

AN ACT

To amend sections 1701.01, 1702.01, 1702.02, 1702.03, 1702.04, 1702.05, 1702.06, 1702.07, 1702.08, 1702.10, 1702.11, 1702.12, 1702.13, 1702.14, 1702.15, 1702.16, 1702.17, 1702.18, 1702.19, 1702.21, 1702.22, 1702.23, 1702.25, 1702.26, 1702.27, 1702.28, 1702.29, 1702.30, 1702.301, 1702.31, 1702.32, 1702.33, 1702.34, 1702.36, 1702.38, 1702.39, 1702.41, 1702.42, 1702.44, 1702.45, 1702.47, 1702.48, 1702.49, 1702.50, 1702.51, 1702.52, 1702.521, 1702.53, 1702.54, 1702.55, 1702.58, and 1702.59 of the Revised Code to modify the Nonprofit Corporation Law, including creating two new types of nonprofit corporate entities; changing references from trustees to directors; modifying membership rights, notice and voting provisions, and merger and consolidation provisions; and making related changes.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 1701.01, 1702.01, 1702.02, 1702.03, 1702.04, 1702.05, 1702.06, 1702.07, 1702.08, 1702.10, 1702.11, 1702.12, 1702.13, 1702.14, 1702.15, 1702.16, 1702.17, 1702.18, 1702.19, 1702.21, 1702.22, 1702.23, 1702.25, 1702.26, 1702.27, 1702.28, 1702.29, 1702.30, 1702.301, 1702.31, 1702.32, 1702.33, 1702.34, 1702.36, 1702.38, 1702.39, 1702.41, 1702.42, 1702.44, 1702.45, 1702.47, 1702.48, 1702.49, 1702.50, 1702.51, 1702.52, 1702.521, 1702.53, 1702.54, 1702.55, 1702.58, and 1702.59 of the Revised Code be amended to read as follows:

Sec. 1701.01. As used in sections 1701.01 to 1701.98 of the Revised Code, unless the context otherwise requires:

(A) "Corporation" or "domestic corporation" means a corporation for profit formed under the laws of this state.

(B) "Foreign corporation" means a corporation for profit formed under

the laws of another state, and "foreign entity" means an entity formed under the laws of another state.

(C) "State" means the United States; any state, territory, insular possession, or other political subdivision of the United States, including the District of Columbia; any foreign country or nation; and any province, territory, or other political subdivision of such foreign country or nation.

(D) "Articles" includes original articles of incorporation, certificates of reorganization, amended articles, and amendments to any of these, and, in the case of a corporation created before September 1, 1851, the special charter and any amendments to it made by special act of the general assembly or pursuant to general law.

(E) "Incorporator" means a person who signed the original articles of incorporation.

(F) "Shareholder" means a person whose name appears on the books of the corporation as the owner of shares of such corporation. Unless the articles, the regulations, or the contract of subscription otherwise provides, "shareholder" includes a subscriber to shares, whether the subscription is received by the incorporators or pursuant to authorization by the directors, and such shares shall be deemed to be outstanding shares.

(G) "Person" includes, without limitation, a natural person, a corporation, whether nonprofit or for profit, a partnership, a limited liability company, an unincorporated society or association, and two or more persons having a joint or common interest.

(H) The location of the "principal office" of a corporation is the place named as the principal office in its articles.

(I) The "express terms" of shares of a class are the statements expressed in the articles with respect to such shares.

(J) Shares of a class are "junior" to shares of another class when any of their dividend or distribution rights are subordinate to, or dependent or contingent upon, any right of, or dividend on, or distribution to, shares of such other class.

(K) "Treasury shares" means shares belonging to the corporation and not retired that have been either issued and thereafter acquired by the corporation or paid as a dividend or distribution in shares of the corporation on treasury shares of the same class; such shares shall be deemed to be issued, but they shall not be considered as an asset or a liability of the corporation, or as outstanding for dividend or distribution, quorum, voting, or other purposes, except, when authorized by the directors, for dividends or distributions in authorized but unissued shares of the corporation of the same class.

(L) To "retire" a share means to restore it to the status of an authorized but unissued share.

(M) "Redemption price of shares" means the amount required by the articles to be paid on redemption of shares.

(N) "Liquidation price" means the amount or portion of assets required by the articles to be distributed to the holders of shares of any class upon dissolution, liquidation, merger, or consolidation of the corporation, or upon sale of all or substantially all of its assets.

(O) "Insolvent" means that the corporation is unable to pay its obligations as they become due in the usual course of its affairs.

(P) "Parent corporation" or "parent" means a domestic or foreign corporation that owns and holds of record shares of another corporation, domestic or foreign, entitling the holder of the shares at the time to exercise a majority of the voting power in the election of the directors of the other corporation without regard to voting power that may thereafter exist upon a default, failure, or other contingency; "subsidiary corporation" or "subsidiary" means a domestic or foreign corporation of which another corporation, domestic or foreign, is the parent.

(Q) "Combination" means a transaction, other than a merger or consolidation, wherein either of the following applies:

(1) Voting shares of a domestic corporation are issued or transferred in consideration in whole or in part for the transfer to itself or to one or more of its subsidiaries, domestic or foreign, of all or substantially all the assets of one or more corporations, domestic or foreign, with or without good will or the assumption of liabilities;

(2) Voting shares of a foreign parent corporation are issued or transferred in consideration in whole or in part for the transfer of such assets to one or more of its domestic subsidiaries.

"Transferee corporation" in a combination means the corporation, domestic or foreign, to which the assets are transferred, and "transferor corporation" in a combination means the corporation, domestic or foreign, transferring such assets and to which, or to the shareholders of which, the voting shares of the domestic or foreign corporation are issued or transferred.

(R) "Majority share acquisition" means the acquisition of shares of a corporation, domestic or foreign, entitling the holder of the shares to exercise a majority of the voting power in the election of directors of such corporation without regard to voting power that may thereafter exist upon a default, failure, or other contingency, by either of the following:

(1) A domestic corporation in consideration in whole or in part, for the

issuance or transfer of its voting shares;

(2) A domestic or foreign subsidiary in consideration in whole or in part for the issuance or transfer of voting shares of its domestic parent.

(S) "Acquiring corporation" in a combination means the domestic corporation whose voting shares are issued or transferred by it or its subsidiary or subsidiaries to the transferor corporation or corporations or the shareholders of the transferor corporation or corporations; and "acquiring corporation" in a majority share acquisition means the domestic corporation whose voting shares are issued or transferred by it or its subsidiary in consideration for shares of a domestic or foreign corporation entitling the holder of the shares to exercise a majority of the voting power in the election of directors of such corporation.

(T) When used in connection with a combination or a majority share acquisition, "voting shares" means shares of a corporation, domestic or foreign, entitling the holder of the shares to vote at the time in the election of directors of such corporation without regard to voting power which may thereafter exist upon a default, failure, or other contingency.

(U) "An emergency" exists when the governor, or any other person lawfully exercising the power and discharging the duties of the office of governor, proclaims that an attack on the United States or any nuclear, atomic, or other disaster has caused an emergency for corporations, and such an emergency shall continue until terminated by proclamation of the governor or any other person lawfully exercising the powers and discharging the duties of the office of governor.

(V) "Constituent corporation" means an existing corporation merging into or into which is being merged one or more other entities in a merger or an existing corporation being consolidated with one or more other entities into a new entity in a consolidation, whether any of the entities is domestic or foreign, and "constituent entity" means any entity merging into or into which is being merged one or more other entities in a merger, or an existing entity being consolidated with one or more other entities into a new entity in a consolidation, whether any of the entities is domestic or foreign.

(W) "Surviving corporation" means the constituent domestic or foreign corporation that is specified as the corporation into which one or more other constituent entities are to be or have been merged, and "surviving entity" means the constituent domestic or foreign entity that is specified as the entity into which one or more other constituent entities are to be or have been merged.

(X) "Close corporation agreement" means an agreement that satisfies the three requirements of division (A) of section 1701.591 of the Revised

ode.

(Y) "Issuing public corporation" means a domestic corporation with fifty or more shareholders that has its principal place of business, its principal executive offices, assets having substantial value, or a substantial percentage of its assets within this state, and as to which no valid close corporation agreement exists under division (H) of section 1701.591 of the Revised Code.

(Z)(1) "Control share acquisition" means the acquisition, directly or indirectly, by any person of shares of an issuing public corporation that, when added to all other shares of the issuing public corporation in respect of which such person may exercise or direct the exercise of voting power as provided in this division, would entitle such person, immediately after such acquisition, directly or indirectly, alone or with others, to exercise or direct the exercise of the voting power of the issuing public corporation in the election of directors within any of the following ranges of such voting power:

- (a) One-fifth or more but less than one-third of such voting power;
- (b) One-third or more but less than a majority of such voting power;
- (c) A majority or more of such voting power.

A bank, broker, nominee, trustee, or other person who acquires shares in the ordinary course of business for the benefit of others in good faith and not for the purpose of circumventing section 1701.831 of the Revised Code shall, however, be deemed to have voting power only of shares in respect of which such person would be able, without further instructions from others, to exercise or direct the exercise of votes on a proposed control share acquisition at a meeting of shareholders called under section 1701.831 of the Revised Code.

(2) The acquisition by any person of any shares of an issuing public corporation does not constitute a control share acquisition for the purpose of section 1701.831 of the Revised Code if the acquisition was or is consummated in, results from, or is the consequence of any of the following circumstances:

- (a) Prior to November 19, 1982;
- (b) Pursuant to a contract existing prior to November 19, 1982;
- (c) By bequest or inheritance, by operation of law upon the death of an individual, or by any other transfer without valuable consideration, including a gift, that is made in good faith and not for the purpose of circumventing section 1701.831 of the Revised Code;
- (d) Pursuant to the satisfaction of a pledge or other security interest created in good faith and not for the purpose of circumventing section

.831 of the Revised Code;

(e) Pursuant to a merger or consolidation adopted, or a combination or majority share acquisition authorized, by shareholder vote in compliance with section 1701.78, 1701.781, or 1701.83 of the Revised Code provided the issuing public corporation is the surviving or new corporation in the merger or consolidation or is the acquiring corporation in the combination or majority share acquisition;

(f) The person's being entitled, immediately thereafter, to exercise or direct the exercise of voting power of the issuing public corporation in the election of directors within the same range theretofore attained by that person either in compliance with the provisions of section 1701.831 of the Revised Code or as a result solely of the issuing public corporation's purchase of shares issued by it.

The acquisition by any person of shares of an issuing public corporation in a manner described under division (Z)(2) of this section shall be deemed a control share acquisition authorized pursuant to section 1701.831 of the Revised Code within the range of voting power under division (Z)(1)(a), (b), or (c) of this section that such person is entitled to exercise after such acquisition, provided, in the case of an acquisition in a manner described under division (Z)(2)(c) or (d) of this section, the transferor of shares to such person had previously obtained any authorization of shareholders required under section 1701.831 of the Revised Code in connection with such transferor's acquisition of shares of the issuing public corporation.

(3) The acquisition of shares of an issuing public corporation in good faith and not for the purpose of circumventing section 1701.831 of the Revised Code from any person whose control share acquisition previously had been authorized by shareholders in compliance with section 1701.831 of the Revised Code, or from any person whose previous acquisition of shares of an issuing public corporation would have constituted a control share acquisition but for division (Z)(2) or (3) of this section, does not constitute a control share acquisition for the purpose of section 1701.831 of the Revised Code unless such acquisition entitles the person making the acquisition, directly or indirectly, alone or with others, to exercise or direct the exercise of voting power of the corporation in the election of directors in excess of the range of such voting power authorized pursuant to section 1701.831 of the Revised Code, or deemed to be so authorized under division (Z)(2) of this section.

(AA) "Acquiring person" means any person who has delivered an acquiring person statement to an issuing public corporation pursuant to section 1701.831 of the Revised Code.

(BB) "Acquiring person statement" means a written statement that complies with division (B) of section 1701.831 of the Revised Code.

(CC)(1) "Interested shares" means the shares of an issuing public corporation in respect of which any of the following persons may exercise or direct the exercise of the voting power of the corporation in the election of directors:

(a) An acquiring person;

(b) Any officer of the issuing public corporation elected or appointed by the directors of the issuing public corporation;

(c) Any employee of the issuing public corporation who is also a director of such corporation;

(d) Any person that acquires such shares for valuable consideration during the period beginning with the date of the first public disclosure of a proposed control share acquisition of the issuing public corporation or any proposed merger, consolidation, or other transaction that would result in a change in control of the corporation or all or substantially all of its assets, and ending on the record date established by the directors pursuant to section 1701.45 and division (D) of section 1701.831 of the Revised Code, if either of the following applies:

(i) The aggregate consideration paid or given by the person who acquired the shares, and any other persons acting in concert with the person, for all such shares exceeds two hundred fifty thousand dollars;

(ii) The number of shares acquired by the person who acquired the shares, and any other persons acting in concert with the person, exceeds one-half of one per cent of the outstanding shares of the corporation entitled to vote in the election of directors.

(e) Any person that transfers such shares for valuable consideration after the record date described in division (CC)(1)(d) of this section as to shares so transferred, if accompanied by the voting power in the form of a blank proxy, an agreement to vote as instructed by the transferee, or otherwise.

(2) If any part of this division is held to be illegal or invalid in application, the illegality or invalidity does not affect any legal and valid application thereof or any other provision or application of this division or section 1701.831 of the Revised Code that can be given effect without the invalid or illegal provision, and the parts and applications of this division are severable.

(DD) "Certificated security" and "uncertificated security" have the same meanings as in section 1308.01 of the Revised Code.

(EE) "Entity" means any of the following:

(1) A for profit corporation existing under the laws of this state or any

other state;

(2) Any of the following organizations existing under the laws of this state, the United States, or any other state:

- (a) A business trust or association;
- (b) A real estate investment trust;
- (c) A common law trust;
- (d) An unincorporated business or for profit organization, including a general or limited partnership;
- (e) A limited liability company;
- (f) A nonprofit corporation.

Sec. 1702.01. As used in this chapter, unless the context otherwise requires:

(A) "Corporation" or "domestic corporation" means a nonprofit corporation formed under the laws of this state, or a business corporation ~~for profit~~ formed under the laws of this state that, by amendment to its articles as provided by law, becomes a nonprofit corporation.

(B) "Foreign corporation" means a nonprofit corporation formed under the laws of another state.

(C) "Nonprofit corporation" means a domestic or foreign corporation that is ~~not~~ formed otherwise than for the pecuniary gain or profit of, and whose net earnings or any part of them is not distributable to, its members, ~~trustees~~ directors, officers, or other private persons, except that the payment of reasonable compensation for services rendered and the distribution of assets on dissolution as permitted by section 1702.49 of the Revised Code is not pecuniary gain or profit or distribution of net earnings. In a corporation all of whose members are nonprofit corporations, distribution to members does not deprive it of the status of a nonprofit corporation.

~~(D) "Charitable corporation" means a corporation organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, exclusively for the prevention of cruelty to children or animals, or exclusively for a home for the aged, as defined in section 5701.13 of the Revised Code.~~

~~(E)~~ "State" means the United States; any state, territory, insular possession, or other political subdivision of the United States, including the District of Columbia; any foreign country or nation; and any province, territory, or other political subdivision of a foreign country or nation.

~~(F)~~(E) "Articles" includes original articles of incorporation, agreements of merger or consolidation if and only to the extent that articles of incorporation are adopted or amended in the agreements, amended articles, and amendments to any of these, and, in the case of a corporation created

before September 1, 1851, the special charter and any amendments to it made by special act of the General Assembly or pursuant to general law.

~~(G)~~(F) "Incorporator" means a person who signed the original articles of incorporation.

