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ARTICLE 5**ADMINISTRATION, REPORTS, FEES,
MISCELLANEOUS PROVISIONS****16-10-121. Annual report of domestic and foreign corporations.**

(1) Each domestic corporation, and each foreign corporation authorized to transact business in this state, shall file, within the time prescribed by this chapter, an annual report setting forth:

(a) the name of the corporation and the state or country under the laws of which it is incorporated;

(b) the address of the registered office of the corporation in this state, and the name of its registered agent in this state at that address, and, in the case of a foreign corporation, the address of its principal office in the state or country under the laws of which it is incorporated;

(c) a brief statement of the character of the business in which the corporation is actually engaged in this state;

(d) the names and respective addresses of the directors and officers of the corporation;

(e) a statement of the total number of shares which the corporation has authority to issue, itemized by classes, par value of shares, shares without par value, and series, if any, within a class;

(f) a statement of the total number of issued shares, itemized by classes, par value of shares, shares without par value, and series, if any, within a class; and

(g) a statement, expressed in dollars, of the amount of stated capital of the corporation.

(2) The annual report shall be made on forms prescribed and furnished by the Division of Corporations and Commercial Code, and the information contained on the annual report shall be given as of the date of the execution of the report. The annual report forms shall include a statement of notice to the corporation that failure to file the annual report will result in the suspension of its corporate charter. The annual report shall be signed by the corporation by its president, a vice-president, secretary, an assistant secretary, or treasurer, and verified under penalty of perjury by the officer signing the report, or, if the corporation is in the hands of a receiver or trustee, it shall be signed on behalf of the corporation and verified under penalty of perjury by the receiver or trustee.

History: L. 1961, ch. 28, § 121; 1984, ch. 66, § 130; 1985, ch. 178, § 66.

Amendment Notes. — The 1984 amendment substituted "Division of Corporations and Commercial Code" for "secretary of state" in Subsection (2); and made minor changes in style.

The 1985 amendment substituted "chapter"

for "act" in Subsection (1); substituted "total number" for "aggregate number" in Subsections (1)(e) and (1)(f); deleted "as defined in this act" at the end of Subsection (1)(g); substituted "contained on the annual report" for "therein contained" in the first sentence of Subsection (2); added the second sentence of Subsection (2); substituted "The annual report

shall be signed" for "It shall be executed" at the beginning of the last sentence of Subsection (2); inserted "under penalty of perjury" in two places in the last sentence of Subsection (2); substituted "signing" for "executing" and "signed" for "executed" in the last sentence of

Subsection (2); and made minor changes in phraseology.

Cross-References. — False reports by director, officer, or agent, misdemeanor, § 76-10-707.

16-10-122. Filing of annual report of domestic and foreign corporations.

The annual report of a domestic or foreign corporation shall be delivered to the Division of Corporations and Commercial Code:

(1) for a domestic corporation, during the month of its anniversary date of incorporation;

(2) for a foreign corporation, during the month of the anniversary date of its being granted authority to transact business in Utah.

Proof to the satisfaction of the Division of Corporations and Commercial Code that prior to the due date the report was deposited in the United States mail in a sealed envelope, properly addressed, with postage prepaid, is considered compliance with this requirement. If that division finds the report conforms to the requirements of this chapter, it shall file the report. If the division finds that the report does not conform, the report shall be promptly returned to the corporation for any necessary corrections. In this event, the penalties prescribed for failure to file the report within the time provided do not apply, if such report is corrected and returned to the Division of Corporations and Commercial Code within 30 days from the date the annual report was mailed by the Division of Corporations and Commercial Code to the corporation.

History: L. 1961, ch. 28, § 122; 1984, ch. 66, § 131; 1985, ch. 178, § 67.

Amendment Notes. — The 1984 amendment substituted references to Division of Corporations and Commercial Code for references to secretary of state throughout the section.

The 1985 amendment rewrote the first paragraph which formerly read as amended by Laws 1984, chapter 66, § 131; added Subsections (1) and (2); substituted "the due date" for "the first day of March" and "is considered" for "shall be deemed a" in the first sentence of the last paragraph; substituted "chapter" for "act" in the second sentence of the last paragraph; divided the former last sentence of the last

paragraph into the last two sentences, substituting "In this event" for "in which event" at the beginning of the last sentence of the last paragraph; deleted "hereinafter" before "prescribed," "hereinabove" before "provided," and "to conform to the requirements of this act" after "corrected" in the last sentence of the last paragraph; substituted "within 30 days from the date the annual report was mailed by the Division of Corporations and Commercial Code to the corporation" for "in sufficient time to be filed prior to the first day of April of the year in which it is due" at the end of the section; and made minor changes in phraseology.

