

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 COMMITTEE SUBSTITUTE  
4 FOR

5 SENATE BILL NO. 1085

6 By: Howard

7 COMMITTEE SUBSTITUTE

8 An Act relating to unincorporated nonprofit  
9 associations; creating the Uniform Unincorporated  
10 Nonprofit Association Act; providing short title;  
11 defining terms; clarifying applicability of act;  
12 clarifying laws applicable to certain associations;  
13 establishing characteristics and powers of  
14 unincorporated nonprofit associations; providing for  
15 ownership and transfer of property; defining term;  
16 establishing authority for interests in real  
17 property; establishing liability of certain  
18 associations; authorizing assertion and defense of  
19 claims by certain associations; clarifying effect of  
20 certain judgment or order; providing requirements for  
21 service of process; prohibiting abatement of certain  
22 proceedings upon change in membership; establishing  
23 proper venue for certain actions; prohibiting certain  
24 agency; requiring membership approval for certain  
actions; establishing voting requirements;  
authorizing governing principles to establish certain  
meeting requirements; clarifying duties of members;  
establishing requirements for admission, suspension,  
dismissal, or expulsion of members; providing for  
resignation of members; prohibiting transfer of  
membership interest; establishing requirements for  
selection of managers; clarifying rights of managers;  
establishing duties of managers; establishing  
procedural requirements for manager meetings;  
establishing requirements for member or manager  
access to certain information; prohibiting certain  
distributions; authorizing certain compensation,  
reimbursement, or benefits; authorizing distributions  
under certain circumstances; requiring reimbursement  
of certain expenses; authorizing certain

1 indemnification; authorizing advance payment or  
2 reimbursement under certain circumstances;  
3 authorizing purchase of insurance for specified  
4 purposes; establishing procedures for dissolution of  
5 certain associations; establishing procedures for  
6 winding up and termination of certain associations;  
7 establishing procedures for designation of registered  
8 agent; providing for transfers of certain property;  
9 defining terms; authorizing certain mergers;  
10 establishing requirements for certain mergers;  
11 clarifying when certain mergers become effective;  
12 prohibiting diversion of certain property by merging  
13 entity; construing provisions; clarifying application  
14 of Electronic Signatures in Global and National  
15 Commerce Act; clarifying applicability to certain  
16 actions; providing for codification; and providing an  
17 effective date.

18 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

19 SECTION 1. NEW LAW A new section of law to be codified  
20 in the Oklahoma Statutes as Section 2101 of Title 18, unless there  
21 is created a duplication in numbering, reads as follows:

22 This act shall be known and may be cited as the "Uniform  
23 Unincorporated Nonprofit Association Act".

24 SECTION 2. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 2102 of Title 18, unless there  
is created a duplication in numbering, reads as follows:

As used in this act:

1. "Established practices" means the practices used by an  
unincorporated nonprofit association without material change during

1 the most recent five (5) years of its existence, or if it has  
2 existed for less than five (5) years, during its entire existence;

3 2. "Governing principles" means the agreements, whether oral,  
4 in a record, or implied from established practices, or in any  
5 combination thereof, that govern the purpose or operation of an  
6 unincorporated nonprofit association and the rights and obligations  
7 of its members and managers. The term includes any amendment or  
8 restatement of the agreements constituting the governing principles;

9 3. "Manager" means a person that is responsible, alone or in  
10 concert with others, for the management of an unincorporated  
11 nonprofit association;

12 4. "Member" means a person that, under the governing  
13 principles, may participate in the selection of persons authorized  
14 to manage the affairs of the unincorporated nonprofit association or  
15 in the development of the policies and activities of the  
16 association;

17 5. "Person" means an individual, estate, business or nonprofit  
18 entity, government or governmental subdivision, agency,  
19 instrumentality, or other legal entity. The term includes a  
20 protected series;

21 6. "Protected series" means a series, protected series,  
22 protected cell, segregated account, or similar part of an entity's  
23 structure, however the part is denominated, established under law  
24 that limits, or limits if conditions specified under law are

1 satisfied, the liability of the part to a creditor of the entity or  
2 another part of the structure;