~~(H)~~(G) "Member" means one having membership rights and privileges in a corporation in accordance with its articles or regulations.

~~(I)~~(H) "Voting member" means a member possessing voting rights, either generally or in respect of the particular question involved, as the case may be.

~~(J)~~(I) "Person" includes, but is not limited to, a nonprofit corporation, a business corporation for profit, a partnership, an unincorporated society or association, and two or more persons having a joint or common interest.

(J)~~(K)~~ The location of the "principal office" of a corporation is the place named as such in its articles.

~~(L)~~(K) "~~Trustees~~ Directors" means the persons vested with the authority to conduct the affairs of the corporation irrespective of the name, such as trustees, by which they are designated.

~~(M)~~(L) "Insolvent" means that the corporation is unable to pay its obligations as they become due in the usual course of its affairs.

~~(N)~~(M)(1) Subject to division ~~(N)~~(M)(2) of this section, "volunteer" means a ~~trustee~~ director, officer, or agent of a ~~nonprofit~~ corporation, or another person associated with a ~~nonprofit~~ corporation, who satisfies both of the following:

- (a) Performs services for or on behalf of, and under the authority or auspices of, that corporation;
- (b) Does not receive compensation, either directly or indirectly, for performing those services.

(2) For purposes of division ~~(N)~~(M)(1) of this section, "compensation" does not include any of the following:

- (a) Actual and necessary expenses that are incurred by a volunteer in connection with the services performed for a ~~nonprofit~~ corporation, and that are reimbursed to the volunteer or otherwise paid;
- (b) Insurance premiums paid on behalf of a volunteer, and amounts paid or reimbursed, pursuant to division (E) of section 1702.12 of the Revised Code;
- (c) Modest perquisites.

(N) "Business corporation" means any entity, as defined in section 1701.01 of the Revised Code, other than a public benefit corporation or a mutual benefit corporation, that is organized pursuant to chapter 1701. of the Revised Code.

(O) "Mutual benefit corporation" means any corporation organized under this Chapter other than a public benefit corporation.

(P) "Public benefit corporation" means a corporation that is recognized as exempt from federal income taxation under section 501(c)(3) of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended, or is organized for a public or charitable purpose and that upon dissolution must distribute its assets to a public benefit corporation, the United States, a state or any political subdivision of a state, or a person that is recognized as exempt from federal income taxation under section 501(c)(3) of the "Internal Revenue Code of 1986," as amended. "Public benefit corporation" does not include a nonprofit corporation that is organized by one or more municipal corporations to further a public purpose that is not a charitable purpose.

Sec. 1702.02. (A) Unless another form of notice is required by the articles, the regulations, the bylaws, or by applicable law, any notice required by this chapter shall be in writing and shall be delivered personally or sent by telegram, telecopy, or electronic mail transmission or by United States mail, express mail, or courier service, with postage or fees prepaid.

(B) In computing the period of time for the giving of a notice required or permitted under sections 1702.01 to 1702.58, inclusive, of the Revised Code this chapter, or under the articles, the regulations, or the bylaws of a corporation, or a resolution of its members or ~~trustees~~ directors, the day on which the notice is given shall be excluded, and the day when the act for which notice is given is to be done shall be included, unless the instrument calling for the notice otherwise provides. If notice is ~~permitted to be~~ given by personal delivery or transmitted by telegram, telecopy, or electronic mail, the notice shall be deemed to have been given when delivered or transmitted. If notice is sent by United States mail, express mail, or courier service, the notice shall be deemed to have been given when deposited in the mail or with the courier service.

(C) A written notice or report delivered as part of a newsletter, magazine, or other publication regularly sent to members shall constitute a written notice or report if addressed or delivered to the member's address shown in the corporation's current list of members, or, in the case of members who are residents of the same household and who have the same address in the corporation's current list of members, if addressed or delivered to one of such members at the address appearing on the Corporation's current list of members.

Sec. 1702.03. A corporation may be formed under this chapter for any purpose or purposes for which natural persons lawfully may associate

mselves, ~~provided~~ except that when there is a special provision in the Revised Code for the formation thereunder of a designated class of corporations, a corporation of such class shall be formed thereunder.

Sec. 1702.04. (A) Any person, singly or jointly with others, and without regard to residence, domicile, or state of incorporation, may form a corporation by signing and filing with the secretary of state articles of incorporation, which shall set forth the following:

(1) The name of the corporation;

(2) The place in this state where the principal office of the corporation is to be located;

(3) The purpose or purposes for which the corporation is formed;

~~(4) The names and addresses of not less than three natural persons who are to be initial trustees.~~

(B) The articles also may set forth the following:

(1) The names of individuals who are to serve as the initial directors;

(2) The names of any persons or the designation of any group of persons who are to be the initial members;

~~(2)~~(3) Any qualification of membership and the classification of members;

~~(3)~~(4) A provision to the effect that the corporation shall be subordinate to and subject to the authority of any head or national association, lodge, order, beneficial association, fraternal or beneficial society, foundation, federation, or any other nonprofit corporation, society, organization, or association;

~~(4)~~(5) Any lawful provision for the purpose of defining, limiting, or regulating the exercise of the authority of the corporation, the incorporators, the ~~trustees~~ directors, the officers, the members, or any class of members, or creating or defining rights and privileges of the members among themselves or in the property of the corporation, or governing the distribution of assets on dissolution;

~~(5)~~(6) Any provision ~~which~~ that may be set forth in the regulations;

~~(6)~~(7) A provision specifying the period of existence of the corporation if it is to be otherwise than perpetual;

~~(7)~~(8) Any additional provision permitted by this chapter.

(C) A written appointment of a statutory agent for the purposes set forth in section 1702.06 of the Revised Code shall be filed with the articles, unless the corporation belongs to one of the classes mentioned in division (N) of that section.

(D) The legal existence of the corporation shall begin upon the filing of the articles, and, unless the articles otherwise provide, its period of existence

shall be perpetual.

Sec. 1702.05. (A) Except as provided in this section and in sections 1702.41 and 1702.45 of the Revised Code, the secretary of state shall not accept for filing in the secretary of state's office any articles if the corporate name set forth in the articles is not distinguishable upon the secretary of state's records from any of the following:

(1) The name of any other corporation, whether a nonprofit corporation or ~~for-profit~~ a business corporation and whether that of a domestic or of a foreign corporation authorized to do business in this state;

(2) The name of any limited liability company registered in the office of the secretary of state pursuant to Chapter 1705. of the Revised Code, whether domestic or foreign;

(3) The name of any limited liability partnership registered in the office of the secretary of state pursuant to Chapter 1775. of the Revised Code, whether domestic or foreign;

(4) The name of any limited partnership registered in the office of the secretary of state pursuant to Chapter 1782. of the Revised Code, whether domestic or foreign;

(5) Any trade name, the exclusive right to which is at the time in question registered in the office of the secretary of state pursuant to Chapter 1329. of the Revised Code.

(B) The secretary of state shall determine for purposes of this section whether a name is "distinguishable" from another name upon the secretary of state's records. Without excluding other names that may not constitute distinguishable names in this state, a name is not considered distinguishable from another name for purposes of this section solely because it differs from the other name in only one or more of the following manners:

(1) The use of the word "corporation," "company," "incorporated," "limited," or any abbreviation of any of those words;

(2) The use of any article, conjunction, contraction, abbreviation, or punctuation;

(3) The use of a different tense or number of the same word.

(C) A corporation may apply to the secretary of state for authorization to use a name that is not distinguishable upon the secretary of state's records from the name of any other corporation, any limited liability company, limited liability partnership, or limited partnership, or from a registered trade name, if there also is filed in the office of the secretary of state, on a form prescribed by the secretary of state, the consent of the other entity, or, in the case of a registered trade name, the person in whose name is registered the exclusive right to use the name, which consent is evidenced in

a writing signed by any authorized officer or authorized representative of the other entity or person.

(D) In case of judicial sale or judicial transfer, by sale or transfer of good will or otherwise, of the right to use the name of a nonprofit corporation or business corporation ~~for profit~~, whether that of a domestic corporation or of a foreign corporation authorized to exercise its corporate privileges in this state or to do business in this state, the secretary of state, at the instance of the purchaser or transferee of such right, shall accept for filing articles of a corporation with a name the same as or similar to the name of such other corporation, if there also is filed in the office of the secretary of state a certified copy of the decree or order of court confirming or otherwise evidencing the purchase or transfer.

(E) Any person who wishes to reserve a name for a proposed new corporation, or any corporation intending to change its name, may submit to the secretary of state a written application, on a form prescribed by the secretary of state, for the exclusive right to use a specified name as the name of a corporation. If the secretary of state finds that, under this section, the specified name is available for such use, the secretary of state shall file such application, and, from the date of such filing, such applicant shall have the exclusive right for sixty days to use the specified name as the name of a corporation, counting the date of such filing as the first of the sixty days. The right so obtained may be transferred by the applicant or other holder of the right by the filing in the office of the secretary of state of a written transfer, on a form prescribed by the secretary of state, stating the name and address of the transferee.

(F) For filing under this section any application or other document, other than articles or a consent to the use of a name, the secretary of state shall charge and collect a fee of five dollars.

Sec. 1702.06. (A) Every corporation shall have and maintain an agent, sometimes referred to as the "statutory agent," upon whom any process, notice, or demand required or permitted by statute to be served upon a corporation may be served. The agent may be a natural person who is a resident of this state, or may be a domestic or foreign business corporation ~~for profit or a foreign corporation for profit~~ holding a license as such under the laws of this state that is authorized by its articles of incorporation to act as such agent, and that has a business address in this state.

(B) The secretary of state shall not accept original articles for filing unless there is filed with the articles a written appointment of an agent signed by the incorporators of the corporation or a majority of them and a written acceptance of the appointment signed by the agent. In all other

cases, the corporation shall appoint the agent and shall file in the office of the secretary of state a written appointment of the agent that is signed by any authorized officer of the corporation and a written acceptance of the appointment that is either the original acceptance signed by the agent or a photocopy, facsimile, or similar reproduction of the original acceptance signed by the agent.

(C) The written appointment of an agent shall set forth the name and address in this state of the agent, including the street and number or other particular description, and shall otherwise be in such form as the secretary of state prescribes. The secretary of state shall keep a record of the names of corporations and the names and addresses of their respective agents.

(D) If any agent dies, removes from the state, or resigns, the corporation shall forthwith appoint another agent and file with the secretary of state, on a form prescribed by the secretary of state, a written appointment of ~~such~~ that agent.

(E) If the agent changes the agent's address from that appearing upon the record in the office of the secretary of state, the corporation or the agent shall forthwith file with the secretary of state, on a form prescribed by the secretary of state, a written statement setting forth the new address.

(F) An agent may resign by filing with the secretary of state, on a form prescribed by the secretary of state, a written notice to that effect that is signed by the agent and by sending a copy of the notice to the corporation at the current or last known address of its principal office on or prior to the date that notice is filed with the secretary of state. The notice shall set forth the name of the corporation, the name and current address of the agent, the current or last known address, including the street and number or other particular description, of the corporation's principal office, the resignation of the agent, and a statement that a copy of the notice has been sent to the corporation within the time and in the manner prescribed by this division. Upon the expiration of sixty days after such filing, the authority of the agent shall terminate.

(G) A corporation may revoke the appointment of an agent by filing with the secretary of state, on a form prescribed by the secretary of state, a written appointment of another agent and a statement that the appointment of the former agent is revoked.

(H) Any process, notice, or demand required or permitted by statute to be served upon a corporation may be served upon the corporation by delivering a copy of it to its agent, if a natural person, or by delivering a copy of it at the address of its agent in this state, as such address appears upon the record in the office of the secretary of state. If (1) the agent cannot

be found, or (2) the agent no longer has that address, or (3) the corporation has failed to maintain an agent as required by this section, and if in any such case the party desiring that such process, notice, or demand be served, or the agent or representative of the party, shall have filed with the secretary of state an affidavit stating that one of the foregoing conditions exists and stating the most recent address of the corporation ~~which that~~ the party after diligent search has been able to ascertain, then service of process, notice, or demand upon the secretary of state, as the agent of the corporation, may be initiated by delivering to the secretary of state or at the secretary of state's office triplicate copies of such process, notice, or demand and by paying to the secretary of state a fee of five dollars. The secretary of state shall forthwith give notice of such delivery to the corporation at its principal office as shown upon the record in the secretary of state's office and also to the corporation at any different address set forth in the above mentioned affidavit, and shall forward to the corporation at each of ~~said those~~ addresses, by certified mail, with request for return receipt, a copy of such process, notice, or demand; and thereupon service upon the corporation shall be deemed to have been made.

(I) The secretary of state shall keep a record of each process, notice, and demand delivered to the secretary of state or at the secretary of state's office under this section or any other law of this state ~~which that~~ authorizes service upon the secretary of state, and shall record the time of such delivery and the secretary of state's action thereafter with respect thereto.

(J) This section does not limit or affect the right to serve any process, notice, or demand upon a corporation in any other manner permitted by law.

(K) Except when an original appointment of an agent is filed with the original articles, a written appointment of an agent or a written statement filed by a corporation with the secretary of state shall be signed by any authorized officer of the corporation or by the incorporators of the corporation or a majority of them if no ~~trustees~~ directors have been elected.

(L) For filing a written appointment of an agent other than one filed with original articles, and for filing a statement of change of address of an agent, the secretary of state shall charge and collect a fee of three dollars.

(M) Upon the failure of any corporation to appoint another agent or to file a statement of change of address of an agent, the secretary of state shall give notice thereof by certified mail to the corporation at the address set forth in the notice of ~~registration~~ resignation or on the most recent statement of continued existence filed in this state by the corporation. Unless the failure is cured within thirty days after the mailing by the secretary of state of the notice or within any further period the secretary of state grants, upon

the expiration of that period ~~from the date of the mailing~~, the articles of the corporation shall be canceled without further notice or action by the secretary of state. The secretary of state shall make a notation of the cancellation on the secretary of state's records. A corporation whose articles have been canceled may be reinstated by filing, on a form prescribed by the secretary of state, an application for reinstatement and the required appointment of agent or required statement, and by paying a filing fee of ten dollars. The rights, privileges, and franchises of a corporation whose articles have been reinstated are subject to section 1702.60 of the Revised Code. The secretary of state shall furnish the tax commissioner a monthly list of all corporations canceled and reinstated under this division.

(N) This section does not apply to banks, trust companies, insurance companies, or any corporation defined under the laws of this state as a public utility for taxation purposes.

Sec. 1702.07. (A) When articles of incorporation and other certificates relating to the corporation are submitted to the secretary of state, the secretary of state shall, after finding that they comply with the provisions of ~~sections 1702.01 to 1702.58 of the Revised Code~~ this chapter, accept the articles and other certificates for filing and make a copy of the articles and other certificates by microfilm or by any authorized photostatic or digitized process. Evidence of the filing shall be returned to the person filing the articles or certificate.

(B) All persons shall have the opportunity of acquiring knowledge of the contents of the articles and other certificates filed and recorded in the office of the secretary of state, but no person dealing with the corporation shall be charged with constructive notice of the contents of any such articles or certificates by reason of such filing or recording.

Sec. 1702.08. (A) When an unincorporated society or association, organized for any of the purposes for which a corporation could be formed under ~~sections 1702.01 to 1702.58, inclusive, of the Revised Code~~ this chapter, authorizes the incorporation of such society or association, by the same procedure and affirmative vote of its voting members as the regulations, constitution, or other fundamental agreement of such society or association requires for an amendment to such fundamental agreement or, if no such vote is specified, by a majority vote of the voting members present in person or, if permitted, by mail or by proxy, at a duly convened meeting the purpose of which is stated in the notice of the meeting, then upon the filing of the articles under section 1702.04 of the Revised Code setting forth such facts and that such required vote has been obtained, such society or association shall become a corporation and the members of such society or

ssociation shall become members of such corporation in accordance with provisions in the articles to that effect.