16-10-123. Schedule of fees.

Unless otherwise provided by statute, the Division of Corporations and Commercial Code may adopt a schedule of fees assessed for services provided by the division, including fees for filing documents and issuing certificates, miscellaneous charges, and license fees. The fees shall be reasonable and fair, and shall reflect the cost of services provided. Each fee established in this manner shall be submitted to and approved by the Legislature as part of the division's annual appropriations request. The division may not charge or collect any fee proposed in this manner without approval by the Legislature.

History: C. 1953, 16-10-123, enacted by L. 1984 (2nd S.S.), ch. 15, § 35.

Repeals and Enactments. — Laws 1984 (2nd S.S.), ch. 15, § 35 repealed former

§ 16-10-123 (L. 1961, ch. 28, § 123; 1984, ch. 66, § 132), relating to the collection of fees and charges, and enacted present § 16-10-123, effective July 1, 1985.

16-10-124. 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 and issuing a certificate of incorporation or filing of articles of domestication and issuing a certificate of domestication;

(2) filing articles of amendment to articles of incorporation and issuing a certificate of amendment to articles of incorporation or filing articles of amendment to articles of domestication and issuing a certificate of amendment to articles of domestication;

(3) filing restated articles of incorporation and issuing a certificate of restated articles of incorporation, or filing restated articles of domestication, and issuing a certificate of restated articles of domestication;

(4) filing articles of merger or consolidation and issuing a certificate of merger or consolidation;

(5) filing an application to reserve a corporate name;

(6) filing a notice of transfer of a reserved corporate name;

(7) filing a statement of change of address of registered office or change of registered agent, or both;

(8) filing a statement of the establishment of a series of shares;

(9) filing a statement of cancellation of shares;

(10) filing a statement of reduction of stated capital;

(11) filing a statement of intent to dissolve;

(12) filing a statement of revocation of voluntary dissolution proceedings;

(13) filing articles of dissolution;

(14) filing an application of a foreign corporation for a certificate of authority to transact business in this state and issuing a certificate of authority;

(15) filing an application of a foreign corporation for an amended certificate of authority to transact business in this state and issuing an amended certificate of authority;

(16) filing a copy of an amendment to the articles of incorporation of a foreign corporation holding a certificate of authority to transact business in this state;

(17) filing a copy of articles of merger of a foreign corporation holding certificate of authority to transact business in this state;

(18) filing an application for withdrawal of a foreign corporation and issuing a certificate of withdrawal;

(19) filing application for registration of corporate name;

(20) filing an application for renewal of registration of corporate name;

(21) filing any other statement or report, of a domestic or foreign corporation;

(22) filing an annual report of a domestic or foreign corporation, plus an additional amount on all late reports filed after April 1st; and

(23) issuing a reinstatement certificate after suspension by the State Tax Commission for nonpayment of franchise tax.

History: L. 1961, ch. 28, § 124; 1971, ch. 22, § 12; 1974, ch. 6, § 5; 1984, ch. 66, § 133; 1984 (2nd S.S.), ch. 15, § 36.

Amendment Notes. — The 1984 amendment substituted "Division of Corporations and Commercial Code" for "secretary of state" in the first paragraph; substituted numbers for letters as subsection designations; and made minor changes in style.

The 1984 (2nd S.S.) amendment, effective July 1, 1985, inserted "a fee determined by it pursuant to Subsection 63-38-3(2)" in the first paragraph; deleted specific fees of \$25 in Sub-

sections (1) through (4), (14), (15), and (17), \$5 in Subsections (5) through (13), (18), and (21) through (23), \$10 in Subsections (16) and (20), and \$1 in Subsection (19); deleted "for each month or fraction thereof between the date of filing such application and December 31 of the calendar year in which such application is filed" at the end of Subsection (19); and substituted "additional amount" for "additional \$5" in Subsection (22).

Cross-References. — Domestication of foreign corporations, §§ 16-10-51.5 to 16-10-51.8.

16-10-125. Fees for certified copies and receipt of service of process as resident agent.