3 7. "Property" means all property, whether real, personal, or  
4 mixed or tangible or intangible, or any right or interest therein;

5 8. "Record", used as a noun, means information that is  
6 inscribed on a tangible medium or that is stored in an electronic or  
7 other medium and is retrievable in perceivable form;

8 9. "Sign" means, with present intent to authenticate or adopt a  
9 record:

10 a. to execute or adopt a tangible symbol, or

11 b. to attach to or logically associate with the record an  
12 electronic symbol, sound, or process;

13 10. "State" means a state of the United States, the District of  
14 Columbia, Puerto Rico, the United States Virgin Islands, or any  
15 territory or insular possession subject to the jurisdiction of the  
16 United States;

17 11. "Transfer" includes:

18 a. an assignment,

19 b. a conveyance,

20 c. a sale,

21 d. a lease,

22 e. an encumbrance, including a mortgage or security  
23 interest,

24 f. a gift, and

1 g. a transfer by operation of law; and

2 12. "Unincorporated nonprofit association" means an  
3 unincorporated organization consisting of two or more members joined  
4 under an agreement that is oral, in a record, or implied from  
5 conduct, for one or more common, nonprofit purposes. The term does  
6 not include:

7 a. a trust,

8 b. a marriage, domestic partnership, common law domestic  
9 relationship, civil union, or other domestic living  
10 arrangement,

11 c. an organization formed under any other statute that  
12 governs the organization and operation of  
13 unincorporated associations,

14 d. a joint tenancy, tenancy in common, or tenancy by the  
15 entirety even if the co-owners share use of the  
16 property for a nonprofit purpose, or

17 e. a relationship under an agreement in a record that  
18 expressly provides that the relationship between the  
19 parties does not create an unincorporated nonprofit  
20 association.

21 SECTION 3. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 2103 of Title 18, unless there  
23 is created a duplication in numbering, reads as follows:

1       A. A statute governing a specific type of unincorporated  
2 nonprofit association prevails over an inconsistent provision in  
3 this act, to the extent of the inconsistency.

4       B. This act supplements the law of this state that applies to  
5 nonprofit associations operating in this state. If a conflict  
6 exists, that law applies.

7       C. Unless displaced by particular provisions of this act, the  
8 principles of law and equity supplement this act.

9       SECTION 4.       NEW LAW       A new section of law to be codified  
10 in the Oklahoma Statutes as Section 2104 of Title 18, unless there  
11 is created a duplication in numbering, reads as follows:

12       A. Except as otherwise provided in subsection B of this  
13 section, the law of this state governs the operation in this state  
14 of an unincorporated nonprofit association formed or operating in  
15 this state.

16       B. Unless the governing principles specify a different  
17 jurisdiction, the law of the jurisdiction in which an unincorporated  
18 nonprofit association has its main place of activities governs the  
19 internal affairs of the association.

20       SECTION 5.       NEW LAW       A new section of law to be codified  
21 in the Oklahoma Statutes as Section 2105 of Title 18, unless there  
22 is created a duplication in numbering, reads as follows:

23       A. An unincorporated nonprofit association is an entity  
24 distinct from its members and managers.

1 B. An unincorporated nonprofit association has perpetual  
2 duration unless the governing principles specify otherwise.

3 C. An unincorporated nonprofit association has the same powers  
4 as an individual to do all things necessary or convenient to carry  
5 on its purposes.

6 D. An unincorporated nonprofit association may engage in  
7 profit-making activities but profits from any activities shall be  
8 used or set aside for the association's nonprofit purposes.

9 SECTION 6. NEW LAW A new section of law to be codified  
10 in the Oklahoma Statutes as Section 2106 of Title 18, unless there  
11 is created a duplication in numbering, reads as follows:

12 A. An unincorporated nonprofit association may acquire, hold,  
13 or transfer in its name an interest in property.

14 B. An unincorporated nonprofit association may be a beneficiary  
15 of a trust or contract, a legatee, or a devisee.

16 SECTION 7. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 2107 of Title 18, unless there  
18 is created a duplication in numbering, reads as follows:

19 A. As used in this section, "statement of authority" means a  
20 statement authorizing a person to transfer an interest in real  
21 property held in the name of an unincorporated nonprofit  
22 association.

