 1; 1933 (2nd S.S.), ch. 4, § 2; Code 1943, 18-8-1, 18-8-2, 18-8-5, 18-8-6; L. 1957, ch. 25, § 1), relating to foreign corporations, were repealed by Laws 1961, ch. 28, § 142. For present provisions, see § 16-10-102 et seq.

**16-8-5. Repealed.**

**Repeals.** — Section 16-8-5 (L. 1957, ch. 26, § 1), relating to acts not constituting "doing business in Utah," was repealed by Laws 1985, ch. 178, § 72. For present provisions, see § 16-10-102.

**CHAPTER 9**  
**ESCHEAT OF UNCLAIMED DIVIDENDS**  
**AND ASSETS**

(Repealed by Laws 1957, ch. 6, § 30)

**16-9-1 to 16-9-7. Repealed.**

**Repeals.** — Sections 16-9-1 to 16-9-7 (L. 1937, ch. 22, §§ 1 to 8; C. 1943, 18-9-1 to 18-9-7), relating to escheat of unclaimed dividends and assets of corporations and procedures and appeal in escheat matters, were repealed by Laws 1957, ch. 6, § 30. For present provisions, see § 78-44-1 et seq.

**CHAPTER 10**  
**BUSINESS CORPORATION ACT**

Section	Article 1 General Provisions	Section	
16-10-1.	Short title.	16-10-16.	Subscriptions for shares — Calls for payment — Default in payment.
16-10-2.	Definitions.	16-10-17.	Consideration for shares.
16-10-3.	Purposes.	16-10-18.	Payment for shares.
16-10-4.	General powers.	16-10-19.	Determination of amount of stated capital.
16-10-5.	Right of corporation to acquire and dispose of its own shares.	16-10-20.	Expenses of organization, reorganization and financing.
16-10-6.	Defense of ultra vires.	16-10-21.	Certificates representing shares.
16-10-7.	Corporate name.	16-10-22.	Issuance of certificates for fractional shares or scrip.
16-10-8.	Corporate name — Reservation of right to exclusive use.	16-10-23.	Liability of subscribers and shareholders.
16-10-9.	Corporate name — Registration of name — Procedure — Fee.	16-10-24.	Shareholders' pre-emptive rights.
16-10-10.	Corporate name — Registration of name — Renewal of registration.	16-10-25.	Bylaws.
16-10-11.	Registered office and registered agent.	16-10-26.	Meetings of shareholders.
16-10-12.	Change of registered office or registered agent.	16-10-27.	Notice of shareholders' meetings.
16-10-13.	Service of process on corporation — Registered agent or division director as agents for receipt of service.	16-10-28.	Closing of transfer books and fixing record date.
16-10-14.	Authorized shares.	16-10-29.	Voting list.
16-10-15.	Issuance of shares of preferred or special classes in series.	16-10-30.	Quorum of shareholders.
		16-10-31.	Voting of shares.
		16-10-32.	Voting trust.
		16-10-33.	Board of directors.
		16-10-34.	Number and election of directors.
		16-10-35.	Classification of directors.
		16-10-36.	Vacancies in board of directors.
		16-10-37.	Removal of directors.