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

(1) for furnishing a certified copy of any document, instrument, or paper relating to a corporation, and for the certificate and affixing the seal thereto; and

(2) at the time of any service of process on the director of the Division of Corporations and Commercial Code as resident agent of a corporation, an amount that may be recovered as taxable costs by the party to the suit or action causing such service to be made if such party prevails in the suit or action.

History: L. 1961, ch. 28, § 125; 1984, ch. 66, § 134; 1984 (2nd S.S.), ch. 15, § 37.

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

The 1984 (2nd S.S.) amendment, effective

July 1, 1985, inserted "a fee determined by it pursuant to Subsection 63-38-3(2)" in the first paragraph; substituted "and for the certificate" in Subsection (1) for "35¢ per page, and \$1 for the certificate"; substituted "an amount that" in Subsection (2) for "\$5, which amount"; and made minor changes in style.

16-10-126. License fees payable by domestic corporations.

(1) The Division of Corporations and Commercial Code shall charge and collect from each domestic corporation license fees, based upon the number of shares which it will have authority to issue or the increase in the number of shares which it will have authority to issue, at the time of:

(a) filing articles of incorporation;

(b) filing articles of amendment increasing the number of authorized shares; and

(c) filing articles of merger or consolidation increasing the number of authorized shares which the surviving or new corporation, if a domestic corporation, will have authority to issue above the aggregate number of

shares which the constituent domestic corporations and constituent foreign corporations authorized to transact business in this state had authority to issue.

(2) License fees shall be at the rate of $\frac{1}{20}$ of 1% of the dollar value of the total authorized shares except that (a) no fee due at the time of filing articles of incorporation shall be less than \$25 and (b) no fee shall be more than \$500. For purposes only of computing fees under this section, the dollar value of each authorized share having a par value shall be equal to such par value and the dollar value of each authorized share having no par value shall be equal to \$1.

(3) The license fees payable on an increase in the number of authorized shares shall be imposed only on the increased number of shares, and the number of previously authorized shares shall be taken into account in determining the rate applicable to the increased number of authorized shares. Total license fees for previously authorized shares together with the increased number of shares shall not exceed \$500.

History: L. 1961, ch. 28, § 126; 1971, ch. 22, § 10; 1984, ch. 66, § 135.

Amendment Notes. — The 1984 amendment substituted "Division of Corporations and

Commercial Code" for "secretary of state" in Subsection (1); and made minor changes in style.

16-10-127. License fees payable by foreign corporations.

(1) The Division of Corporations and Commercial Code shall charge and collect from each foreign corporation license fees, based upon the proportion represented in this state of the number of shares which it has authority to issue or the increase in the number of shares which it has authority to issue, at the time of:

(a) filing an application for a certificate of authority to transact business in this state;

(b) filing articles of amendment which increased the number of authorized shares; and

(c) filing articles of merger or consolidation which increased the number of authorized shares which the surviving or new corporation, if a foreign corporation, has authority to issue above the aggregate number of shares which the constituent domestic corporations and constituent foreign corporations authorized to transact business in this state had authority to issue.

(2) License fees shall be at the rate of $\frac{1}{20}$ of 1% of the dollar value of the total authorized shares represented in this state except that (a) no fee due at the time of filing an application for a certificate of authority to transact business in this state shall be less than \$25 and (b) no fee shall be more than \$500. For purposes only of computing fees under this section, the dollar value of each authorized share presented in this state having a par value shall be equal to such par value and the dollar value of each authorized share represented in this state having no par value shall be equal to \$1.

(3) License fees payable on an increase in the number of authorized shares shall be imposed only on the increased number of shares represented in this state, and the number of previously authorized shares shall be taken into account in determining the rate applicable to the increased number of autho-

rized shares. Total license fees for previously authorized shares together with the increased number of shares shall not exceed \$500.

(4) The number of authorized shares represented in this state shall be the proportion of its total authorized shares which the sum of the value of its property located in this state and the gross amount of business transacted by it at or from places of business in this state bears to the sum of the value of all of its property, wherever located, and the gross amount of its business, wherever transacted. Such proportion shall be determined (a) from information contained in the application for a certificate of authority to transact business in this state or (b) from a statement filed at the time of filing articles of amendment, merger, or consolidation involving an increase in the number of authorized shares as aforesaid. Such statement shall be made on a form prescribed and furnished by the Division of Corporations and Commercial Code and shall be executed by the corporation by its president or a vice-president and by its secretary or an assistant secretary, and verified by one of the officers signing such statement.

