



Ohio Revised Code

Section 1729.58 Association may act to wind up affairs or obtain reinstatement of articles.

Effective: September 3, 2004

Legislation: House Bill 288 - 125th General Assembly

(A) When an association is dissolved voluntarily, when the articles of incorporation of an association have been canceled, when a final order of a court of common pleas is made dissolving an association under section 1729.59 of the Revised Code, or when the period of existence of the association specified in its articles of incorporation has expired, the association shall cease to carry on business 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 1729.11 of the Revised Code.

(B) Any claim existing or action or proceeding pending by or against the association or which 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 1729.59 of the Revised Code.

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

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



as the directors see fit to grant; cause the title to any of the assets of the association to be conveyed to such liquidators for that purpose; apply assets to the payment of obligations; and, after paying or adequately providing for the payment of all known obligations of the association, distribute the remainder of the assets either in cash or in kind among the members, patrons, and stockholders according to their respective rights and interests. In addition, the directors may perform all other acts necessary or expedient to the winding up of the affairs of the association.

(E) The directors, or any liquidator to whom the directors grant such authority, in the course of winding up the association's affairs, shall apply the assets of the association in the following order:

(1) To expenses incidental to winding up the association's affairs;

(2) To all legally enforceable liabilities and obligations of the association due claimants and creditors;

(3) To the stockholders, members, and patrons of the association as provided in the association's articles of incorporation or bylaws.

(F) Without limiting the authority of the directors, any action within the purview of this section that is authorized or approved at a meeting of the members by sixty per cent of the member votes cast thereon shall be conclusive for all purposes upon all members, patrons, and stockholders of the association.

(G) All deeds and other instruments of the association shall be in the name of the association and shall be executed, acknowledged, and delivered by the officers appointed by the directors.

(H) At any time during the winding up of its affairs, the association by its directors may make application to the court of common pleas of the county in this state in which the principal place of business of the association is located to have the winding up continued under supervision of the court, as provided in section 1729.59 of the Revised Code. However, if the association has no principal place of business in this state, the application described in this division may be made to a court of common pleas in the county in this state where the statutory agent resides.