

501B.29 Winding up and termination.

Winding up and termination of an unincorporated nonprofit association shall proceed in accordance with all of the following rules:

1. All known debts and liabilities must be paid or adequately provided for.
2. Any property subject to a condition requiring return to the person designated by the donor must be transferred to that person.
3. Any property subject to a trust must be distributed in accordance with the trust agreement.
4. Any remaining property must be distributed as follows:
 - a. As required by law other than this chapter that requires assets of an association to be distributed to another person with similar nonprofit purposes.
 - b. In accordance with the association's governing principles or in the absence of applicable governing principles, to the members of the association per capita or as the members direct.
 - c. If neither paragraph "a" nor "b" applies, under chapter 556.

2010 Acts, ch 1112, §29, 33

Referred to in §501B.26, 501B.28, 501B.30