23 B. An interest in real property held in the name of an  
24 unincorporated nonprofit association may be transferred by a person

1 authorized to do so in a statement of authority filed by the  
2 association in the office in the county in which a transfer of the  
3 property would be filed.

4 C. A statement of authority shall state:

5 1. The name of the unincorporated nonprofit association;

6 2. The address in this state, including the street address, if  
7 any, of the association or, if the association does not have an  
8 address in this state, its out-of-state address;

9 3. That the association is an unincorporated nonprofit  
10 association; and

11 4. The name, title, or position of a person authorized to  
12 transfer an interest in real property held in the name of the  
13 association.

14 D. A statement of authority shall be executed in the same  
15 manner as an affidavit by a person other than the person authorized  
16 in the statement to transfer the interest.

17 E. A filing officer may collect a fee for filing a statement of  
18 authority in the amount authorized for filing a transfer of real  
19 property.

20 F. A record amending, revoking, or canceling a statement of  
21 authority or stating that the statement is unauthorized or erroneous  
22 shall meet the requirements for executing and filing an original  
23 statement.

24



1 G. Unless canceled earlier, a filed statement of authority and  
2 its most recent amendment expire five (5) years after the date of  
3 the most recent filing.

4 H. If the record title to real property is in the name of an  
5 unincorporated nonprofit association and the statement of authority  
6 is filed in the office of the county in which a transfer of the  
7 property would be filed, the authority of the person named under  
8 paragraph 4 of subsection C of this section is conclusive in favor  
9 of a person that gives value without notice that the person lacks  
10 authority.

11 SECTION 8. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 2108 of Title 18, unless there  
13 is created a duplication in numbering, reads as follows:

14 A. A debt, obligation, or other liability of an unincorporated  
15 nonprofit association is solely the debt, obligation, or other  
16 liability of the association. A member or manager is not personally  
17 liable, directly or indirectly, by way of contribution or otherwise  
18 for a debt, obligation, or other liability of the association solely  
19 by reason of being or acting as a member or manager. The provisions  
20 of this subsection shall apply regardless of the dissolution of the  
21 association.

22 B. A person's status as a member or manager does not prevent or  
23 restrict law other than this act from imposing liability on the  
24 person or the association because of the person's conduct.

1 C. The failure of an unincorporated nonprofit association to  
2 observe formalities relating to the exercise of its powers or  
3 management of its activities and affairs shall not be a ground for  
4 imposing liability on a member or manager of the association for a  
5 debt, obligation, or other liability of the association.

6 SECTION 9. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 2109 of Title 18, unless there  
8 is created a duplication in numbering, reads as follows:

9 A. An unincorporated nonprofit association may sue or be sued  
10 in its own name.

11 B. A member or manager may assert a claim the member or manager  
12 has against the unincorporated nonprofit association. An  
13 association may assert a claim it has against a member or manager.

14 SECTION 10. NEW LAW A new section of law to be codified  
15 in the Oklahoma Statutes as Section 2110 of Title 18, unless there  
16 is created a duplication in numbering, reads as follows:

17 A judgment or order against an unincorporated nonprofit  
18 association is not by itself a judgment or order against a member or  
19 manager.

20 SECTION 11. NEW LAW A new section of law to be codified  
21 in the Oklahoma Statutes as Section 2111 of Title 18, unless there  
22 is created a duplication in numbering, reads as follows:

23 In an action or proceeding against an unincorporated nonprofit  
24 association, process may be served on an agent authorized by

1 designation to receive service of process, on a manager of the  
2 association, or in any other manner authorized by the laws of this  
3 state.

4 SECTION 12. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 2112 of Title 18, unless there  
6 is created a duplication in numbering, reads as follows:

7 An action or proceeding against an unincorporated nonprofit  
8 association does not abate merely because of a change in its members  
9 or managers.

10 SECTION 13. NEW LAW A new section of law to be codified  
11 in the Oklahoma Statutes as Section 2113 of Title 18, unless there  
12 is created a duplication in numbering, reads as follows:

13 Unless otherwise provided by law other than this act, venue of  
14 an action against an unincorporated nonprofit association brought in  
15 this state is determined under the statutes applicable to an action  
16 brought in this state against a nonprofit corporation.