(B) All the rights, privileges, immunities, powers, franchises, and authority, and all the property and obligations of such unincorporated society or association shall thereupon pass to, vest in, and (in the case of liabilities and obligations) be obligations of the corporation so formed.

Sec. 1702.10. After the articles have been filed and at any time prior to a meeting of voting members, the incorporators or a majority of them, at a meeting, may adopt regulations for the government of the corporation, the conduct of its affairs, and the management of its property, consistent with law and the articles; may elect ~~trustees~~ directors in addition to ~~those~~ any directors named in the articles; and may also elect members in addition to any named or provided for in the articles. If the incorporators fail to adopt regulations as ~~herein~~ authorized by this section within ninety days after the date of incorporation, regulations may be adopted at a meeting of voting members by the affirmative vote of a majority of the voting members.

Sec. 1702.11. (A) Without limiting the generality of such authority, the regulations, whether designated a constitution or rules, or by some other term, may include provisions with respect to the following:

(1) The time and place for holding, the manner of and authority for calling, giving notice of, and conducting, and the requirements of a quorum for, meetings of members, or their elected representatives or delegates;

(2) The qualifications, admission, voluntary withdrawal, censure, and suspension of members, and the termination of membership;

(3) The fees and dues of members;

(4) The rights of members; or classes of members, or of their elected representatives or delegates, to vote; the manner of conducting votes of members on matters, including any right to vote by mail or by proxy; the specification of ~~their~~ the relative rights and privileges among ~~themselves~~ members and in the property of the corporation; and, ~~in the case of charitable corporations,~~ limitations upon or regulations governing ~~their~~ the right of members to examine the books and records of the corporation;

(5) The election of representatives or delegates of members and their authority, rights, and privileges;

(6) The number, classification, manner of fixing or changing the number, qualifications, term of office, voting rights, compensation or manner of fixing compensation, and the removal of ~~trustees~~ directors;

(7) The time and place for holding, the manner of and authority for calling, giving notice of, and conducting, and the requirements of a quorum for, meetings of the ~~trustees~~ directors;

(8) The appointment of an executive and other committees of the ~~trustees~~ directors or of members, ~~and their authority, and the method by which they take action;~~

(9) The titles, qualifications, duties, term of office, compensation or manner of fixing compensation, and the removal, of officers;

(10) Defining, limiting, or regulating the exercise of the authority of the corporation, the ~~trustees~~ directors, the officers, the members, or any class of members;

(11) The method by which voting members may change the regulations.

(B) In the absence of provisions in the articles or the regulations with respect to the method of changing the regulations, the regulations may be amended, or new regulations may be adopted, by the voting members at a meeting held for such purpose, by the affirmative vote of a majority of the voting members present in person or, if permitted, by mail or by proxy, if a quorum is present.

(C) The members of a nonprofit corporation may adopt or authorize the ~~trustees~~ directors to adopt, either before or during an emergency, as defined in division (U) of section 1701.01 of the Revised Code, emergency regulations operative only during an emergency. The emergency regulations may include such provisions as are authorized to be included in regulations by divisions (A) and (B) of this section. In addition, unless expressly prohibited by the articles or regulations, and notwithstanding any different provisions in this chapter and any different provision in the articles or regulations ~~which that~~ are not expressly stated to be operative during an emergency, the emergency regulations may make any provision that may be practical or necessary with respect to meetings, committees, vacancies, and temporary appointments of the ~~trustees~~ directors, and the rank and succession of officers, the same as may be done by corporations for profit under division (C) of section 1701.11 of the Revised Code, ~~reading "directors" as "trustees" where the context so requires.~~

(D) Any change in the regulations made in accordance with their provisions or pursuant to division (B) of this section shall be binding on all members.

(E) If, pursuant to the regulations, such regulations are amended or new regulations adopted without a meeting of the voting members, the secretary of the corporation shall mail a copy of the amendment or the new regulations to each voting member who would have been entitled to vote on the amendment or new regulations and did not participate in the adoption of the amendment or new regulations.

(F) No person dealing with the corporation shall be charged with

constructive notice of the regulations.

(G) Unless expressly prohibited by the articles or regulations, or unless otherwise provided by the emergency regulations, and notwithstanding any different provision in this chapter, the special rules provided for corporations for profit under division (F) of section 1701.11 of the Revised Code are applicable to a nonprofit corporation during an emergency, as defined in division (U) of section 1701.01 of the Revised Code, ~~reading "directors" as "trustees" where the context so requires.~~

Sec. 1702.12. (A) A corporation may sue and be sued.

(B) A corporation may adopt and alter a corporate seal and use it or a facsimile of it, but failure to affix the corporate seal shall not affect the validity of any instrument.

(C) Unless otherwise provided in the articles, a corporation may take property of any description, or any interest in property, by gift, devise, or bequest.

(D) Subject to limitations prescribed by law or in its articles, a corporation may make donations for the public welfare, for religious, charitable, scientific, literary, or educational purposes, or in furtherance of any of its purposes.

(E)(1) A corporation may indemnify or agree to indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed civil, criminal, administrative, or investigative action, suit, or proceeding, other than an action by or in the right of the corporation, by reason of the fact that ~~he~~ the person is or was a ~~trustee~~ director, officer, employee, or agent of or a volunteer of the corporation, or is or was serving at the request of the corporation as a ~~trustee~~, director, officer, employee, member, manager, or agent of or a volunteer of another domestic or foreign nonprofit corporation or business corporation ~~for profit~~, a limited liability company, or a partnership, joint venture, trust, or other enterprise, against expenses, including attorney's fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by ~~him~~ the person in connection with such action, suit, or proceeding, if ~~he~~ the person acted in good faith and in a manner ~~he~~ the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, if ~~he~~ the person had no reasonable cause to believe ~~his~~ the person's conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, shall not create, of itself, a presumption that the person did not act in good faith and in a manner ~~he~~ the person reasonably believed to be in or not opposed to the best interests of the

orporation, and, with respect to any criminal action or proceeding, a presumption that the person had reasonable cause to believe that ~~his~~ the person's conduct was unlawful.

(2) A corporation may indemnify or agree to indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action or suit by or in the right of the corporation to procure a judgment in its favor, by reason of the fact that ~~he~~ the person is or was a ~~trustee~~ director, officer, employee, or agent of or a volunteer of the corporation, or is or was serving at the request of the corporation as a ~~trustee~~, director, officer, employee, member, manager, or agent of or a volunteer of another domestic or foreign nonprofit corporation or business corporation for-profit, a limited liability company, or a partnership, joint venture, trust, or other enterprise against expenses, including attorney's fees, actually and reasonably incurred by ~~him~~ the person in connection with the defense or settlement of such action or suit, if ~~he~~ the person acted in good faith and in a manner ~~he~~ the person reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made in respect of any of the following:

(a) Any claim, issue, or matter as to which ~~such~~ the person is adjudged to be liable for negligence or misconduct in the performance of ~~his~~ the person's duty to the corporation unless, and only to the extent that, the court of common pleas or the court in which the action or suit was brought determines, upon application, that, despite the adjudication of liability but in view of all the circumstances of the case, ~~such~~ the person is fairly and reasonably entitled to indemnity for such expenses as the court of common pleas or such other court considers proper;

(b) Any action or suit in which liability is asserted against a ~~trustee~~ director and that liability is asserted only pursuant to section 1702.55 of the Revised Code.

(3) To the extent that a ~~trustee~~, director, officer, employee, member, manager, agent, or volunteer has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in division (E)(1) or (2) of this section, or in defense of any claim, issue, or matter in such an action, suit, or proceeding, ~~he~~ the person shall be indemnified against expenses, including attorney's fees, actually and reasonably incurred by ~~him~~ the person in connection with that action, suit, or proceeding.

(4) Unless ordered by a court and subject to division (E)(3) of this section, any indemnification under division (E)(1) or (2) of this section shall be made by the corporation only as authorized in the specific case, upon a determination that indemnification of the ~~trustee~~, director, officer,

employee, member, manager, agent, or volunteer is proper in the circumstances because ~~he~~ the person has met the applicable standard of conduct set forth in division (E)(1) or (2) of this section. Such determination shall be made in any of the following manners:

(a) By a majority vote of a quorum consisting of ~~trustees~~ directors of the indemnifying corporation who were not and are not parties to or threatened with the action, suit, or proceeding referred to in division (E)(1) or (2) of this section;

(b) Whether or not a quorum as described in division (E)(4)(a) of this section is obtainable, and if a majority of a quorum of disinterested ~~trustees~~ directors so directs, in a written opinion by independent legal counsel other than an attorney, or a firm having associated with it an attorney, who has been retained by or who has performed services for the corporation or any person to be indemnified within the past five years;

(c) By the members;

(d) By the court of common pleas or the court in which the action, suit, or proceeding referred to in division (E)(1) or (2) of this section was brought.

If an action or suit by or in the right of the corporation is involved, any determination made by the disinterested ~~trustees~~ directors under division (E)(4)(a) of this section or by independent legal counsel under division (E)(4)(b) of this section shall be communicated promptly to the person who threatened or brought the action or suit under division (E)(2) of this section, and, within ten days after receipt of such notification, such person shall have the right to petition the court of common pleas or the court in which such action or suit was brought to review the reasonableness of such determination.

(5)(a)(i) Unless, at the time of a ~~trustee's~~ director's or volunteer's act or omission that is the subject of an action, suit, or proceeding referred to in division (E)(1) or (2) of this section, the articles or regulations of the corporation state, by specific reference to this division, that its provisions do not apply to the corporation, or unless the only liability asserted against a ~~trustee~~ director in an action, suit, or proceeding referred to in division (E)(1) or (2) of this section is pursuant to section 1702.55 of the Revised Code, or unless division (E)(5)(a)(ii) of this section applies, the expenses incurred by the ~~trustee~~ director or volunteer in defending the action, suit, or proceeding, including attorney's fees, shall be paid by the corporation. Upon the request of the ~~trustee~~ director or volunteer and in accordance with division (E)(5)(b) of this section, those expenses shall be paid as they are incurred, in advance of the final disposition of the action, suit, or proceeding.

(ii) Notwithstanding division (E)(5)(a)(i) of this section, the expenses incurred by a ~~trustee~~ director or volunteer in defending an action, suit, or proceeding referred to in division (E)(1) or (2) of this section, including attorney's fees, shall not be paid by the corporation upon the final disposition of the action, suit, or proceeding, or, if paid in advance of the final disposition of the action, suit, or proceeding, shall be repaid to the corporation by the ~~trustee~~ director or volunteer, if it is proved, by clear and convincing evidence, in a court with jurisdiction that the act or omission of the ~~trustee~~ director or volunteer was one undertaken with a deliberate intent to cause injury to the corporation or was one undertaken with a reckless disregard for the best interests of the corporation.

(b) Expenses, including attorney's fees, incurred by a ~~trustee~~, director, officer, employee, member, manager, agent, or volunteer in defending any action, suit, or proceeding referred to in division (E)(1) or (2) of this section may be paid by the corporation as they are incurred, in advance of the final disposition of the action, suit, or proceeding, as authorized by the ~~trustees~~ directors in the specific case, upon receipt of an undertaking by or on behalf of the ~~trustee~~, director, officer, employee, member, manager, agent, or volunteer to repay the amount if it ultimately is determined that ~~he~~ the person is not entitled to be indemnified by the corporation.

(6) The indemnification authorized by this section is not exclusive of, and shall be in addition to, any other rights granted to those seeking indemnification, pursuant to the articles, the regulations, any agreement, a vote of members or disinterested ~~trustees~~ directors, or otherwise, both as to action in their official capacities and as to action in another capacity while holding their offices or positions, and shall continue as to a person who has ceased to be a ~~trustee~~, director, officer, employee, member, manager, agent, or volunteer and shall inure to the benefit of the heirs, executors, and administrators of such a person.

(7) A corporation may purchase and maintain insurance, or furnish similar protection, including, but not limited to, trust funds, letters of credit, or self-insurance, for or on behalf of any person who is or was a ~~trustee~~ director, officer, employee, agent, or volunteer of the corporation, or is or was serving at the request of the corporation as a ~~trustee~~, director, officer, employee, member, manager, agent, or volunteer of another domestic or foreign nonprofit corporation or business corporation ~~for profit~~, a limited liability company, or a partnership, joint venture, trust, or other enterprise, against any liability asserted against ~~him~~ the person and incurred by ~~him~~ the person in any such capacity, or arising out of ~~his~~ the person's status as such, whether or not the corporation would have the power to indemnify ~~him~~ the

person against that liability under this section. Insurance may be so purchased from or so maintained with a person in which the corporation has a financial interest.

(8) The authority of a corporation to indemnify persons pursuant to division (E)(1) or (2) of this section does not limit the payment of expenses as they are incurred, in advance of the final disposition of an action, suit, or proceeding, pursuant to division (E)(5) of this section or the payment of indemnification, insurance, or other protection that may be provided pursuant to division (E)(6) or (7) of this section. Divisions (E)(1) and (2) of this section do not create any obligation to repay or return payments made by a corporation pursuant to division (E)(5), (6), or (7) of this section.

(9) As used in division (E) of this section, "corporation" includes all constituent corporations in a consolidation or merger, and the new or surviving corporation, so that any person who is or was a ~~trustee~~ director, officer, employee, agent, or volunteer of a constituent corporation or is or was serving at the request of a constituent corporation as a ~~trustee~~, director, officer, employee, member, manager, agent, or volunteer of another domestic or foreign nonprofit corporation or business corporation ~~for profit~~, a limited liability company, or a partnership, joint venture, trust, or other enterprise, shall stand in the same position under this section with respect to the new or surviving corporation as ~~he~~ the person would if ~~he~~ the person had served the new or surviving corporation in the same capacity.

(F) In carrying out the purposes stated in its articles and subject to limitations prescribed by law or in its articles, a corporation may do the following:

(1) Purchase or otherwise acquire, lease as lessee, invest in, hold, use, lease as lessor, encumber, sell, exchange, transfer, and dispose of property of any description or any interest in property of any description;

(2) Make contracts;

(3) Form or acquire the control of other domestic or foreign nonprofit corporations or business corporations ~~for profit~~;

(4) Be a partner, member, associate, or participant in other enterprises or ventures, whether profit or nonprofit;

(5) Borrow money, and issue, sell, and pledge its notes, bonds, and other evidences of indebtedness, and secure any of its obligations by mortgage, pledge, or deed of trust, of all or any of its property, and guarantee or secure obligations of any person;

(6) Become a member of another corporation;

(7) Conduct its affairs in this state and elsewhere;

(8) Resist a change or potential change in control of the corporation, if

the ~~trustees~~ directors, by a majority vote of a quorum, determine that the change or potential change is opposed to or not in the best interests of the corporation, upon consideration of any of the matters set forth in division (E) of section 1702.30 of the Revised Code;

(9) Do all things permitted by law and exercise all authority within the purposes stated in its articles or incidental to those purposes.

(G) Irrespective of the purposes stated in its articles, but subject to limitations or prohibitions stated in its articles, a corporation, in addition to the authority conferred by division (F) of this section, may invest its funds not currently needed in carrying out its purposes in any shares or other securities of another nonprofit corporation or business corporation ~~for profit~~, or another business or undertaking.

