

Article 6.

Members and Memberships.

Part 1. Admission of Members.

§ 55A-6-01. Members.

- (a) A corporation may have one or more classes of members or may have no members.
- (b) No person shall be admitted as a member without the person's consent. (1955, c. 1230; 1993, c. 398, s. 1.)

§§ 55A-6-02 through 55A-6-19. Reserved for future codification purposes.

Part 2. Members' Rights and Obligations.

§ 55A-6-20. Designations, qualifications, rights, and obligations of members.

If a corporation has members, the designations, qualifications, rights, and obligations of members shall be set forth in or authorized by the articles of incorporation or bylaws, and may include any provisions not inconsistent with law or the articles of incorporation with respect to:

- (1) Conditions of admission and membership;
- (2) Voting rights and the manner of exercising voting rights;
- (3) The relative rights and obligations of members among themselves, to the corporation, and with respect to the property of the corporation;
- (4) The manner of terminating membership in the corporation;
- (5) The rights and obligations of the members and the corporation upon such termination;
- (6) The transferability or nontransferability of memberships; and
- (7) Any other matters.

Except as otherwise provided in or authorized by the articles of incorporation or bylaws, all members shall have the same designations, qualifications, rights, and obligations. (1955, c. 1230; 1985 (Reg. Sess., 1986), c. 801, s. 35; 1993, c. 398, s. 1.)

§ 55A-6-21. Prohibition of stock.

A corporation shall neither authorize nor issue shares of stock. (1955, c. 1230; 1985 (Reg. Sess., 1986), c. 801, s. 32; 1993, c. 398, s. 1.)

§ 55A-6-22. Member's liability to third parties.

A member of a corporation is not, as such, personally liable for the acts, debts, liabilities, or obligations of the corporation. (1993, c. 398, s. 1.)

§ 55A-6-23. Member's liability for dues, assessments, and fees.

A member may become liable to the corporation for dues, assessments, or fees; provided, however, that a provision in the articles of incorporation or bylaws or a resolution adopted by the board of directors authorizing or imposing dues, assessments, or fees does not, of itself, create liability. (1993, c. 398, s. 1.)

§ 55A-6-24. Creditor's action against member.

(a) A creditor of a corporation shall not bring a proceeding to enforce any liability of a member to the corporation unless final judgment has been rendered in favor of the creditor against

the corporation and execution has been returned unsatisfied in whole or in part or unless a proceeding against the corporation would be futile.

(b) All creditors of the corporation, with or without reducing their claims to judgment, may intervene in any creditor's proceeding brought under subsection (a) of this section to collect and apply the proceeds of obligations owed to the corporation. Any or all members who are indebted to the corporation may be joined in such proceeding. (1993, c. 398, s. 1.)

§§ 55A-6-25 through 55A-6-29. Reserved for future codification purposes.

Part 3. Resignation and Termination.

§ 55A-6-30. Resignation.

(a) Any member may resign at any time.

(b) The resignation of a member does not relieve the member from any obligations incurred or commitments made to the corporation prior to resignation. (1993, c. 398, s. 1.)

§ 55A-6-31. Termination, expulsion, and suspension.

(a) No member of a corporation may be expelled or suspended, and no membership may be terminated or suspended, except in a manner that is fair and reasonable and is carried out in good faith.

(b) Any proceeding challenging an expulsion, suspension, or termination shall be commenced within one year after the member receives notice of the expulsion, suspension, or termination.

(c) A member who has been expelled or suspended may be liable to the corporation for dues, assessments, or fees as a result of obligations incurred or commitments made by the member prior to expulsion or suspension. (1955, c. 1230; 1993, c. 398, s. 1.)

§§ 55A-6-32 through 55A-6-39. Reserved for future codification purposes.

Part 4. Delegates.

§ 55A-6-40. Delegates.

(a) A corporation may provide in its articles of incorporation or bylaws for delegates having some or all of the authority of members.

(b) The articles of incorporation or bylaws may set forth provisions relating to:

- (1) The characteristics, qualifications, rights, limitations, and obligations of delegates, including their selection and removal;
- (2) Calling, noticing, holding, and conducting meetings of delegates; and
- (3) Carrying on corporate activities during and between meetings of delegates. (1993, c. 398, s. 1.)