17 SECTION 14. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 2114 of Title 18, unless there  
19 is created a duplication in numbering, reads as follows:

20 A member is not an agent of the association solely because of  
21 being a member.

22 SECTION 15. NEW LAW A new section of law to be codified  
23 in the Oklahoma Statutes as Section 2115 of Title 18, unless there  
24 is created a duplication in numbering, reads as follows:

1       A. Except as provided in the governing principles, an  
2 unincorporated nonprofit association shall have the approval of its  
3 members to:

- 4       1. Admit, suspend, dismiss, or expel a member;
- 5       2. Select or dismiss a manager;
- 6       3. Adopt, amend, or repeal the governing principles;
- 7       4. Sell, lease, exchange, or otherwise dispose of all, or  
8 substantially all, of the association's property, with or without  
9 the association's goodwill, outside the ordinary course of its  
10 activities;

11       5. Dissolve under paragraph 2 of subsection A of Section 27 of  
12 this act or merge under Section 31 of this act;

13       6. Undertake any other act outside the ordinary course of the  
14 association's activities; or

15       7. Determine the policy and purposes of the association.

16       B. An unincorporated nonprofit association shall have the  
17 approval of the members to do any other act or exercise a right that  
18 the governing principles require to be approved by members.

19       SECTION 16.       NEW LAW       A new section of law to be codified  
20 in the Oklahoma Statutes as Section 2116 of Title 18, unless there  
21 is created a duplication in numbering, reads as follows:

22       A. Unless the governing principles provide otherwise:  
23  
24

1 1. Approval of a matter by the members requires the affirmative  
2 vote of at least a majority of the votes cast at a meeting of  
3 members; and

4 2. Each member is entitled to one vote on each matter that is  
5 submitted for approval by the members.

6 B. The governing principles may provide for the:

7 1. Calling, location, and timing of member meetings;

8 2. Notice and quorum requirements for member meetings;

9 3. Conduct of member meetings;

10 4. Taking of action by the members by consent without a meeting  
11 or casting ballots; and

12 5. Participation by members in a member meeting by telephone or  
13 other means of electronic communication.

14 C. If the governing principles do not provide for a matter  
15 described in subsection B of this section, customary usages and  
16 principles of parliamentary law and procedure apply.

17 SECTION 17. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 2117 of Title 18, unless there  
19 is created a duplication in numbering, reads as follows:

20 A. A member does not have any fiduciary duty to an  
21 unincorporated nonprofit association or to another member solely  
22 because of being a member.

23 B. A member shall discharge the duties to the unincorporated  
24 nonprofit association and the other members and exercise any rights

1 under this act consistent with the governing principles and the  
2 contractual obligation of good faith and fair dealing.

3 SECTION 18. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 2118 of Title 18, unless there  
5 is created a duplication in numbering, reads as follows:

6 A. A person becomes a member and may be suspended, dismissed,  
7 or expelled in accordance with the governing principles of the  
8 unincorporated nonprofit association. If there are no applicable  
9 governing principles, a person may become a member or be suspended,  
10 dismissed, or expelled from an association only by a vote of its  
11 members. A person shall not be admitted as a member without the  
12 person's consent.

13 B. Unless the governing principles provide otherwise, the  
14 suspension, dismissal, or expulsion of a member does not relieve the  
15 member from any unpaid capital contributions, dues, assessments,  
16 fees, or other obligations incurred or commitment made by the member  
17 before the suspension, dismissal, or expulsion.

18 SECTION 19. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 2119 of Title 18, unless there  
20 is created a duplication in numbering, reads as follows:

21 A. A member may resign as a member in accordance with the  
22 governing principles. In the absence of applicable governing  
23 principles, a member may resign at any time.

24

1 B. Unless the governing principles provide otherwise,  
2 resignation of a member does not relieve the member from any unpaid  
3 capital contributions, dues, assessments, fees, or other obligations  
4 incurred or commitment made by the member before resignation.

5 SECTION 20. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 2120 of Title 18, unless there  
7 is created a duplication in numbering, reads as follows:

8 Except as otherwise provided in the governing principles, a  
9 member's interest or any right under the governing principles shall  
10 not be transferable.