(H)(1) Notwithstanding any other provision of this section to the contrary, no corporation that is a "private foundation," as defined in section 509 of the Internal Revenue Code, shall do the following:

(a) Engage in any act of "self-dealing," as defined in section 4941 (d) of the Internal Revenue Code, that would give rise to any liability for any tax imposed by section 4941 of the Internal Revenue Code;

(b) Retain any "excess business holdings," as defined in section 4943 (c) of the Internal Revenue Code, that would give rise to any liability for any tax imposed by section 4943 of the Internal Revenue Code;

(c) Make any investment that would jeopardize the carrying out of any of its exempt purposes, within the meaning of section 4944 of the Internal Revenue Code, so as to give rise to any liability for any tax imposed by that section;

(d) Make any "taxable expenditures," as defined in section 4945 (d) of the Internal Revenue Code, that would give rise to any liability for any tax imposed by section 4945 of the Internal Revenue Code.

(2) Each corporation that is a "private foundation," as defined in section 509 of the Internal Revenue Code, shall, for the purposes specified in its articles, distribute at such time and in such manner, for each taxable year, amounts at least sufficient to avoid liability for any tax imposed by section 4942 of the Internal Revenue Code.

(3) Divisions (H)(1) and (2) of this section apply to all corporations described in them, whether or not contrary to the provisions of the articles or regulations of such a corporation, except that divisions (H)(1) and (2) of this section do not apply to a corporation in existence on September 17, 1971, to the extent that such corporation provides to the contrary by amendment to its articles adopted after that date.

(4) Violation of a provision of division (H)(1) or (2) of this section by a

corporation to which the provisions of those divisions are applicable is not cause for cancellation of its articles. No ~~trustee~~ director or officer of a corporation to which the provisions of division (H)(1) or (2) of this section are applicable is personally liable for a violation of a prohibition or requirement of those provisions, unless ~~he~~ the director or officer participated in such violation knowing that it was a violation, and no ~~such trustee~~ director or officer is personally liable if such violation was not willful and was due to reasonable cause, except that this division does not exonerate a ~~trustee~~ director or officer from any responsibility or liability to which ~~he~~ the director or officer is subject under any other rule of law, whether or not duplicated in division (H)(1) or (2) of this section.

(5) Except as provided in division (H)(4) of this section, nothing in division (H) of this section impairs the rights and powers of the courts or the attorney general of this state with respect to any corporation.

(6) As used in division (H) of this section, "Internal Revenue Code" means the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1, as amended.

(I)(1) No lack of, or limitation upon, the authority of a corporation shall be asserted in any action except as follows:

(a) By the state in an action by it against the corporation;

(b) By or on behalf of the corporation against a ~~trustee~~ director, an officer, or a member as such;

(c) By a member as such or by or on behalf of the members against the corporation, a ~~trustee~~ director, an officer, or a member as such.

(2) Division (I)(1) of this section shall apply to any action brought in this state upon any contract made in this state by a foreign corporation.

Sec. 1702.13. (A) The corporation shall ~~keep a membership book~~ maintain a record of its members containing the name and address of each member, the date of ~~his~~ admission to membership, and, if members are classified, the class to which ~~he~~ the member belongs.

(B) A corporation may issue certificates evidencing membership in it, but a corporation incorporated on or after June 9, 1927, shall not issue certificates for shares.

(C) Membership in a corporation may be terminated in the manner provided by law, the articles, or the regulations, and upon the termination of membership for any cause, such fact and the date of termination shall be recorded in the corporation's membership ~~book~~ records.

(D) Unless the articles or the regulations otherwise provide, all the rights and privileges of a member in the corporation and its property shall cease on termination of ~~his~~ membership.

(E) If permitted by the articles or the regulations of a corporation, another nonprofit corporation ~~or, a business corporation for-profit, a limited liability company,~~ or a any partnership, may become a member of the first mentioned corporation.

(F) Whenever the number of members of a corporation that, under the law, the articles, or the regulations, must have a specified number of members, is reduced below the specified number, the corporation shall not be required because of that reduction to cease carrying on its activities, but the continuing members, ~~if two or more,~~ may fill all vacancies.

(G) Unless otherwise provided in the articles or regulations of a corporation, all members have the same membership rights and privileges.

Sec. 1702.14. Where neither the articles nor the regulations provide for members thereof as such, or where a corporation has in fact no members other than the ~~trustees~~ directors, the ~~trustees~~ directors shall, for the purposes of any statute or rule of law relating to corporations, be taken to be the members of such corporation, and they shall have all the rights and privileges of members; ~~provided, except that where the provisions in sections 1702.01 to 1702.58, inclusive, of the Revised Code this chapter relating to meetings of trustees directors differ, it shall be sufficient to comply with the provisions relating to trustees directors.~~

Sec. 1702.15. Each corporation shall keep correct and complete books and records of account, together with minutes of the proceedings of its incorporators, members, ~~trustees~~ directors, and committees of the ~~trustees~~ directors or members. Subject to limitations prescribed in the articles or the regulations upon the right of members of ~~charitable corporations~~ a corporation to examine the books and records, all books and records of a corporation, including the membership ~~book~~ records prescribed by section 1702.13 of the Revised Code, may be examined by any member or ~~trustee~~ director or the agent or attorney of either, for any reasonable and proper purpose and at any reasonable time.

Sec. 1702.16. An annual meeting of voting members for the election of ~~trustees~~ directors and the consideration of reports to be laid before such meeting shall be held on a date designated by or in the manner provided for in the articles or the regulations. In the absence of such a designation, the annual meeting shall be held on the first Monday of the fourth month following the close of each fiscal year of the corporation. When the annual meeting is not held or ~~trustees~~ directors are not elected thereat, they may be elected at a special meeting called for that purpose.

Sec. 1702.17. (A) Meetings of voting members may be called by any of the following:

(1) The ~~chairman~~ chairperson of the board, the president, or, in case of the president's absence, death, or disability, the vice-president authorized to exercise the authority of the president;

(2) The ~~trustees~~ directors by action at a meeting, or a majority of the ~~trustees~~ directors acting without a meeting;

(3) The lesser of (a) ten per cent of the voting members or (b) twenty-five of such members, unless the articles or the regulations specify for such purpose a smaller or larger proportion or number, but not in excess of fifty per cent of such members;

(4) Such other officers or persons as the articles or the regulations authorize to call such meetings.

(B) Meetings of voting members may be held either within or without this state if so provided in the articles or the regulations. In the absence of any such provision, all meetings shall be held at the principal office of the corporation in this state.

Sec. 1702.18. Unless the articles or the regulations provide for notice of meetings otherwise than as provided in this section, written notice stating the time and place of a meeting of the voting members, and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be given ~~either by personal delivery or by mail~~ in the manner described in section 1702.02 of the Revised Code not less than ten ~~nor~~ or not more than sixty days before the date of the meeting: (A) to each member entitled to notice of the meeting; (B) by or at the direction of the president or the secretary or any other person required or permitted by the regulations to give notice or the officers or persons calling the meeting. If mailed, such notice shall be addressed to the member at ~~his~~ the member's address as it appears on the records of the corporation. Notice of adjournment of a meeting need not be given if the time and place to which it is adjourned are fixed and announced at such meeting.

Sec. 1702.19. Notice of the time, place, and purposes of any meeting of voting members or ~~trustees~~ directors, as the case may be, whether required by law, the articles, the regulations, or (in the case of ~~trustees~~ directors) the bylaws, may be waived in writing, either before or after the holding of such meeting, by any member, or by any ~~trustee~~ director, which writing shall be filed with or entered upon the records of the meeting. The attendance of any member or any ~~trustee~~ director at any such meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice shall be deemed to be a waiver by ~~him~~ the member or director of notice of such meeting.

Sec. 1702.21. (A) When any domestic ~~nonprofit~~ corporation or domestic

business corporation for-profit holds membership in a domestic or foreign corporation, the ~~chairman~~ chairperson of the board, the president, any vice-president, the secretary, or the treasurer of the corporation or business corporation holding such membership, and any such officer or cashier or trust officer of a banking or trust corporation holding such membership, and any like officer of a foreign ~~nonprofit~~ corporation or foreign business corporation for-profit, or of a foreign banking or trust corporation, holding membership in a domestic corporation, shall conclusively be deemed to have authority to vote on behalf of that corporation or business corporation, and to appoint proxies and execute written consents, waivers, and releases on its behalf, unless, before a vote is taken or a consent, waiver, or release is acted upon, it appears by a certified copy of the regulations, the bylaws, or a resolution of the ~~trustees~~, directors, or executive committee of that corporation or business corporation that such authority does not exist or is vested in some other officer or person.

(B) When any domestic or foreign limited liability company holds membership in a domestic or foreign corporation, any manager or member of the limited liability company holding that membership shall conclusively be deemed to have authority to vote on behalf of that limited liability company and to appoint proxies and execute written consents, waivers, and releases on its behalf, unless before a vote is taken or a consent, waiver, or release is acted upon, it appears by a certified copy of the articles of organization, operating agreement, or a resolution of the managers or the members of that limited liability company that such authority does not exist or is vested in some other representative or person.

(C) For the purpose of this section, a person exercising such authority as such an officer, representative, or other person entitled to vote and acting in that capacity is prima-facie deemed to be duly elected, qualified, and acting as such that officer, representative, or other person entitled to vote and acting in that capacity.

Sec. 1702.22. Unless the articles or the regulations otherwise provide:

(A) The voting members present in person or, if permitted, by mail or by proxy, at any meeting of voting members shall constitute a quorum for such meeting, but. The affirmative vote of a majority of the voting members present at a meeting at which a quorum is present shall be necessary for the authorization or taking of any action voted upon by the members, except that no action required by law, the articles, or the regulations to be authorized or taken by a specified proportion or number of the voting members or of any class of voting members may be authorized or taken by a lesser proportion or number.

~~(B) The affirmative vote of a majority of the voting members present at a meeting at which a quorum is present shall be necessary for the authorization or taking of any action voted upon by the members;~~

~~(C)~~ A majority of the voting members present at a meeting, whether or not a quorum is present, may adjourn such meeting from time to time.

Sec. 1702.23. Whenever, with respect to the authorization or taking of any action by the members or the ~~trustees~~ directors, the articles or the regulations require the vote, consent, waiver, or release of a greater proportion or number of the members or the ~~trustees~~ directors than that otherwise required by law with respect thereto, the provisions of the articles or the regulations shall control.

Sec. 1702.25. Unless the articles or the regulations prohibit the authorization or taking of any action of the incorporators, the members, or ~~of the trustees directors~~ without a meeting, any action ~~which that~~ may be authorized or taken at a meeting of the incorporators, the members, or ~~of the trustees directors~~, as the case may be, may be authorized or taken without a meeting with the affirmative vote or approval of, and in a writing or writings signed by, all of the incorporators, all of the members, or all of the ~~trustees~~ directors, as the case may be, who would be entitled to notice of a meeting for such purpose, or, in the case of members, such other proportion or number of voting members, not less than a majority, as the articles or the regulations permit. Any such writing shall be filed with or entered upon the records of the corporation. Any certificate with respect to the authorization or taking of any such action ~~which that~~ is required to be filed in the office of the secretary of state shall recite that the authorization or taking of such action was in a writing or writings approved and signed as specified in this section.

Sec. 1702.26. (A) At a meeting of members at which ~~trustees~~ directors are to be elected, only persons nominated as candidates shall be eligible for election as ~~trustees~~ directors.

(B) At all elections of ~~trustees~~ directors the candidates receiving the greatest number of votes shall be elected.

Sec. 1702.27. (A) Except as provided in division (B) of this section and section 1702.521 of the Revised Code:

(1) The number of ~~trustees~~ directors as fixed by the articles or the regulations shall be not less than three or, if not so fixed, the number shall be three, except that if there are only one or two members of the corporation, the number of directors may be less than three but not less than the number of members.

(2) Unless the articles or the regulations fix the number of ~~trustees~~

directors or provide the manner in which such number may be fixed or changed by the voting members, the number may be fixed or changed at a meeting of the voting members called for the purpose of electing ~~trustees~~ directors, by the affirmative vote of a majority of the voting members present in person or, if permitted, by mail or by proxy, if a quorum is present, but no reduction in the number of ~~trustees~~ directors shall of itself have the effect of shortening the term of any incumbent ~~trustee~~ director.

(3) The ~~trustee~~ director shall have such qualifications, if any, as are stated in the articles or the regulations.

(4) The articles or the regulations may provide that persons occupying certain positions within or without the corporation shall be ex officio ~~trustees~~ directors, but, unless otherwise provided in the articles or the regulations, such ex officio ~~trustees~~ directors shall not be considered for quorum purposes and shall have no vote.

(B) The court of common pleas of the county in which the corporation maintains its principal office may, pursuant to division (A) of section 1702.521 of the Revised Code, order the appointment of a provisional ~~trustee~~ director for the corporation without regard to the number or qualifications of ~~trustees~~ directors stated in the articles or regulations of the corporation.

Sec. 1702.28. (A) Unless the articles or the regulations provide for a different term, each ~~trustee~~ director shall hold office until the next annual meeting of voting members and until ~~his~~ the director's successor is elected, or until ~~his~~ the director's earlier resignation, removal from office, or death.

(B) The articles or the regulations may provide for the classification of ~~trustees~~ directors into classes and that the terms of office of the several classes need not be uniform.

Sec. 1702.29. (A) The office of a ~~trustee~~ director becomes vacant if ~~he~~ the director dies or resigns, which resignation shall take effect immediately or at such other time as the ~~trustee~~ director may specify.

(B) A ~~trustee~~ director may be removed from office pursuant to any procedure therefor provided in the articles or in the regulations and such removal shall create a vacancy in the board.

(C) Unless the articles or the regulations otherwise provide, the remaining ~~trustees~~ directors, though less than a majority of the whole authorized number of ~~trustees~~ directors, may, by the vote of a majority of their number, fill any vacancy in the board for the unexpired term. Within the meaning of this section, a vacancy exists in case the voting members increase the authorized number of ~~trustees~~ directors but fail at the meeting at which such increase is authorized, or an adjournment thereof, to elect the

additional ~~trustees~~ directors provided for, or in case the voting members fail at any time to elect the whole authorized number of ~~trustees~~ directors.

Sec. 1702.30. (A) Except where the law, the articles, or the regulations require that action be otherwise authorized or taken, all of the authority of a corporation shall be exercised by or under the direction of its ~~trustees~~ directors. For their own government, the ~~trustees~~ directors may adopt bylaws that are not inconsistent with the articles or the regulations.

(B) A ~~trustee~~ director shall perform ~~his~~ the duties as ~~of~~ a ~~trustee~~ director, including ~~his~~ the duties as a member of any committee of the ~~trustees~~ directors upon which ~~he~~ the ~~director~~ may serve, in good faith, in a manner ~~he~~ the ~~director~~ reasonably believes to be in or not opposed to the best interests of the corporation, and with the care that an ordinarily prudent person in a like position would use under similar circumstances. In performing ~~his~~ the duties ~~of a director~~, a ~~trustee~~ director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, that are prepared or presented by the following:

(1) One or more ~~trustees~~ directors, officers, or employees of the corporation who the ~~trustee~~ director reasonably believes are reliable and competent in the matters prepared or presented;

(2) Counsel, public accountants, or other persons as to matters that the ~~trustee~~ director reasonably believes are within the person's professional or expert competence;

(3) A committee of the ~~trustees~~ directors upon which ~~he~~ the ~~director~~ does not serve, duly established in accordance with a provision of the articles or the regulations, as to matters within its designated authority, which committee the ~~trustee~~ director reasonably believes to merit confidence.