History: L. 1961, ch. 28, § 127; 1971, ch. 22, § 11; 1984, ch. 66, § 136.

Amendment Notes. — The 1984 amendment substituted "Division of Corporations and

Commercial Code" for "secretary of state" in Subsections (1) and (4); and made minor changes in style.

NOTES TO DECISIONS

Constitutionality.

Former statute providing that foreign corporation pay fee of 25 cents on each \$1,000 par value of its authorized capital stock as a condition to issuance of certificate of authority was

unconstitutional as directly laying burden on interstate commerce and attempting to tax property beyond jurisdiction of state in contravention of federal constitution. *Badger v. Crockett*, 70 Utah 265, 259 P. 921 (1927).

16-10-128. Penalties imposed upon corporations.

Each corporation, domestic or foreign, that fails or refuses to file its annual report for any year within the time prescribed by this act and each corporation, domestic or foreign, that fails or refuses to answer truthfully and fully within the time prescribed by this act interrogatories propounded by the Division of Corporations and Commercial Code in accordance with the provisions of this act, shall be deemed to be guilty of a misdemeanor and upon conviction thereof may be fined in any amount not exceeding \$500.

History: L. 1961, ch. 28, § 128; 1984, ch. 66, § 137.

Amendment Notes. — The 1984 amendment substituted "Division of Corporations and Commercial Code" for "secretary of state"; and made a minor change in style.

Meaning of "this act". — The term "this act," referred to in this section, means Laws 1961, Chapter 28, which appears as §§ 16-10-1 to 16-10-51, 16-10-52 to 16-10-76, 16-10-77 to 16-10-88, and 16-10-89 to 16-10-141.

16-10-129. Penalties imposed upon officers and directors.

Each officer and director of a corporation, domestic or foreign, who fails or refuses within the time prescribed by this act to answer truthfully and fully interrogatories propounded to him by the Division of Corporations and Commercial Code in accordance with the provisions of this act, or who signs any articles, statement, report, application, or other document filed with the Division of Corporations and Commercial Code which is known to such officer or director to be false in any material respect, shall be guilty of a misdemeanor.

History: L. 1961, ch. 28, § 129; 1984, ch. 66, § 138.

Amendment Notes. — The 1984 amendment substituted "Division of Corporations and Commercial Code" for "secretary of state" in two places.

Meaning of "this act". — The term "this

act," referred to in this section, means Laws 1963, Chapter 28, which appears as §§ 16-10-1 to 16-10-51, 16-10-52 to 16-10-76, 16-10-77 to 16-10-88, and 16-10-89 to 16-10-141.

Cross-References. — Sentencing for misdemeanors, §§ 76-3-201, 76-3-204, 76-3-301.

16-10-130. Interrogatories by division.

The Division of Corporations and Commercial Code may propound to any corporation, domestic or foreign, subject to the provisions of this act, and to any officer or director thereof, such interrogatories as may be reasonably necessary and proper to enable it to ascertain whether such corporation has complied with all the provisions of this act applicable to such corporation. Such interrogatories shall be answered within 30 days after the mailing thereof, or within such additional time as shall be fixed by the Division of Corporations and Commercial Code, and the answers thereto shall be full and complete and shall be made in writing and under oath. If such interrogatories be directed to an individual they shall be answered by him, and if directed to a corporation they shall be answered by the president, vice-president, secretary, or assistant secretary thereof.

The Division of Corporations and Commercial Code need not file any document to which such interrogatories relate until such interrogatories be answered as herein provided, and not then if the answers thereto disclose that such document is not in conformity with the provisions of this act. The Division of Corporations and Commercial Code shall certify to the attorney general, for such action as the attorney general may deem appropriate, all interrogatories and answers thereto which disclose a violation of any of the provisions of this act.

History: L. 1961, ch. 28, § 130; 1984, ch. 66, § 139.

Amendment Notes. — The 1984 amendment substituted references to the Division of Corporations and Commercial Code for refer-

ences to the secretary of state throughout the section.

Meaning of "this act". — See the note under the same catchline following § 16-10-129.

16-10-131. Information disclosed by interrogatories.