11 SECTION 21. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 2121 of Title 18, unless there  
13 is created a duplication in numbering, reads as follows:

14 Except as otherwise provided in this act or the governing  
15 principles:

- 16 1. Only the members may select a manager or managers;
- 17 2. A manager may be a member or a nonmember;
- 18 3. If a manager is not selected, all members are managers;
- 19 4. Each manager has equal rights in the management and conduct  
20 of the activities of the unincorporated nonprofit association;
- 21 5. All matters relating to the association's activities are  
22 decided by its managers except for matters reserved for approval by  
23 members in Section 15 of this act; and

24

1       6. A difference among managers shall be decided by a majority  
2 of the managers.

3       SECTION 22.       NEW LAW       A new section of law to be codified  
4 in the Oklahoma Statutes as Section 2122 of Title 18, unless there  
5 is created a duplication in numbering, reads as follows:

6       A. A manager owes to the unincorporated nonprofit association  
7 and to its members the duties of loyalty and care.

8       B. A manager shall manage the unincorporated nonprofit  
9 association in good faith, in a manner the manager reasonably  
10 believes to be in the best interests of the association, and with  
11 such care, including reasonable inquiry, as a prudent person would  
12 reasonably exercise in a similar position and under similar  
13 circumstances. A manager may rely in good faith on any opinion,  
14 report, statement, or other information provided by another person  
15 that the manager reasonably believes is a competent and reliable  
16 source for the information.

17       C. After full disclosure of all material facts, a specific act  
18 or transaction that would otherwise violate the fiduciary duty of  
19 loyalty by a manager may be authorized or ratified by a majority of  
20 the members that are not interested directly or indirectly in the  
21 act or transaction.

22       D. A manager that makes a business judgment in good faith  
23 satisfies the duties specified in subsection A of this section if  
24 the manager:



1 1. Is not interested, directly or indirectly, in the subject of  
2 the business judgment and is otherwise able to exercise independent  
3 judgment;

4 2. Is informed with respect to the subject of the business  
5 judgment to the extent the manager reasonably believes to be  
6 appropriate under the circumstances; and

7 3. Believes that the business judgment is in the best interests  
8 of the unincorporated nonprofit association and in accordance with  
9 its purposes.

10 E. The governing principles in a record may limit or eliminate  
11 the liability of a manager to the unincorporated nonprofit  
12 association or its members for damages for any action taken, or for  
13 failure to take any action, as a manager, except liability for:

14 1. The amount of financial benefit improperly received by a  
15 manager;

16 2. An intentional infliction of harm on the association or one  
17 or more of its members;

18 3. An intentional violation of criminal law;

19 4. Breach of the fiduciary duty of loyalty; or

20 5. Improper distributions.

21 SECTION 23. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 2123 of Title 18, unless there  
23 is created a duplication in numbering, reads as follows:

24 A. The governing principles may provide for the:

- 1 1. Calling, location, and timing of manager meetings;
- 2 2. Notice and quorum requirements for manager meetings;
- 3 3. Conduct of manager meetings;
- 4 4. Taking of action by the managers by consent without a
- 5 meeting; and

6 5. Participation by managers in a manager meeting by telephone  
7 or other means of electronic communication.

8 B. If the governing principles do not provide for a matter  
9 described in subsection A of this section, customary usages and  
10 principles of parliamentary law and procedure shall apply.

11 SECTION 24. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 2124 of Title 18, unless there  
13 is created a duplication in numbering, reads as follows:

14 A. On reasonable notice, a member or manager of an  
15 unincorporated nonprofit association may inspect and copy during the  
16 association's regular operating hours, at a reasonable location  
17 specified by the association, any record maintained by the  
18 association regarding its activities, financial condition, and other  
19 circumstances, to the extent the information is material to the  
20 member's or manager's rights and duties under the governing  
21 principles.

22 B. An unincorporated nonprofit association may impose  
23 reasonable restrictions on access to and use of information to be  
24 furnished under this section, including designating the information

1 confidential and imposing obligations of nondisclosure and  
2 safeguarding on the recipient.