(C) For purposes of division (B) of this section:

(1) A ~~trustee~~ director shall not be found to have failed to perform ~~his~~ the ~~director's~~ duties in accordance with that division, unless it is proved, by clear and convincing evidence, in an action brought against the ~~trustee~~ director that ~~he~~ the ~~director~~ has not acted in good faith, in a manner ~~he~~ the ~~director~~ reasonably believes to be in or not opposed to the best interests of the corporation, or with the care that an ordinarily prudent person in a like position would use under similar circumstances. Such an action includes, but is not limited to, an action that involves or affects any of the following:

(a) A change or potential change in control of the corporation;

(b) A termination or potential termination of ~~his~~ the ~~director's~~ service to the corporation as a ~~trustee~~ director;

(c) ~~His~~ The ~~director's~~ service in any other position or relationship with

the corporation.

(2) A ~~trustee~~ director shall not be considered to be acting in good faith if ~~he~~ the director has knowledge concerning the matter in question that would cause reliance on information, opinions, reports, or statements that are prepared or presented by the persons described in divisions (B)(1) to (3) of this section, to be unwarranted.

(3) The provisions of this division do not limit relief available under section 1702.301 of the Revised Code.

(D)(1) Subject to divisions (D)(2) and (3) of this section, a ~~trustee~~ director is liable in damages for any act that ~~he~~ the director takes or fails to take as ~~trustee~~ director only if it is proved, by clear and convincing evidence, in a court with jurisdiction that the act or omission of the ~~trustee~~ director was one undertaken with a deliberate intent to cause injury to the corporation or was one undertaken with a reckless disregard for the best interests of the corporation.

(2) Division (D)(1) of this section does not affect the liability of a ~~trustee~~ director under section 1702.55 of the Revised Code.

(3) Subject to division (D)(2) of this section, division (D)(1) of this section does not apply if, and only to the extent that, at the time of an act or omission of a ~~trustee~~ director that is the subject of complaint, the articles or the regulations of the corporation state, by specific reference to that division, that its provisions do not apply to the corporation.

(E) For purposes of this section, in determining what ~~he~~ a director reasonably believes to be in or not opposed to the best interests of the corporation, a ~~trustee~~ director shall consider the purposes of the corporation and may consider any of the following:

(1) The interests of the employees, suppliers, creditors, and customers of the corporation;

(2) The economy of this state and of the nation;

(3) Community and societal considerations;

(4) The long-term and short-term best interests of the corporation, including, but not limited to, the possibility that those interests may be best served by the continued independence of the corporation.

(F) Divisions (C) and (D) of this section do not affect the duties of a ~~trustee~~ director who acts in any capacity other than in ~~his~~ the capacity as a ~~trustee~~ director.

Sec. 1702.301. (A) Unless otherwise provided in the articles or the regulations:

(1) No contract, action, or transaction is void or voidable with respect to a corporation because the contract, action, or transaction is between or

affects the corporation and one or more of its ~~trustees~~ directors or officers, or is between or affects the corporation and any other person in which one or more of the corporation's ~~trustees~~ directors or officers are directors; ~~trustees~~, or officers, or in which one or more of the corporation's ~~trustees~~ directors or officers have a financial or personal interest, or because one or more interested ~~trustees~~ directors or officers participate in or vote at the meeting of the ~~trustees~~ directors or a committee of the ~~trustees~~ directors that authorizes the contract, action, or transaction, if any of the following applies:

(a) The material facts as to ~~his or their~~ the director's relationship or interest and as to the contract, action, or transaction are disclosed or are known to the ~~trustees~~ directors or the committee, and the ~~trustees~~ directors or committee, in good faith reasonably justified by the material facts, authorizes the contract, action, or transaction by the affirmative vote of a majority of the disinterested ~~trustees~~ directors, even though the disinterested ~~trustees~~ directors constitute less than a quorum of the ~~trustees~~ directors or the committee;

(b) The material facts as to ~~his or their~~ the director's relationship or interest and as to the contract, action, or transaction are disclosed or are known to the members entitled to vote on the contract, action, or transaction, and the contract, action, or transaction is specifically approved at a meeting of the members held for the purpose of voting on the contract, action, or transaction, by the affirmative vote of a majority of the voting members of the corporation who are not interested in the contract, action, or transaction;

(c) The contract, action, or transaction is fair as to the corporation as of the time it is authorized or approved by the ~~trustees~~ directors, a committee of the ~~trustees~~ directors, or the members.

(2) Common or interested ~~trustees~~ directors may be counted in determining the presence of a quorum at a meeting of the ~~trustees~~ directors, or of a committee of the ~~trustees~~ directors, that authorizes such a contract, action, or transaction.

(3) The ~~trustees~~ directors, by the affirmative vote of a majority of those in office, and irrespective of any financial or personal interest of any of the ~~trustees~~ directors, shall have authority to establish reasonable compensation, which may include pension, disability, and death benefits, for services to the corporation by ~~trustees~~ directors and officers, or to delegate that authority to establish reasonable compensation to one or more officers or ~~trustees~~ directors.

(B) Divisions (A)(1) and (2) of this section do not limit or otherwise affect the liability of ~~trustees~~ directors under section 1702.55 of the Revised

Code.

(C) For purposes of division (A) of this section, a ~~trustee~~ director is not an interested ~~trustee~~ director solely because the subject of a contract, action, or transaction may involve or effect a change in control of the corporation or ~~his~~ the director's continuation in office as a ~~trustee~~ director of the corporation.

(D) For purposes of this section, "action" means a resolution that is adopted by the ~~trustees~~ directors or a committee of the ~~trustees~~ directors.

Sec. 1702.31. Unless otherwise provided in the articles, regulations, or bylaws, and subject to the exceptions applicable during an emergency for which provision is made in division (G) of section 1702.11 of the Revised Code:

(A) Meetings of the ~~trustees~~ directors may be called by the ~~chairman~~ chairperson of the board, the president, any vice-president, or any two ~~trustees~~ directors;

(B) Meetings of the ~~trustees~~ directors may be held at any place within or without the state and, unless the articles or regulations prohibit participation by ~~trustees~~ directors at a meeting by means of communications equipment, meetings of the ~~trustees~~ directors may be held through any communications equipment if all persons participating can hear each other and participation in a meeting pursuant to this division shall constitute presence at such meeting;

(C) Written notice of the time and place of each meeting of the ~~trustees~~ directors shall be given to each ~~trustee~~ director either by personal delivery or by mail, telegram, or cablegram at least two days before the meeting, which notice need not specify the purposes of the meeting;

(D) Notice of adjournment of a meeting need not be given if the time and place to which it is adjourned are fixed and announced at such meeting.

Sec. 1702.32. Unless the articles or the regulations otherwise provide, and subject to the exceptions applicable during an emergency for which provision is made in division (G) ~~in~~ of section 1702.11 of the Revised Code, a majority of the whole authorized number of ~~trustees~~ directors is necessary to constitute a quorum for a meeting of the ~~trustees~~ directors, except that a majority of the ~~trustees~~ directors in office constitutes a quorum for filling a vacancy in the board. The act of a majority of the ~~trustees~~ directors present at a meeting at which a quorum is present is the act of the board, unless the act of a greater number is required by the articles, the regulations, or the bylaws.

Sec. 1702.33. (A) The regulations may provide for the creation by the ~~trustees~~ directors of an executive committee or any other committee of the

~~trustees~~ directors, to consist of ~~not less than three trustees~~ one or more directors, and may authorize the delegation to any such committee of any of the authority of the ~~trustees~~ directors, however conferred.

(B) The ~~trustees~~ directors may appoint one or more ~~trustees~~ directors as alternate members of any such committee, who may take the place of any absent member or members at any meeting of the particular committee.

(C) Each such committee shall serve at the pleasure of the ~~trustees~~ directors, shall act only in the intervals between meetings of the ~~trustees~~ directors, and shall be subject to the control and direction of the ~~trustees~~ directors.

(D) Unless otherwise provided in the regulations or ordered by the ~~trustees~~ directors, any such committee may act by a majority of its members at a meeting or by a writing or writings signed by all of its members.

(E) Unless participation by members of any such committee at a meeting by means of communications equipment is prohibited by the articles, the regulations, or an order of the ~~trustees~~ directors, meetings of the particular committee may be held through any communications equipment if all persons participating can hear each other. Participation in a meeting pursuant to this division constitutes presence at the meeting.

(F) An act or authorization of an act by any such committee within the authority delegated to it shall be as effective for all purposes as the act or authorization of the ~~trustees~~ directors.

Sec. 1702.34. (A) The officers of a corporation shall consist of a president, a secretary, a treasurer, and, if desired, a ~~chairman~~ chairperson of the board, one or more vice-presidents, and such other officers and assistant officers as may be deemed necessary, each of whom may be designated by such other titles as may be provided in the articles, the regulations, the bylaws, or resolutions of the ~~trustees~~ directors. Unless the articles or the regulations otherwise provide, none of the officers need be a ~~trustee~~ director. Any two or more offices may be held by the same person. The officers shall be elected or appointed at such time, in such manner, and for such terms as may be prescribed in the articles or the regulations. In the absence of any such provision, all officers shall be elected annually by the ~~trustees~~ directors.

(B) Unless the articles or the regulations otherwise provide, and subject to the exceptions applicable during an emergency for which provision is made in division (G) of section 1702.11 of the Revised Code:

(1) All officers, as between themselves and the corporation, shall respectively have such authority and perform such duties as are determined by the persons authorized to elect or appoint them;

(2) Any officer may be removed, with or without cause, by the persons authorized to elect or appoint ~~him~~ the officer without prejudice to the contract rights of such officer. The election or appointment of an officer for a given term, or a general provision in the articles, the regulations, or the bylaws with respect to term of office, shall not be deemed to create contract rights;

(3) The persons authorized to elect or appoint officers may fill any vacancy in any office occurring from whatever reason.

Sec. 1702.36. The ~~trustees~~ directors may authorize any mortgage, pledge, or deed of trust of all or any of the property of the corporation of any description, or any interest therein, for the purpose of securing the payment or performance of any obligation or contract. Unless the articles or the regulations, or the terms of any trust on which the corporation holds any particular property, otherwise provide, no vote or consent of members or authorization from the court under section 1715.39 of the Revised Code is necessary for such action.

Sec. 1702.38. (A) The articles may be amended from time to time in any respect if the articles as amended set forth all such provisions as are required in, and only such provisions as may properly be in, original articles filed at the time of adopting the amendment, other than with respect to the initial ~~trustees; provided~~ directors, except that a ~~charitable~~ public benefit corporation shall not amend its articles in such manner that it will cease to be a ~~charitable~~ public benefit corporation.

(B) Without limiting the generality of such authority, the articles may be amended to:

- (1) Change the name of the corporation;
- (2) Change the place in this state where its principal office is to be located;
- (3) Change, enlarge, or diminish its purpose or purposes;
- (4) Change any provision of the articles or add any provision that may properly be included therein.

(C) The voting members present in person or, if permitted, by mail or by proxy, at a meeting held for such purpose may adopt an amendment by the affirmative vote of a majority of the voting members present if a quorum is present, or, if the articles or the regulations provide or permit, by the affirmative vote of a greater or lesser proportion or number of the voting members, and by such affirmative vote of the voting members of any particular class as is required by the articles or the regulations.

(D) In addition to or in lieu of adopting an amendment to the articles, the voting members may adopt amended articles by the same action or vote

as that required to adopt the amendment.

(E) The ~~trustees~~ directors may adopt amended articles to consolidate the original articles and all previously adopted amendments to the articles that are in force at the time, or the voting members at a meeting held for such purpose may adopt such amended articles by the same vote as that required to adopt an amendment.

(F) Amended articles shall set forth all such provisions as are required in, and only such provisions as may properly be in, original articles filed at the time of adopting the amended articles, other than with respect to the initial ~~trustees~~ directors, and shall contain a statement that they supersede the existing articles.

(G) Upon the adoption of any amendment or amended articles, a certificate containing a copy of the resolution adopting the amendment or amended articles, a statement of the manner of its adoption, and, in the case of adoption of the resolution by the ~~trustees~~ directors, a statement of the basis for such adoption, shall be filed with the secretary of state, and thereupon the articles shall be amended accordingly, and the amended articles shall supersede the existing articles. The certificate shall be signed by any authorized officer of the corporation.

(H) A copy of an amendment or amended articles changing the name of a corporation or its principal office in this state, certified by the secretary of state, may be filed for record in the office of the county recorder of any county in this state, and for such recording the county recorder shall charge and collect the same fee as provided for in division (A) of section 317.32 of the Revised Code. Such copy shall be recorded in the records of deeds.

Sec. 1702.39. (A) Unless the articles or the regulations, or the terms of any trust on which the corporation holds any particular property, otherwise provide, a lease, sale, exchange, transfer, or other disposition of any assets of a mutual benefit corporation may be made without the necessity of procuring authorization from the court under section 1715.39 of the Revised Code, upon such terms and for such consideration, which may consist, in whole or in part, of money or other property, including shares or other securities or promissory obligations of any business corporation ~~for profit~~, domestic or foreign, as may be authorized by the ~~trustees; provided~~ directors, except that a lease, sale, exchange, transfer, or other disposition of all, or substantially all, the assets may be made only when such transaction is also authorized (either before or after authorization by the ~~trustees~~ directors) by the voting members present in person or, if permitted, by proxy, at a meeting held for such purpose, by the affirmative vote of a majority of the voting members present if a quorum is present, or, if the

articles or the regulations provide or permit, by the affirmative vote of a greater or lesser proportion or number of the voting members, and by such affirmative vote of the voting members of any particular class as is required by the articles or the regulations. Notice of the meeting of the members shall be given to all members ~~whether or not~~ entitled to vote thereat. Such notice shall be accompanied by a copy or summary of the terms of such transaction.

(B)(1) A public benefit corporation may not dispose of its assets with value equal to more than fifty per cent of the fair market value of the net tangible and intangible assets, including goodwill, of the corporation over a period of thirty-six consecutive months in a transaction or series of transactions, including the lease, sale, exchange, transfer, or other disposition of those assets, that are outside the ordinary course of its business or that are not in accordance with the purpose or purposes for which the corporation was organized, as set forth in its articles or the terms of any trust on which the corporation holds such assets, unless one or more of the following apply:

(a) The transaction has received the prior approval of the court of common pleas of the county in this state in which the principal office of the corporation is located, in a proceeding of which the attorney general's charitable law section has been given written notice by certified mail within three days of the initiation of the proceeding, and in which proceeding the attorney general may intervene as of right.

(b) The corporation has provided written notice of the proposed transaction, including a copy or summary of the terms of such transaction, at least twenty days before consummation of the lease, sale, exchange, transfer, or other disposition of the assets, to the attorney general's charitable law section and to the members of the corporation, and the proposed transaction has been approved by the voting members present in person or, if permitted, by proxy, at a meeting held for such purpose, by the affirmative vote of a majority of the voting members present if a quorum is present, or, if the articles or regulations provide or permit, by the affirmative vote of a greater or lesser proportion or number of the voting members, and if the articles or regulations require, by the affirmative vote of the voting members of any particular class.

(c) The transaction is in accordance with the purpose or purposes for which the corporation was organized, as set forth in its articles or the terms of any trust on which the corporation holds the assets, and the lessee, purchaser, or transferee of the assets is also a public benefit corporation or a foreign corporation that would qualify under the Revised Code as a public

benefit corporation.

(2) the attorney general may require, pursuant to section 109.24 of the Revised Code, the production of the documents necessary for review of a proposed transaction under division (B)(1) of this section. The attorney general may retain, at the expense of the public benefit corporation, one or more experts, including an investment banker, actuary, appraiser, certified public accountant, or other expert, that the attorney general considers reasonably necessary to provide assistance in reviewing a proposed transaction under division (B)(1) of this section.

