

**17-4668. Dissolution.** (a) A cooperative which has not commenced business may be dissolved by delivering to the secretary of state articles of dissolution which shall be executed on behalf of the cooperative by a majority of the incorporators and which shall state:

- (1) The name of the cooperative;
- (2) the address of its principal office;
- (3) that the cooperative has not commenced business;
- (4) that any sums received by the cooperative, less any part thereof disbursed for expenses of the cooperative, have been returned or paid to those entitled thereto;
- (5) that no debt of the cooperative is unpaid; and
- (6) that a majority of the incorporators elect that the cooperative be dissolved.

(b) A cooperative which has commenced business may be dissolved in the following manner:

(1) The members at any meeting shall approve, by the affirmative vote of not less than  $\frac{2}{3}$  of those members voting on such proposal at such meeting, a proposal that the cooperative be dissolved. Upon such approval, a certificate of election to dissolve shall be executed on behalf of the cooperative by its president or vice-president and attested by its secretary. Such certificate shall state: (A) The name of the cooperative; (B) the address of its principal office; and (C) that the members of the cooperative have duly voted that the cooperative be dissolved. Such certificate shall be submitted to the secretary of state for filing, together with an affidavit, made by the cooperative's president or vice-president executing the certificate, stating that the statements in the certificate are true.

(2) Upon the filing of the certificate and affidavit by the secretary of state, the cooperative shall cease to carry on its business except to the extent necessary for the winding up thereof, but its corporate existence shall continue until articles of dissolution have been filed by the secretary of state. The board of directors shall immediately cause notice of the dissolution proceedings to be mailed to each known creditor of and claimant against the cooperative and to be published once a week for two successive weeks in a newspaper of general circulation in the county where the principal office of the cooperative is located. The board of directors shall wind up and settle the affairs of the cooperative, collect sums owing to it, liquidate its property and assets, pay and discharge its debts, obligations and liabilities, and do all other things required to wind up its business, and after paying or discharging or adequately providing for the payment or discharge of all its debts, obligations and liabilities, shall distribute any remaining sums among its members and former members in proportion to the patronage of the respective members or former members during the seven years next preceding the date of the filing of the certificate by the secretary of state or, if the cooperative has not been in existence for such period, then during the period of its existence prior to such filing. The board of directors shall thereupon authorize the execution of articles of dissolution, which shall be executed on behalf of the cooperative by its president or vice-president, and attested by its secretary.

(3) The articles of dissolution shall recite that they are executed pursuant to the renewable energy electric generation cooperative act and shall state:

- (A) The name of the cooperative;
- (B) the address of its principal office;
- (C) the date on which the certificate of election to dissolve was filed by the secretary of state;
- (D) that there are no actions or suits pending against the cooperative;
- (E) that all debts, obligations and liabilities of the cooperative have been paid and discharged or that adequate provision has been made therefor; and
- (F) that the preceding provisions of this subsection have been duly complied with.

The president or vice-president executing the articles of dissolution shall make and annex thereto an affidavit stating that the statements made therein are true.

**History:** L. 2003, ch. 81, § 17; July 1.