3 C. An unincorporated nonprofit association may charge a person  
4 who makes a demand under this section reasonable copying costs,  
5 limited to the costs of labor and materials.

6 D. A former member or manager is entitled to information to  
7 which the member or manager was entitled while a member or manager  
8 if the information pertains to the period during which the person  
9 was a member or manager, the former member or manager seeks the  
10 information in good faith, and the former member or manager  
11 satisfies the requirements of subsections A through C of this  
12 section.

13 SECTION 25. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 2125 of Title 18, unless there  
15 is created a duplication in numbering, reads as follows:

16 A. Except as provided in subsection B of this section, an  
17 unincorporated nonprofit association shall not pay dividends or make  
18 distributions to a member or manager.

19 B. An unincorporated nonprofit association may:

20 1. Pay reasonable compensation or reimburse reasonable expenses  
21 to a member or manager for services rendered;

22 2. Confer benefits on a member or manager in conformity with  
23 its nonprofit purposes;

24

1           3. Repurchase a membership and repay a capital contribution  
2 made by a member to the extent authorized by its governing  
3 principles; or

4           4. Make distributions of property to members upon winding up  
5 and termination to the extent permitted by Section 28 of this act.

6           SECTION 26.           NEW LAW           A new section of law to be codified  
7 in the Oklahoma Statutes as Section 2126 of Title 18, unless there  
8 is created a duplication in numbering, reads as follows:

9           A. Except as provided in the governing principles, an  
10 unincorporated nonprofit association shall reimburse a member or  
11 manager for authorized expenses reasonably incurred in the course of  
12 the member's or manager's activities on behalf of the association.

13           B. An unincorporated nonprofit association may indemnify a  
14 member or manager for any debt, obligation, or other liability  
15 incurred in the course of the member's or manager's activities on  
16 behalf of the association if the person seeking indemnification has  
17 complied with Sections 17 and 22 of this act. Governing principles  
18 in a record may broaden or limit indemnification.

19           C. If a person is made or threatened to be made a party in an  
20 action or proceeding based on that person's activities on behalf of  
21 an unincorporated nonprofit association and the person makes a  
22 request in a record to the association, a majority of the  
23 disinterested managers may approve in a record advance payment, or  
24 reimbursement, by the association, of all or a part of the

1 reasonable expenses, including attorney fees and costs, incurred by  
2 the person before the final disposition of the proceeding. To be  
3 entitled to an advance payment or reimbursement, the person shall  
4 state in a record that the person has a good faith belief that the  
5 criteria for indemnification in subsection B of this section have  
6 been satisfied and that the person will repay the amounts advanced  
7 or reimbursed if the criteria for payment have not been satisfied.  
8 The governing principles in a record may broaden or limit the  
9 advance payments or reimbursements.

10 D. An unincorporated nonprofit association may purchase and  
11 maintain insurance on behalf of a member or manager against  
12 liability asserted against or incurred by the member or manager in  
13 that capacity or arising from that status, whether or not the  
14 association has authority under this act to reimburse, indemnify, or  
15 advance expenses to the member or manager against the liability.

16 E. The rights of reimbursement, indemnification, and  
17 advancement of expenses under this section apply to a former member  
18 or manager for an activity undertaken on behalf of the  
19 unincorporated nonprofit association while a member or manager.

20 SECTION 27. NEW LAW A new section of law to be codified  
21 in the Oklahoma Statutes as Section 2127 of Title 18, unless there  
22 is created a duplication in numbering, reads as follows:

23 A. An unincorporated nonprofit association may be dissolved as  
24 follows:

1 1. If the governing principles provide a time or method for  
2 dissolution, at that time or by that method;

3 2. If the governing principles do not provide a time or method  
4 for dissolution, upon approval by the members;

5 3. If no member can be located and the association's operations  
6 have been discontinued for at least three (3) years, by the managers  
7 or, if the association has no current manager, by its last manager;

8 4. By court order; or

9 5. By law other than this act.

10 B. After dissolution, an unincorporated nonprofit association  
11 continues in existence until its activities have been wound up and  
12 it is terminated pursuant to Section 28 of this act.