(C) The attorney general may institute a civil action to enforce the requirements of division (B)(1) of this section in the court of common pleas of the county in this state in which the principal office of the corporation is located or in the Franklin county court of common pleas. In addition to any civil remedies that may exist under common law or the Revised Code, a court may rescind the transaction or grant injunctive relief or impose any combination of these remedies.

(D) The corporation by its ~~trustees~~ directors may abandon the proposed lease, sale, exchange, transfer, or other disposition of ~~all or substantially all~~ of the assets of the corporation pursuant to division (A) or (B) of this section, subject to the contract rights of other persons, if such power of abandonment is conferred upon the ~~trustees~~ directors either by the terms of the transaction or by the same vote of voting members and at the same meeting of members as that referred to in division (A) or (B) of this section, as applicable, or at any subsequent meeting.

~~(E)~~(E) An action to set aside a conveyance by a corporation, on the ground that any section of the Revised Code applicable to the lease, sale, exchange, transfer, or other disposition of ~~all or substantially all~~ the assets of such corporation has not been complied with, shall be brought within ~~ninety days~~ one year after such transaction, or ~~such~~ the action shall be forever barred.

Sec. 1702.41. (A)(1) Any two or more corporations may merge into a single corporation which shall be one of the constituent corporations, or may consolidate into a single corporation which shall be a new corporation to be formed by the consolidation; ~~except that a charitable corporation may merge into or may consolidate with other charitable corporations only, and the surviving or new corporation, as the case may be, must be a charitable corporation.~~

(B)(2) To effect such merger or consolidation, the ~~trustees~~ directors of each constituent corporation shall approve an agreement of merger or consolidation to be signed by the ~~chairman~~ chairperson of the board, the

president, or a vice-president; and by the secretary or an assistant secretary, which agreement shall set forth:

~~(1)~~(a) That the named constituent corporations have agreed to merge into a specified constituent corporation, herein designated the surviving corporation, or that the named constituent corporations have agreed to consolidate into a new corporation to be formed by the consolidation, herein designated the new corporation;

~~(2)~~(b) The name of the surviving or new corporation, which may be the same as or similar to that of any constituent corporation;

~~(3)~~(c) The place in this state where the principal office of the surviving or new corporation is to be located;

~~(4) The purpose or purposes of the surviving or new corporation which, in case the constituent corporations are charitable corporations, must be such that the surviving or new corporation will also be a charitable corporation;~~

~~(5)~~(d) The names and addresses of the first ~~trustees~~ directors and officers of the surviving or new corporation, and, if desired, their term or terms of office;

~~(6)~~(e) The name and address of the statutory agent upon whom any process, notice, or demand against any constituent corporation or the surviving or new corporation may be served;

~~(7)~~(f) The terms of the merger or consolidation and the mode of carrying the same into effect;

~~(8)~~(g) The regulations of the surviving or new corporation or a provision to the effect that the regulations of one of the constituent corporations shall be the regulations of the surviving or new corporation or to the effect that the voting members or the ~~trustees~~ directors of the surviving or new corporation may adopt regulations, or any combination thereof.

~~(C)~~(3) The agreement may also set forth:

~~(1)~~(a) The specification of a date, which may be the date of the filing of the agreement or a date subsequent thereto, upon which the merger or consolidation shall become effective;

~~(2)~~(b) A provision conferring upon the ~~trustees~~ directors of one or more of the constituent corporations the power to abandon the merger or consolidation prior to the filing of the agreement;

~~(3)~~(c) Any additional provision permitted to be included in the articles of a newly formed corporation;

~~(4)~~(d) Any additional provision deemed necessary or desirable with respect to the proposed merger or consolidation.

(B)(1) Without the prior approval of the court of common pleas of the county in this state in which the principal office of the corporation is

located, in a proceeding of which the attorney general's charitable law section has been given written notice by certified mail within three days of the initiation of the proceeding, and in which proceeding the attorney general may intervene as of right, a public benefit corporation may merge or consolidate only with any of the following:

(a) A public benefit corporation;

(b) A foreign corporation that would qualify under the Revised Code as a public benefit corporation;

(c) A mutual benefit corporation or a business corporation, provided that the public benefit corporation is the surviving corporation in the case of a merger and continues to be a public benefit corporation or that a public benefit corporation is the new corporation in the case of a consolidation;

(d) A business corporation or mutual benefit corporation, provided that all of the following apply:

(i) On or prior to the effective date of the merger or consolidation, assets with a value equal to the greater of the fair market value of the net tangible and intangible assets, including goodwill, of the public benefit corporation or the fair market value of the public benefit corporation if it is to be operated as a business concern, are transferred or conveyed to one or more persons that would have received its assets under section 1702.49 of the Revised Code had it voluntarily dissolved.

(ii) It returns, transfers, or conveys any assets held by it upon a condition requiring return, transfer, or conveyance, which condition occurs by reason of the merger or consolidation, in accordance with that condition.

(iii) The merger or consolidation is approved by a majority of directors of the public benefit corporation who will not receive any financial or other benefit, directly or indirectly, as a result of the merger or consolidation or by agreement, and who are not and will not as a result of the merger or consolidation become members of, shareholders in, or officers, employees, agents, or consultants of the surviving or new business corporation or mutual benefit corporation.

(2) At least twenty days before consummation of any merger or consolidation of a public benefit corporation pursuant to division (B)(1)(d) of this section, written notice, including a copy of the proposed plan of merger or consolidation, shall be delivered to the attorney general's charitable law section. The attorney general's charitable law section may review a proposed merger or consolidation of a public benefit corporation under division (B) (1)(d) of this section. The attorney general may require, pursuant to section 109.24 of the Revised Code, the production of the documents necessary for review of a proposed merger or consolidation

under division (B)(1)(d) of this section. The attorney general may retain, at the expense of the public benefit corporation, one or more experts, including an investment banker, actuary, appraiser, certified public accountant, or other expert, that the attorney general considers reasonably necessary to provide assistance in reviewing a proposed merger or consolidation under division (B)(1)(d) of this section. The attorney general may extend the date of any merger or consolidation of a public benefit corporation under division (B) (1)(d) of this section for a period not to exceed sixty days and shall provide notice of that extension to the public benefit corporation. The notice shall set forth the reasons necessitating the extension.

(3) Without the prior written consent of the attorney general or of the court of common pleas of the county in this state in which the principal office of the corporation is located, in a proceeding in which the attorney general's charitable law section has been given written notice by certified mail within three days of the initiation of the proceeding, and in which proceeding the attorney general may intervene as of right, no member or director of a public benefit corporation in that person's capacity as a member or director may receive or keep anything as a result of a merger or consolidation other than membership or directorship in the surviving or new public benefit corporation. The court shall approve the transaction if it is in the public interest.

(4) The attorney general may institute a civil action to enforce the requirements of divisions (B)(1), (2), and (3) of this section in the court of common pleas of the county in this state in which the principal office of the corporation is located or in the Franklin county court of common pleas. In addition to any civil remedies that may exist under common law or the Revised Code, a court may rescind the transaction or grant injunctive relief or impose any combination of these remedies.

(C) A corporation may be the surviving or new entity in a merger or consolidation with one or more business corporations, or a corporation may merge or consolidate into one or more business corporations with a business corporation, a mutual benefit corporation, or a foreign corporation as the surviving or new entity, provided that the corporation complies with the provisions of this section and sections 1702.42 and 1702.43 of the Revised Code, as applicable to the corporation, and that the business corporation complies with the provisions of section 1701.781 or 1701.791 of the Revised Code, as applicable to the business corporation.

Sec. 1702.42. (A) The ~~trustees~~ directors of each constituent corporation, upon approving ~~such~~ an agreement of merger or consolidation, shall direct that the agreement be submitted to the voting members entitled to vote on it

at a meeting of voting members of such corporation held for ~~such~~ that purpose, and notice of such meeting shall be given to all members of such constituent corporation ~~whether or not~~ entitled to vote thereat. The notice shall be accompanied by a copy or summary of the agreement.

(B) At each such meeting, a vote of the members shall be taken on the proposed agreement. In order to be adopted, the agreement (including any amendments or additions thereto proposed at each such meeting) must receive the affirmative vote of a majority of the voting members of each constituent corporation present in person or, if permitted, by mail or by proxy, at each such meeting if a quorum is present, or, if the articles or the regulations of such corporation provide or permit, the affirmative vote of a greater or lesser proportion or number of the voting members, and such affirmative vote of the voting members of any particular class as is required by the articles or the regulations of such corporation. If the agreement would authorize any particular corporate action ~~which~~ that, under any applicable provision of law or under the existing articles of one or more of the constituent corporations, could be authorized only by or pursuant to a specified vote of voting members, such agreement (including any amendments or additions thereto proposed at each such meeting) in order to be adopted must receive the affirmative vote so specified.

(C) At any time prior to the filing of the agreement, the merger or consolidation may be abandoned by the ~~trustees~~ directors of one or more of the constituent corporations, if ~~such~~ the power of abandonment is conferred upon such ~~trustees~~ directors either by the agreement or by the same vote of voting members of each of the constituent corporations and at the same meetings as those referred to in division (B) of this section or at subsequent meetings.

Sec. 1702.44. When such merger or consolidation becomes effective:

(A) The separate existence of all the constituent corporations, except the surviving or new corporation, shall cease, except that, whenever a conveyance, assignment, transfer, deed, or other instrument, or act, is necessary to vest property or rights in the surviving or new corporation, the officers of the respective constituent corporation shall execute, acknowledge, and deliver such instruments, and do such acts, and for such purposes the existence of the constituent corporations and the authority of their respective officers and ~~trustees~~ directors shall be deemed continued notwithstanding the merger or consolidation;

(B) The ~~constituent~~ CONSTITUENT corporations shall become a single corporation which, in the case of a merger, shall be that one of the constituent corporations designated in the agreement of merger as the

surviving corporation and, in the case of a consolidation, shall be the new corporation provided for in the agreement of consolidation;

(C) The surviving or new corporation shall have all the rights, privileges, immunities, powers, franchises, and authority and shall be subject to all the obligations of a corporation formed under ~~sections 1702.01 to 1702.58 of the Revised Code~~ this chapter;

(D) The surviving or new corporation shall thereupon and thereafter possess all the rights, privileges, immunities, powers, franchises, and authority, as well of a public as of a private nature, of each of the constituent corporations; and all property of every description, and every interest therein, and all obligations, of or belonging to or due to each of the constituent corporations, shall thereafter be taken and deemed to be transferred to and vested in the surviving or new corporation without further act or deed; and any right or interest in respect to any past or future devise, bequest, conditional gift, or trust, property, or fund restricted to particular uses, when vested in or claimed by such surviving or new corporation as a result of such merger or consolidation, shall belong to it as a continuation without interruption of the existence and identity of the constituent organization originally named as taker or beneficiary; and title to any real estate, or any interest therein, vested in any of the constituent corporations shall not revert or in any way be impaired by reason of such merger or consolidation;

(E) To the extent permitted by the laws of any other state in which any constituent corporation has property, the provisions of division (D) of this section apply in such state;

(F) The surviving or new corporation shall thenceforth be liable for all the obligations of each of the constituent corporations; and any claim existing or action or proceeding pending by or against any of the constituent corporations may be prosecuted to judgment, with right of appeal as in other cases, as if such merger or consolidation had not taken place, or the surviving or new corporation may be substituted in its place;

(G) All the rights of creditors of each constituent corporation shall be preserved unimpaired, and all liens upon the property of any of the constituent corporations shall be preserved unimpaired, limited in lien to the property affected by such liens immediately prior to the effective date of the merger or consolidation;

(H) The agreement shall operate as amended articles in the case of a merger and as original articles in the case of consolidation.

Sec. 1702.45. One or more domestic corporations may merge or consolidate with one or more foreign corporations in the following manner,

if such merger or consolidation is permitted by the laws of each state under the laws of which any constituent foreign corporation exists:

(A) Each domestic corporation shall comply with the provisions of sections 1702.41, 1702.42, and 1702.43 of the Revised Code, and each foreign corporation shall comply with the applicable provisions of the laws of the state under which it exists, except that the agreement of merger or consolidation, by whatever name designated, shall comply with divisions (B) and (C) of this section, and ~~except that a charitable corporation may merge into or may consolidate with other charitable corporations only, and the surviving or new corporation, as the case may be, must be a charitable corporation~~ any merger or consolidation of a public benefit corporation, whether domestic or foreign, shall comply with division (B) of section 1702.41 of the Revised Code;

(B) The agreement shall set forth all statements and matters required by section 1702.41 of the Revised Code, except that the statement of the place in this state where the principal office of the surviving or new corporation is to be located and the statement with respect to the appointment of the statutory agent shall be set forth only if the surviving or new corporation is to be a domestic corporation. In addition, the agreement shall set forth:

(1) The names of the states under the laws of which each constituent corporation exists;

(2) All statements and matters required to be set forth in agreements of merger or consolidation by the laws of each state under the laws of which any constituent foreign corporation exists;

(3) If the surviving or new corporation is to be a foreign corporation:

(a) the place where the principal office of the surviving or new corporation is to be located in the state under the laws of which the surviving or new corporations is to exist;

(b) the consent by the surviving or new corporation that it may be sued and served with process in this state in any proceeding for the enforcement of any obligation of any constituent domestic corporation;

(c) the irrevocable appointment of the secretary of state of this state as its agent to accept service of process in any such proceeding;

(d) if it is desired that the surviving or new corporation exercise its corporate privileges in this state as a foreign corporation in a continual course of transactions, a statement to that effect and a statement with respect to the appointment of the statutory agent and with respect to the consent to service of any process, notice, or demand upon such statutory agent or the secretary of state, as required when a foreign corporation applies for a certificate authorizing it to do so;

(C) The agreement may also set forth any additional provision permitted by the laws of any state under the laws of which any constituent corporation exists, to the extent not inconsistent with the laws of the state under the laws of which the surviving or new corporation is to exist.

Sec. 1702.47. (A) A corporation may be dissolved voluntarily in the manner provided in this section.

(B) A resolution of dissolution for a corporation shall set forth:

(1) That the corporation elects to be dissolved;

(2) Any additional provision deemed necessary with respect to the proposed dissolution and winding up.

(C) The ~~trustees~~ directors may adopt a resolution of dissolution in the following cases:

(1) When the corporation has been adjudged bankrupt or has made a general assignment for the benefit of creditors;

(2) By leave of the court, when a receiver has been appointed in a general creditors' suit or in any suit in which the affairs of the corporation are to be wound up;

(3) When substantially all of the assets have been sold at judicial sale or otherwise;

(4) When the period of existence of the corporation specified in its articles has expired.

(D) The voting members at a meeting held for such purpose may adopt a resolution of dissolution by the affirmative vote of a majority of the voting members present in person or, if permitted, by mail or by proxy, if a quorum is present or, if the articles or the regulations provide or permit, by the affirmative vote of a greater or lesser proportion or number of the voting members, and by such affirmative vote of the voting members of any particular class as is required by the articles or the regulations. Notice of the meeting of the members shall be given to all the members ~~whether or not~~ entitled to vote thereat.

(E) Upon the adoption of a resolution of dissolution, a certificate shall be prepared, on a form prescribed by the secretary of state, setting forth the following:

(1) The name of the corporation;

(2) A statement that a resolution of dissolution has been adopted;

(3) A statement of the manner of adoption of such resolution, and, in the case of its adoption by the ~~trustees~~ directors, a statement of the basis for such adoption;

(4) The place in this state where its principal office is or is to be located;

(5) The names and addresses of its ~~trustees~~ directors and officers;

(6) The name and address of its statutory agent.