Interrogatories propounded by the Division of Corporations and Commercial Code and the answers thereto shall not be open to public inspection nor shall the Division of Corporations and Commercial Code disclose any facts or information obtained therefrom except insofar as his official duty may require the same to be made public or in the event such interrogatories or the answers thereto are required for evidence in any criminal proceedings or in any other action by this state.

History: L. 1961, ch. 28, § 131; 1984, ch. 66, § 140.

Amendment Notes. — The 1984 amend-

ment substituted "Division of Corporations and Commercial Code" for "secretary of state" in two places.

16-10-132. Powers of division.

The Division of Corporations and Commercial Code shall have the power and authority reasonably necessary to enable it to administer this act efficiently and to perform the duties therein imposed upon it.

History: L. 1961, ch. 28, § 132; 1984, ch. 66, § 141.

Amendment Notes. — The 1984 amendment substituted references to the Division of

Corporations and Commercial Code for references to the secretary of state.

Meaning of "this act". — See the note under the same catchline following § 16-10-129.

16-10-133. Appeal from division.

If the Division of Corporations and Commercial Code shall fail to approve any articles of incorporation, amendment, merger, consolidation or dissolution, or any other document required by this act to be approved by the Division of Corporations and Commercial Code before the same shall be filed in its office, it shall, within ten days after the delivery thereof to it, give written notice of its disapproval to the person or corporation, domestic or foreign, delivering the same specifying the reasons therefor. From such disapproval such person or corporation may appeal to the district court of the county in which the registered office of such corporation is, or is proposed to be, situated by filing with the clerk of such court a petition setting forth a copy of the articles or other document sought to be filed and a copy of the written disapproval thereof by the Division of Corporations and Commercial Code; whereupon the matter shall be tried de novo by the court, and the court shall either sustain the action of the Division of Corporations and Commercial Code or direct it to take such action as the court may deem proper.

If the Division of Corporations and Commercial Code shall revoke the certificate of authority to transact business in this state of any foreign corporation, pursuant to the provisions of this act, such foreign corporation may likewise appeal to the district court of the county where the registered office of such corporation in this state is situated, by filing with the clerk of such court a petition setting forth a copy of its certificate of authority to transact business in this state and a copy of the notice of revocation given by the Division of Corporations and Commercial Code; whereupon the matter shall be tried de novo by the court, and the court shall either sustain the action of the Division

of Corporations and Commercial Code or direct it to take such action as the court may deem proper.

Appeals from all final orders and judgments entered by the district court under this section in review of any ruling or decision of the Division of Corporations and Commercial Code may be taken as in other civil actions.

History: L. 1961, ch. 28, § 133; 1984, ch. 66, § 142.

Amendment Notes. — The 1984 amendment substituted references to the Division of Corporations and Commercial Code for refer-

ences to the secretary of state throughout the section.

Meaning of "this act". — See the note under the same catchline following § 16-10-129.

16-10-134. Certificates and certified copies to be received in evidence.

All certificates issued by the Division of Corporations and Commercial Code in accordance with the provisions of this act, and all copies of documents filed in its office in accordance with the provisions of this act when certified by it, shall be taken and received in all courts, public offices, and official bodies as prima facie evidence of the facts therein stated. A certificate by the Division of Corporations and Commercial Code under the great seal of this state as to the existence or nonexistence of the facts relating to corporations shall be taken and received in all courts, public offices, and official bodies as prima facie evidence of the existence or nonexistence of the facts therein stated.

History: L. 1961, ch. 28, § 134; 1984, ch. 66, § 143.

Amendment Notes. — The 1984 amendment substituted references to the Division of Corporations and Commercial Code for refer-

ences to the secretary of state throughout the section.

Cross-References. — Certificate as conclusive evidence, § 16-10-51.

16-10-135. Use of forms not mandatory.

The use of any form required to be filed with the Division of Corporations and Commercial Code, unless otherwise specifically prescribed in this act, shall not be mandatory.

History: L. 1961, ch. 28, § 135; 1963, ch. 19, § 10; 1984, ch. 66, § 144.

Amendment Notes. — The 1984 amendment substituted "with the Division of Corpo-

rations and Commercial Code" for "in the office of the secretary of state."

Meaning of "this act". — See the note under the same catchline following § 16-10-129.

16-10-136. Greater voting requirements.

Whenever, with respect to any action to be taken by the shareholders of a corporation, the articles of incorporation require the vote or concurrence of the holders of a greater proportion of the shares, or of any class or series thereof, than required by this act with respect to such action, the provisions of the articles of incorporation shall control.

History: L. 1961, ch. 28, § 136.

Meaning of "this act". — See the note under the same catchline following § 16-10-129.

NOTES TO DECISIONS

Removal of directors.

Where articles of incorporation require a two-thirds vote for removal of directors, such

provision is controlling notwithstanding § 16-10-37. *Jacobson v. Backman*, 16 Utah 2d 356, 401 P.2d 181 (1965).

16-10-137. Waiver of notice.

Whenever any notice is required to be given to any shareholder or director of a corporation under the provisions of this act or under the provisions of the articles of incorporation or bylaws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

History: L. 1961, ch. 28, § 137.

Meaning of "this act". — See the note under the same catchline following § 16-10-129.

16-10-138. Action by shareholders without a meeting.

Any action required by this act to be taken at a meeting of the shareholders of a corporation, or any action which may be taken at a meeting of the shareholders, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the shareholders entitled to vote with respect to the subject matter thereof.

Such consent shall have the same force and effect as a unanimous vote of shareholders, and may be stated as such in any articles or document filed with the Division of Corporations and Commercial Code under this act.

History: L. 1961, ch. 28, § 138; 1984, ch. 66, § 145.

Amendment Notes. — The 1984 amendment substituted "Division of Corporations and

Commercial Code" for "secretary of state" in the second paragraph.

Meaning of "this act". — See the note under the same catchline following § 16-10-129.

16-10-139. Unauthorized assumption of corporate power — Liability.

All persons who assume to act as a corporation without authority so to do shall be jointly and severally liable for all debts and liabilities incurred or arising as a result thereof.

History: L. 1961, ch. 28, § 139.

NOTES TO DECISIONS

ANALYSIS

Representing existence of corporation.
Use of unregistered trade name.

Representing existence of corporation.

Party to an agreement was personally liable where he signed the agreement as president of a corporation when no such corporation was in existence. *Gillham Advertising Agency, Inc. v. Ipson*, 567 P.2d 163 (Utah 1977).

Where all the parties were residents of Utah, the contract for the sale of debentures was negotiated and executed in Utah, and the place of its performance was Utah, this section was properly applied to impose personal liability on defendants who had signed the debentures as president and secretary of a Nevada corpora-

tion that was not incorporated in Nevada until after the execution of the contract for the debenture sales. *Loveridge v. Dreagoux*, 678 F.2d 870 (10th Cir. 1982).

Use of unregistered trade name.

Use of a corporation's unregistered trade name on checks written by corporation's agents without any indication that their signatures were in a representative capacity was an assumption of corporate power without authority, making the agents liable as individuals on the check. *Sterling Press v. Pettit*, 580 P.2d 599 (Utah 1978).

16-10-140. Existing corporations continued — Assessment of shares — Annual report.

Corporations for pecuniary profit as well as corporations granted the rights, privileges, powers, duties, and obligations of corporations organized for pecuniary profit which are organized and existing under the laws of this state at the time this act takes effect shall continue in existence with all the rights and privileges applicable to corporations organized under this act, and from the time this act takes effect, the aforesaid corporations, whether heretofore or hereafter organized, shall have all the rights and privileges and shall be subject to all the limitations, restrictions, liabilities, and duties prescribed herein, except that such corporations whose articles of incorporation provide for the assessment of shares may continue to levy assessments in the manner, at the times and in the amounts as may be prescribed by its articles of incorporation or, if not so prescribed, then as provided by Chapter 4, Title 16.

On or before March 1, 1962, and annually thereafter as provided in § 16-10-122, every existing corporation, including foreign corporations qualified to do business in this state at the time this act takes effect, shall file an annual report with the Division of Corporations and Commercial Code setting forth the information prescribed by § 16-10-121. The designation of the registered office of the corporation in this state and the address thereof and the designation of its resident agent in this state at such address contained in the first annual report of the corporation shall be in lieu of designating such office and agent in the articles of incorporation of such corporation, and such designation shall continue until changed as provided in § 16-10-12.

Any certificates of stock issued by existing corporations after the effective date of this act shall conform to the requirements of § 16-10-21.

History: L. 1961, ch. 28, § 140; 1984, ch. 66, § 146.