(F) Such certificate shall be signed by any authorized officer, unless the officer fails to execute and file such certificate within thirty days after the adoption of the resolution, or upon any date specified in the resolution as the date upon which such certificate is to be filed, or upon the expiration of any period specified in the resolution as the period within which such certificate is to be filed, whichever is latest, in which event the certificate of dissolution may be signed by any three voting members and shall set forth a statement that the persons signing the certificate are voting members and are filing the certificate because of the failure of the officers to do so.

(G) A certificate of dissolution, filed with the secretary of state, shall be accompanied by:

(1) An affidavit of one or more of the persons executing the certificate of dissolution or of an officer of the corporation containing a statement of the counties, if any, in this state in which the corporation has personal property subject to personal property taxes or a statement that the corporation is of a type required to pay personal property taxes to state authorities only;

(2) A receipt, certificate, or other evidence showing the payment of all personal property taxes accruing up to the date of such filing, unless the affidavit provided for in division (G)(1) of this section states that the corporation has in this state no personal property subject to personal property taxes;

(3) A receipt, certificate, or other evidence from the director of job and family services showing that all contributions due from the corporation as an employer have been paid, or that such payment has been adequately guaranteed, or that the corporation is not subject to such contributions;

(4) A receipt, certificate, or other evidence showing the payment of all sales, use, and highway use taxes accruing up to the date of such filing, or that such payment has been adequately guaranteed;

(5) In lieu of the receipt, certificate, or other evidence described in division (G)(2), (3), or (4) of this section, an affidavit of one or more of the persons executing the certificate of dissolution or of an officer of the corporation containing a statement of the date upon which the particular department, agency, or authority was advised in writing of the scheduled date of the filing of the certificate of dissolution and was advised in writing of the acknowledgement by the corporation of the applicability of section 1702.55 of the Revised Code.

(H) Upon the filing of a certificate of dissolution and such accompanying documents, the corporation shall be dissolved.

Sec. 1702.48. Following the filing of the certificate of dissolution, the ~~trustees~~ directors shall forthwith cause a notice of voluntary dissolution to be published once a week on the same day of each week for two successive weeks, in a newspaper published and of general circulation in the county in which the principal office of the corporation was to be or is located, and shall forthwith cause written notice of dissolution to be given either personally or by mail to all known creditors of, and to all known claimants against, the dissolved corporation.

Sec. 1702.49. (A) When a corporation is dissolved voluntarily or when the articles of a corporation have been canceled or when the period of existence of a corporation specified in its articles has expired, the corporation shall cease to carry on its activities and shall do only such acts as are required to wind up its affairs, or to obtain reinstatement of the articles in accordance with section 1702.06, 1702.59, or 1724.06 of the Revised Code, or are permitted upon reinstatement by division (C) of section 1702.60 of the Revised Code, and for such purposes it shall continue as a corporation.

(B) Any claim existing or action or ~~proceeding~~ proceeding pending by or against the corporation or ~~which that~~ would have accrued against it may be prosecuted to judgment, with right of appeal as in other cases, but any proceeding, execution, or process, or the satisfaction or performance of any order, judgment, or decree, may be stayed as provided in section 1702.50 of the Revised Code.

(C) Any process, notice, or demand against the corporation may be served by delivering a copy to an officer, ~~trustee~~ director, liquidator, or person having charge of its assets or, if no such person can be found, to the statutory agent.

(D) The ~~trustees~~ directors of the corporation and their survivors or successors shall act as a board of ~~trustees~~ directors in accordance with the regulations and bylaws until the affairs of the corporation are completely wound up. Subject to the orders of courts of this state having jurisdiction over the corporation, the ~~trustees~~ directors shall proceed as speedily as is practicable to a complete winding up of the affairs of the corporation and, to the extent necessary or expedient to that end, shall exercise all the authority of the corporation. Without limiting the generality of such authority, they may fill vacancies, elect officers, carry out contracts of the corporation, make new contracts, borrow money, mortgage or pledge the property of the corporation as security, sell its assets at public or private sale, make conveyances in the corporate name, lease real estate for any term, including ninety-nine years renewable forever, settle or compromise claims in favor of

or against the corporation, employ one or more persons as liquidators to wind up the affairs of the corporation with such authority as the ~~trustees~~ directors see fit to grant, cause the title to any of the assets of the corporation to be conveyed to such liquidators for that purpose, apply assets to the payment of obligations, perform all other acts necessary or expedient to the winding up of the affairs of the corporation, and, after paying or adequately providing for the payment of all known obligations of the corporation, distribute the remainder of the assets as follows:

(1) Assets held upon condition requiring return, transfer, or conveyance, which condition shall have occurred by reason of the dissolution or otherwise, shall be returned, transferred, or conveyed in accordance with such requirements;

(2) In the case of a ~~charitable~~ public benefit corporation: (a) assets held by it in trust for specified purposes shall be applied so far as is feasible in accordance with the terms of the trust; (b) the remaining assets not held in trust shall be applied so far as is feasible towards carrying out the purposes stated in its articles; (c) in the event and to the extent that, in the judgment of the ~~trustees~~ directors, it is not feasible to apply the assets as provided in above clauses (a) and (b), the assets shall be applied as may be directed by the court of common pleas of the county in this state in which the principal office of the corporation is located, in an action brought for that purpose by the corporation or by the ~~trustees~~ directors or any thereof, to which action the attorney general of the state shall be a party, or in an action brought by the attorney general in a court of competent jurisdiction, or in an action brought as provided in section 1702.50 of the Revised Code for the purpose of winding up the affairs of the corporation under the supervision of the court;

(3) In the case of a mutual benefit corporation ~~other than a charitable corporation~~, any remaining assets shall be distributed in accordance with the applicable provisions of the articles or the regulations or, to the extent that no such provision is made, the assets shall be distributed pursuant to a plan of distribution adopted by the voting members at a meeting held for the purpose of voting on dissolution, or any adjournment thereof, by the same affirmative vote as that required for the adoption of a resolution of dissolution. If no plan of distribution is so adopted by the voting members, then said remaining assets shall be distributed pursuant to a plan of distribution adopted by the ~~trustees~~ directors. If no plan of distribution is so adopted by the voting members or directors, then the remaining assets shall be applied as may be directed by the court of common pleas of the county in this state in which the principal office of the corporation is located, in an

action brought for that purpose by the mutual benefit corporation or by the directors or any thereof, or by the attorney general in a court of competent jurisdiction, or in an action brought as provided in section 1702.50 of the Revised Code for the purpose of winding up the affairs of the corporation under the supervision of the court.

(E) Without limiting the authority of the ~~trustees~~ directors, any action within the purview of this section ~~which~~ that is authorized or approved by the voting members at a meeting held for such purpose, by the same affirmative vote as that required for the adoption of a resolution of dissolution, shall be conclusive for all purposes upon all members of the corporation, except that nothing herein set forth shall impair the jurisdiction of courts of competent jurisdiction to enforce the duties of a ~~charitable~~ public benefit corporation in respect of the application of its assets towards its public or charitable purposes, or impair the power of the state, acting through the attorney general, to require such assets to be applied, as nearly as may be, towards its public or charitable purposes.

(F) All deeds and other instruments of the corporation shall be in the name of the corporation and shall be executed, acknowledged, and delivered by the officers appointed by the ~~trustees~~ directors.

(G) At any time during the winding up of its affairs, the corporation by its ~~trustees~~ directors may make application to the court of common pleas of the county in this state in which the principal office of the corporation is located to have the winding up continued under supervision of the court, as provided in section 1702.50 of the Revised Code.

Sec. 1702.50. (A) Without limiting the generality of its authority, the court of common pleas of the county in this state in which is located the principal office of a voluntarily dissolved corporation or of a corporation whose articles have been canceled or whose period of existence has expired, upon the complaint of the corporation, a majority of the ~~trustees~~ directors, or a creditor or member, and upon such notice to all the ~~trustees~~ directors and such other persons interested as the court considers proper, at any time may order and adjudge in respect to the following matters:

(1) The presentation and proof of all claims and demands against the corporation and of all rights, interests, or liens in or on any of its property; the fixing of the time within which and the manner in which such proof shall be made and the person to whom such presentation shall be made; and the barring from participation in any distribution of assets of all persons failing to make and present proofs as required by the order of the court;

(2) The stay of the prosecution of any proceeding against the corporation or involving any of its property, and the requirement that the

parties to it present and prove their claims, demands, rights, interests, or liens at the time and in the manner required of creditors or others; or the grant of leave to bring or maintain an independent proceeding to enforce liens;

(3) The settlement or determination of all claims of every nature against the corporation or any of its property; the determination of the assets required to be retained to pay or provide for the payment of such claims or any claim; the determination of the assets available for distribution among members and others; and the making of new parties to the proceeding so far as the court considers proper for the determination of all matters;

(4) The determination of the rights of members or others in and to the assets of the corporation;

(5) The presentation and the filing of intermediate and final accounts of the ~~trustees~~ directors or of the liquidators and hearings on them; the allowance, disallowance, or settlement of such accounts; and the discharge of the ~~trustees~~ directors, the liquidators, or any of them from their duties and liabilities;

(6) The appointment of a special master commissioner to hear and determine any such matters with such authority as the court considers proper;

(7) The filling of any vacancies in the number of ~~trustees~~ directors or liquidators when the ~~trustees~~ directors are unable to act on the vacancies for want of a quorum or for any other reason;

(8) The appointment of a receiver, in accordance with the usages of a court in equitable matters, to wind up the affairs of the corporation, to take custody of any of its property, or for any other purpose;

(9) The issuance or entry of any injunction or any other order ~~which~~ that the court considers proper in the administration of the trust involved in the winding up of the affairs of the corporation and the giving of notice of it;

(10) The allowance and payment of compensation to the ~~trustees~~ directors or any of them, to liquidators, to a receiver, to the attorney for the complainant, or to any person properly rendering services beneficial to the corporation or to those interested in it;

(11) The entry of a judgment or decree ~~which~~ that, if it so provides, may operate as the deed or other instrument ordered to be executed, or the appointment of a master to execute such deed or instrument in the name of the corporation with the same effect as if executed by an authorized officer pursuant to authority conferred by the ~~trustees~~ directors or the voting members of the corporation, whenever there is no officer or agent competent to execute such deed or instrument, whenever the corporation or its officers

do not perform or comply with a judgment or decree of court, or whenever the court considers it proper.

(B) A judicial proceeding under this section concerning the winding up of the affairs of a corporation is a special proceeding, and final orders in the proceeding may be vacated, modified, or reversed on appeal pursuant to the Rules of Appellate Procedure and, to the extent not in conflict with those rules, Chapter 2505. of the Revised Code.

Sec. 1702.51. (A) Whenever, after a corporation is dissolved voluntarily or the articles of a corporation have been canceled or the ~~the~~ period of existence of a corporation has expired, a receiver is appointed to wind up the affairs of the corporation, all the claims, demands, rights, interests, or liens of creditors, claimants, and members shall be determined as of the day on which the receiver was appointed. Unless it is otherwise ordered, such appointment vests in the receiver and ~~his~~ the receiver's successors the right to the immediate possession of all the property of the corporation, which shall, if so ordered, execute and deliver conveyances of such property to the receiver or ~~his~~ the receiver's nominee.

(B) Any officer, ~~trustee~~ director, member, or other person, whether a resident of the state or a ~~non-resident~~ nonresident and however interested, may be appointed as receiver.

(C) The receiver shall have all the authority vested in the ~~trustees~~ directors and officers of the corporation, shall exercise such authority subject to such orders as are made by the court, and may be required to qualify by giving bond to the state in such amount as the court fixes, with surety to the satisfaction of the clerk of the court, conditioned for the faithful discharge of ~~his~~ the receiver's duties and for a due accounting for all money or property received by ~~him~~ the receiver.

Sec. 1702.52. (A) A corporation may be dissolved judicially and its affairs wound up:

(1) By an order of the supreme court or of a court of appeals in an action in quo warranto brought as provided by sections 2733.02 to 2733.39 of the Revised Code, in which event the court may order the affairs of the corporation to be wound up by its ~~trustees~~ directors as in the case of voluntary dissolution, or by proceedings in, and under the order of, the court of common pleas of the county in this state in which the corporation has its principal office;

(2) By an order of the court of common pleas of the county in this state in which such corporation has its principal office, in an action brought by voting members entitled to dissolve the corporation voluntarily, when it is established:

(a) That its articles have been canceled or its period of existence has expired and that it is necessary in order to protect the members that the corporation be judicially dissolved;

(b) That the corporation is insolvent or is unable to afford reasonable security to those who may deal with it and that it is necessary in order to protect the creditors of the corporation that the corporation be judicially dissolved;

(c) That the objects of the corporation have wholly failed or are entirely abandoned or that their accomplishment is impracticable;

(3) By an order of the court of common pleas of the county in this state in which the corporation has its principal office, in an action brought by a majority of the voting members, or such lesser proportion or number of voting members as are entitled by the articles to dissolve the corporation voluntarily, when it is established that it is beneficial to the members that the corporation be judicially dissolved;

(4) By an order of the court of common pleas of the county in this state in which the corporation has its principal office, in an action brought by one-half of the ~~trustees~~ directors when there is an even number of ~~trustees~~ directors or by one-half of the voting members, when it is established that the corporation has an even number of ~~trustees~~ directors who are deadlocked in the management of the corporate affairs and the voting members are unable to break the deadlock, or when it is established that the corporation has an uneven number of ~~trustees~~ directors and that the voting members are deadlocked in voting power and unable to agree upon or vote for the election of ~~trustees~~ directors as successors to ~~trustees~~ directors whose terms normally would expire upon the election of their successors.

(B) A complaint for judicial dissolution shall be verified by any of the complainants and shall set forth facts showing that the case is one of those specified in this section. Unless the complainants set forth in the complaint that they are unable to annex a list of members, a schedule shall be annexed to the complaint setting forth the name of each member and ~~his~~ the member's address if it is known.

(C) Upon the filing of a complaint for judicial dissolution, the court with which it is filed shall have power to issue injunctions, to appoint a receiver with such authority and duties as the court from time to time may direct, to take such other proceedings as may be necessary to protect the property or the rights of the complainants or of the persons interested, and to carry on the activities of the corporation until a full hearing can be had. Upon or after the filing of a complaint for judicial dissolution, the court, by injunction or order, may stay the prosecution of any proceeding against the corporation or

involving any of its property and require the parties to it to present and prove their claims, demands, rights, interests, or liens, at the time and in the manner required of creditors or others. The court may refer the complaint to a special master commissioner.

(D) After a hearing had upon such notice as the court may direct to be given to all parties to the proceeding and to any other parties in interest designated by the court, a final order based either upon the evidence, or upon the report of the special master commissioner if one has been appointed, shall be made dissolving the corporation or dismissing the complaint. An order or judgment for the judicial dissolution of a corporation shall contain a concise statement of the proceedings leading up to the order or judgment; the name of the corporation; the place in this state where its principal office is located; the names and addresses of its ~~trustees~~ directors and officers; the name and address of a statutory agent; and, if desired, such other provisions with respect to the judicial dissolution and winding up as are considered necessary or desirable. A certified copy of such order forthwith shall be filed in the office of the secretary of state, whereupon the corporation shall be dissolved. To the extent consistent with orders entered in such proceeding, the effect of such judicial dissolution shall be the same as in the case of voluntary dissolution, and the provisions of sections 1702.49, 1702.50, and 1702.51 of the Revised Code relating to the authority and duties of ~~trustees~~ directors during the winding up of the affairs of a corporation dissolved voluntarily, with respect to the jurisdiction of courts over the winding up of the affairs of a corporation, and with respect to receivers for winding up the affairs of a corporation shall be applicable to corporations judicially dissolved.

(E) A judicial proceeding under this section concerning the judicial dissolution of a corporation is a special proceeding, and final orders in the proceeding may be vacated, modified, or reversed on appeal pursuant to the Rules of Appellate Procedure or the Rules of Practice of the Supreme Court, whichever are applicable, and, to the extent not in conflict with those rules, Chapter 2505. of the Revised Code.

Sec. 1702.521. (A) Upon the complaint of not less than one-fourth of the ~~trustees~~ directors of the corporation, the court of common pleas of the county in which the corporation maintains its principal office may order the appointment of a provisional ~~trustee~~ director for that corporation if the articles or regulations of the corporation expressly provide for such an appointment. No appointment shall be made until a hearing is held by the court. Notice of the hearing shall be given to each ~~trustee~~ director and the secretary of the corporation in any manner that the court directs. The

complainants shall establish at the hearing that, because of irreconcilable differences among the existing ~~trustees~~ directors, the continued operation of the corporation has been substantially impeded or made impossible.

(B) A provisional ~~trustee~~ director shall have the same rights and duties as other ~~trustees~~ directors and shall serve until removed by the appointing court or by the members of the corporation entitled to exercise a majority of the voting power of the corporation in the election of ~~trustees~~ directors or until ~~his~~ the provisional director's earlier resignation or death. If the provisional ~~trustee~~ director dies or resigns, the court, pursuant to division (A) of this section, may appoint a replacement provisional ~~trustee~~ director, upon its own motion and without the filing of a complaint for the appointment of a provisional ~~trustee~~ director. If the appointing court finds that the irreconcilable differences no longer exist, it shall order the removal of the provisional ~~trustee~~ director.

(C) No person shall be appointed as a provisional ~~trustee~~ director unless ~~he~~ the person is generally conversant with corporate affairs, has no legal or equitable interest in the obligations of the corporation of which ~~he~~ the person is to be appointed a ~~trustee~~ director, and is not indebted to such corporation. The compensation of a provisional ~~trustee~~ director shall be determined by agreement with the corporation for which ~~he~~ the provisional director is serving, subject to the approval of the appointing court, except that the appointing court may fix ~~his~~ the provisional director's compensation in the absence of agreement or in the event of disagreement between the provisional ~~trustee~~ director and the corporation.

(D) A proceeding concerning the appointment of a provisional ~~trustee~~ director of a corporation is a special proceeding, and final orders issued in the proceeding may be vacated, modified, or reversed on appeal pursuant to the Rules of Appellate Procedure and, to the extent not in conflict with those rules, Chapter 2505. of the Revised Code.

Sec. 1702.53. (A) A copy of the articles or amended articles filed in the office of the secretary of state, certified by the secretary of state, shall be conclusive evidence, except as against the state, that the corporation has been incorporated under the laws of this state; and a copy duly certified by the secretary of state of any certificate of amendment or other certificate filed in ~~his~~ the secretary of state's office shall be prima-facie evidence of such amendment or of the facts stated in any such certificate, and of the observance and performance of all antecedent conditions necessary to the action which such certificate purports to evidence.

(B) A copy of amended articles filed in the office of the secretary of state, certified by the secretary of state, shall be accepted in this state and

ther jurisdictions in lieu of the original articles, amendments thereto, and prior amended articles.

(C) The original or a copy of the record of minutes of the proceedings of the incorporators of a corporation, or of the proceedings or meetings of the members or any class of members, or of the ~~trustees~~ directors, or of any committee thereof, including any written consent, waiver, release, or agreement entered in such record or minutes, or the original or a copy of a statement that no specified proceeding was had or that no specified consent, waiver, release, or agreement exists, shall, when certified to be true by the secretary or an assistant secretary of a corporation, be received in the courts as prima-facie evidence of the facts stated therein. Every meeting referred to in such certified original or copy shall be deemed duly called and held, and all motions and resolutions adopted and proceedings had at such meeting shall be deemed duly adopted and had, and all elections of ~~trustees~~ directors and all elections or appointments of officers chosen at such meeting shall be deemed valid, until the contrary is proved; and whenever a person who is not a member of a corporation has acted in good faith in reliance upon any such certified original or copy, it is conclusive in ~~his~~ the person's favor.

Sec. 1702.54. (A) No officer, ~~trustee~~ director, employee, or agent of a corporation shall, either alone or with another or others, with intent to deceive:

(1) Make, issue, deliver, transmit by mail, or publish any prospectus, report, circular, certificate, statement, balance sheet, exhibit, or document, respecting membership rights in, or the activities, assets, liabilities, earnings, or accounts of, a corporation, ~~which~~ that is false in any material respect, knowing the same to be false;

(2) Having charge of any books, minutes, records, or accounts of a corporation, make therein any entry ~~which~~ that is false in any material respect, knowing such entry to be false, or remove, erase, alter, or cancel any entry therein, knowing that the entries resulting therefrom will be false.

(B) Whoever violates this section shall be personally liable, jointly and severally, with all other persons participating with ~~him~~ the person in any such act, to any person for any damage actually suffered and proximately resulting from such act.

(C) No action to enforce a liability under this section shall be brought after four years from the time of the act complained of.

(D) Remedies under this section are not exclusive of other remedies at common law or under other statutes.

Sec. 1702.55. (A) The members, the ~~trustees~~ directors, and the officers of a corporation shall not be personally liable for any obligation of the

corporation.

(B) ~~Trustees~~ directors who vote for or assent to:

(1) A distribution of assets to members contrary to law or the articles;

(2) A distribution of assets to persons other than creditors during the winding up of the affairs of the corporation, on dissolution or otherwise, without the payment of all known obligations of the corporation, or without making adequate provision therefor;

(3) The making of loans, other than in the usual conduct of its affairs or in accordance with provisions therefor in the articles, to an officer, ~~trustee~~ director, or member of the corporation; shall be jointly and severally liable to the corporation as follows: in cases under division (B)(1) of this section up to the amount of such distribution in excess of the amount that could have been distributed without violation of law or the articles, but not in excess of the amount that would inure to the benefit of the creditors of the corporation if it was insolvent at the time of the distribution or there was reasonable ground to believe that by such action it would be rendered insolvent, or to the benefit of the members other than members of the class in respect of which the distribution was made; and in cases under division (B)(2) of this section, to the extent that such obligations (not otherwise barred by statute) are not paid, or for the payment of which adequate provision has not been made; and in cases under division (B)(3) of this section, for the amount of the loan with interest thereon at the rate of six per cent per annum until such amount has been paid, ~~provided, except~~ that a ~~trustee~~ director shall not be liable under division (B)(1) or (2) of this section if in determining the amount available for any such distribution, ~~he~~ the director in good faith relied on a financial statement of the corporation prepared by an officer or employee of the corporation in charge of its accounts or certified by a public accountant or firm of public accountants, or in good faith ~~he~~ the director considered the assets to be of their book value, or ~~he~~ the director followed what ~~he~~ the director believed to be sound accounting and business practice.

(C) A ~~trustee~~ director who is present at a meeting of the ~~trustees~~ directors or a committee thereof at which action on any matter is authorized or taken and who has not voted for or against such action shall be presumed to have voted for the action unless ~~his~~ the director's written dissent therefrom is filed either during the meeting or within a reasonable time after the adjournment thereof, with the person acting as secretary of the meeting or with the secretary of the corporation.

(D) A member who knowingly receives any distribution made contrary to law or the articles shall be liable to the corporation for the amount

ived by ~~him which~~ the member that is in excess of the amount ~~which that~~ could have been distributed without violation of law or the articles.

(E) A ~~trustee~~ director against whom a claim is asserted under or pursuant to this section and who is held liable thereon shall be entitled to contribution, on equitable principles, from other ~~trustees~~ directors who also are liable; and in addition, any ~~trustee~~ director against whom a claim is asserted under or pursuant to this section or who is held liable shall have a right of contribution from the members who knowingly received any distribution made contrary to law or the articles, and such members as among themselves shall also be entitled to contribution in proportion to the amounts received by them respectively.

(F) No action shall be brought by or on behalf of a corporation upon any cause of action arising under division (B)(1) or (2) of this section at any time after two years from the day on which the violation occurs; ~~provided that no such action shall be barred by this division (F) prior to January 1, 1956.~~

(G) Nothing contained in this section shall preclude any creditor whose claim is unpaid from exercising such rights as ~~he~~ the creditor otherwise would have by law to enforce ~~his~~ the creditor's claim against assets of the corporation distributed to members or other persons.

Sec. 1702.58. (A) Except as provided in sections 1702.01 to 1702.58; ~~inclusive,~~ of the Revised Code, the provisions of ~~said those~~ sections shall apply only to domestic corporations, and except as otherwise provided in this section, the provisions of ~~said those~~ sections shall apply to all domestic corporations, whether formed under ~~said those~~ sections or under previous laws of this state.

(B) Special provisions in the Revised Code for the organization, conduct, or government of designated classes of corporations shall govern to the exclusion of the provisions of sections 1702.01 to 1702.58; ~~inclusive,~~ of the Revised Code; on the same subject, except where it clearly appears that a special provision is cumulative, in which case ~~it~~ that provision and the provisions of ~~said those~~ sections on the same subject shall apply.

(C) A corporation incorporated prior to June 9, 1927, with authority to issue shares may continue to issue and ~~re-issue~~ reissue shares in accordance with its articles, but shall be without authority to amend its articles in order to increase the authorized number of shares.

(D) A corporation created before September 1, 1851, ~~which that~~ (1) has expressly elected to be governed by the laws passed since that date, (2) subsequent to that date has taken such action under laws then in effect as to make it subject, as a matter of law, to the Constitution of 1851 and laws

passed thereunder, or (3) subsequent to October 1, 1955, takes any action under sections 1702.01 to 1702.58, ~~inclusive~~, of the Revised Code, or any of them, ~~which that~~ but for ~~said those~~ sections it would not be authorized to take, shall be deemed to be a corporation exercising its corporate privileges under the Constitution of this state and the laws passed in pursuance thereof, and not otherwise.

(E) A corporation created before September 1, 1851, and actually carrying on its activities in this state, and which prior to October 11, 1955, has not taken action described in division (D) of this section, may accept the provisions of sections 1702.01 to 1702.58, ~~inclusive~~, of the Revised Code; at a meeting of voting members held for such purpose, by a resolution to that effect adopted by the affirmative vote of a majority of the voting members present in person or, if permitted, by mail or by proxy, if a quorum is present, and by filing in the office of the secretary of state a copy of ~~said the~~ resolution certified by ~~the president or a vice-president and the secretary or an assistant secretary~~ any authorized officer of the corporation, for which filing the secretary of state shall charge and collect a fee of five dollars. Thereafter ~~said the~~ corporation shall be deemed to exercise its ~~corporat~~ corporate privileges under the Constitution of this state and the laws passed in pursuance thereof, and not otherwise.

(F) Except as provided in divisions (D) and (E) of this section, a corporation created before September 1, 1851, shall be governed by the laws in force on that date as modified since that date.

(G) A domestic business corporation ~~for profit~~, upon compliance with the provision of the Revised Code as in effect from time to time relating to such business corporation's becoming a nonprofit corporation upon amendment to its articles or upon adoption of amended articles, as provided by law, shall, upon filing the prescribed certificate in the office of the secretary of state, become a corporation subject to the provisions of, and entitled to all the rights, privileges, immunities, powers, franchises, and authority granted by, ~~sections 1702.01 to 1702.58, inclusive, of the Revised Code~~ this chapter.

Sec. 1702.59. (A) Every nonprofit corporation, incorporated under the general corporation laws of this state, or previous laws, or under special provisions of the Revised Code, or created before September 1, 1851, which corporation has expressly or impliedly elected to be governed by the laws passed since that date, and whose articles or other documents are filed with the secretary of state, shall file with the secretary of state a verified statement of continued existence, signed by a ~~trustee~~ director, officer, or three members in good standing, setting forth the corporate name, the place

where the principal office of the corporation is located, the date of incorporation, the fact that the corporation is still actively engaged in exercising its corporate privileges, and the name and address of its agent appointed pursuant to section 1702.06 of the Revised Code.

(B) Each corporation required to file a statement of continued existence shall file it with the secretary of state within each five years after the date of incorporation or of the last corporate filing. For filing such statements of continued existence, the secretary of state shall charge and collect a fee of five dollars.

(C) Corporations specifically exempted by division (N) of section 1702.06 of the Revised Code, or whose activities are regulated or supervised by another state official, agency, bureau, department, or commission are exempted from this section.

(D) The secretary of state shall give notice in writing and provide a form for compliance with this section to each corporation required by this section to file the statement of continued existence, such notice and form to be mailed to the last known address of the corporation as it appears on the records of the secretary of state or which the secretary of state may ascertain upon a reasonable search.

(E) In the event any nonprofit corporation required by this section to file a statement of continued existence fails to file the statement required every fifth year, then the secretary of state shall cancel the articles of such corporation, make a notation of the cancellation on the records, and mail to the corporation a certificate of the action so taken.

(F) A corporation whose articles have been canceled may be reinstated by filing an application for reinstatement and paying to the secretary of state a fee of ten dollars. The name of a corporation whose articles have been canceled shall be reserved for a period of one year after the date of cancellation. If the reinstatement is not made within one year from the date of the cancellation of its articles of incorporation and it appears that a corporate name, limited liability company name, limited liability partnership name, limited partnership name, or trade name has been filed, the name of which is not distinguishable upon the record as provided in section 1702.06 of the Revised Code, the applicant for reinstatement shall be required by the secretary of state, as a condition prerequisite to such reinstatement, to amend its articles by changing its name. A certificate of reinstatement may be filed in the recorder's office of any county in the state, for which the recorder shall charge and collect a fee of one dollar. The rights, privileges, and franchises of a corporation whose articles have been reinstated are subject to section 1702.60 of the Revised Code.

(G) The secretary of state shall furnish the tax commissioner a list of all corporations failing to file the required statement of continued existence.

SECTION 2. That existing sections 1701.01, 1702.01, 1702.02, 1702.03, 1702.04, 1702.05, 1702.06, 1702.07, 1702.08, 1702.10, 1702.11, 1702.12, 1702.13, 1702.14, 1702.15, 1702.16, 1702.17, 1702.18, 1702.19, 1702.21, 1702.22, 1702.23, 1702.25, 1702.26, 1702.27, 1702.28, 1702.29, 1702.30, 1702.301, 1702.31, 1702.32, 1702.33, 1702.34, 1702.36, 1702.38, 1702.39, 1702.41, 1702.42, 1702.44, 1702.45, 1702.47, 1702.48, 1702.49, 1702.50, 1702.51, 1702.52, 1702.521, 1702.53, 1702.54, 1702.55, 1702.58, and 1702.59 of the Revised Code are hereby repealed.

SECTION 3. Any trustee of a nonprofit corporation that was organized prior to the effective date of this act shall be considered a director, as defined in division (K) of section 1702.01 of the Revised Code as amended by this act, of the nonprofit corporation and shall have the rights, privileges, and responsibilities of a director of a nonprofit corporation under Chapter 1702. of the Revised Code. A nonprofit corporation that was organized prior to the effective date of this act is not required to take any action to convey these rights, privileges, and responsibilities of directors to the trustees of the nonprofit corporation.

SECTION 4. The General Assembly hereby declares that the General Assembly, by enacting any provision of this act, does not intend to repeal any provision of sections 109.34, 109.35, and 109.99 of the Revised Code.

Speaker _____ of the House of Representatives.

President _____ of the Senate.

Passed _____, 20____

Approved _____, 20____

Governor.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the
____ day of _____, A. D. 20____.

Secretary of State.

File No. _____ Effective Date _____