Amendment Notes. — The 1984 amend-

ment substituted "Division of Corporations and Commercial Code" for "secretary of state" in the first sentence of the second paragraph; and made minor changes in style.

Meaning of "this act". — See the note under the same catchline following § 16-10-129.

Cross-References. — Acceptance of Consti-

tution by corporations existing at time of adoption, Utah Const. Art. XII, Sec. 2.

16-10-141. Application to foreign and interstate commerce.

The provisions of this act shall apply to commerce with foreign nations and among the several states only in so far as the same may be permitted under the provisions of the Constitution of the United States.

History: L. 1961, ch. 28, § 141.

Meaning of "this act". — See the note under the same catchline following § 16-10-129.

16-10-142. Repealed.

Repeals. — Section 16-10-142 (L. 1961, ch. 28, § 143), relating to formation of water com-

panies and other companies of like character, was repealed by Laws 1963, ch. 17, § 93.

16-10-143. Effect of repeal of prior acts.

The repeal of a prior law by this act shall not affect any right accrued or established, or any liability or penalty incurred, or any action or proceeding begun under the provisions of such law prior to the repeal thereof. Without limiting the generality of the foregoing, actions pending when this act takes effect under Chapter 43 of Title 78, relating to the voluntary withdrawal of foreign corporation[s], may be continued to final decree under such chapter and title; actions so pending under Chapter 42 of Title 78, relating to the voluntary dissolution of domestic corporations, may be continued to final decree under such chapter and title and mergers or consolidations under Chapter 5 of Title 16, which have been approved by the shareholders of one or more of the constituent corporations when this act takes effect, may be completed under such chapter and title.

History: L. 1961, ch. 28, § 144; 1963, ch. 19, § 11.

Meaning of "this act". — See the note under the same catchline following § 16-10-129.

16-10-144. Effect of 1971 amendment.

The amendments effected by this act shall not affect any right accrued or established, or any liability or penalty incurred, or any action or proceeding begun under the provisions of the Utah Business Corporation Act prior to the amendment thereof effected hereby. Except as otherwise provided in this section, the amendments to §§ 16-10-2 and 16-10-19 shall apply to mergers, consolidations or acquisitions of all or substantially all of the outstanding shares or of the property and assets of another corporation whether consummated before or after the effective date of this act.

History: L. 1971, ch. 22, § 13.

Meaning of "this act". — See the note under the same catchline following § 16-10-129.

16-10-145. Signing documents without verification or notarization.

Notwithstanding any provision in this chapter to the contrary, any declaration, statement or other document required to be verified or acknowledged may instead be signed without verification or acknowledgment if the declaration, statement or other document contains a written declaration that it is made under the penalties of perjury. An individual's signature shall be prima facie evidence that the document was actually signed by the individual.

History: C. 1953, 16-10-145, enacted by L. 1979, ch. 40, § 1.

Cross-References. — Perjury, § 76-8-501 et seq.

16-10-146. Corporate expenditures in defense of proxy and take-over contests.

Unless otherwise provided in the articles of incorporation, the officers and directors of a corporation shall not be liable to its shareholders for the expenditures of reasonable amounts of corporate funds in connection with or in defense of proxy contests or take-over offers (as defined in Subsection 61-4-3 (7)) if these expenditures have been approved by majority vote of the corporation's board of directors.

History: C. 1953, 16-10-146, enacted by L. 1979, ch. 57, § 15.

referred to in this section, was repealed by Laws 1983, ch. 335, § 3.

Compiler's Notes. — Subsection 61-4-3(7),

COLLATERAL REFERENCES

Utah Law Review. — Utah Legislative Survey — 1979, 1980 Utah L. Rev. 155.
A.L.R. — Duty of corporate directors to exer-

cise "informed" judgment in recommending responses to merger or tender offer, 46 A.L.R. 4th 887.

CHAPTER 11

PROFESSIONAL CORPORATION ACT

Section	Section
16-11-1. Short title.	16-11-7. Issuance of shares of capital stock — Restrictions.
16-11-2. Definitions.	16-11-8. Officer, director or shareholder must be licensed professional — Non-licensed person as secretary or treasurer.
16-11-3. Purpose of act.	16-11-9. Licensed persons to render professional services.
16-11-4. Incorporators — Articles of incorporation.	16-11-10. Laws as to professional relationships not altered.
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16-11-6. Purpose of professional corporation — Power to own property and invest funds.	