13 SECTION 28. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 2128 of Title 18, unless there  
15 is created a duplication in numbering, reads as follows:

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

18 1. All known debts and liabilities shall be paid or adequately  
19 provided for;

20 2. Any property subject to a condition requiring return to the  
21 person designated by the donor shall be transferred to that person;

22 3. Any property subject to a trust shall be distributed in  
23 accordance with the trust agreement; and

24 4. Any remaining property shall be distributed as follows:

- 1           a.    as required by all applicable laws that require assets  
2                   of an association to be distributed to another person  
3                   with similar nonprofit purposes,  
4           b.    in accordance with the association's governing  
5                   principles or in the absence of applicable governing  
6                   principles, to the members of the association per  
7                   capita or as the members direct, or  
8           c.    if neither subparagraph a nor b applies, under the  
9                   Uniform Unclaimed Property Act, Section 651 et seq. of  
10                  Title 60 of the Oklahoma Statutes.

11           SECTION 29.       NEW LAW        A new section of law to be codified  
12 in the Oklahoma Statutes as Section 2129 of Title 18, unless there  
13 is created a duplication in numbering, reads as follows:

14           A.    An unincorporated nonprofit association may deliver to the  
15 Secretary of State for filing a statement designating an agent  
16 authorized to receive service of process.

17           B.    A statement designating a registered agent shall state:

- 18                1.   The name of the unincorporated nonprofit association; and  
19                2.   The name and street and mailing addresses in this state of  
20 the registered agent.

21           C.    A statement designating a registered agent shall be signed  
22 by a person authorized to manage the affairs of the unincorporated  
23 nonprofit association. The signing of the statement is an  
24 affirmation of fact that the person is authorized to manage the

1 affairs of the unincorporated nonprofit association and that the  
2 agent has consented to serve.

3 D. An amendment to or cancellation of a statement designating a  
4 registered agent shall meet the requirements for signing an original  
5 statement. An agent may resign by delivering a resignation to the  
6 Office of the Secretary of State for filing and by giving notice to  
7 the unincorporated nonprofit association at the address most  
8 recently provided to the agent by the association.

9 E. The Secretary of State may collect a fee for filing a  
10 statement designating a registered agent, an amendment, a  
11 cancellation, or a resignation in the amount charged for filing  
12 similar documents.

13 F. A statement designating a registered agent shall take effect  
14 upon filing with the Secretary of State and shall be effective for  
15 five (5) years after the date of filing unless canceled or  
16 terminated earlier.

17 G. A statement designating a registered agent may not be  
18 rejected for filing because the name of the unincorporated nonprofit  
19 association signing the statement is not distinguishable on the  
20 records of the Secretary of State from the name of another entity  
21 appearing in such records. The filing of such a statement shall not  
22 make the name of the association signing the statement unavailable  
23 for use by another entity.

24



1 H. The only duty under this act of a registered agent is to  
2 forward to the unincorporated nonprofit association at the address  
3 most recently provided to the agent by the association any process,  
4 notice, or demand pertaining to the association which is served on  
5 or received by the agent.

6 SECTION 30. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 2130 of Title 18, unless there  
8 is created a duplication in numbering, reads as follows:

9 All transfers of an interest in property to an unincorporated  
10 nonprofit association shall vest the interest in the association,  
11 unless the parties to the transfer have treated the transfer as  
12 ineffective.

13 SECTION 31. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 2131 of Title 18, unless there  
15 is created a duplication in numbering, reads as follows:

16 A. As used in this section:

17 1. "Entity":

18 a. means a person that has:

19 (1) a legal existence separate from any person that  
20 has a right to vote or consent with respect to  
21 any of the entity's internal affairs, or

22 (2) the power to acquire an interest in real property  
23 in its own name, and

24 b. does not include:

- 1 (1) an individual,
- 2 (2) a trust with a predominantly donative purpose or
- 3 a charitable trust,
- 4 (3) an association or relationship that is not
- 5 described in subparagraph a of this paragraph and
- 6 is not a partnership solely by reason of
- 7 subsection (c) of Section 1-202 of Title 54 of
- 8 the Oklahoma Statutes,
- 9 (4) a decedent's estate,
- 10 (5) a protected series, or
- 11 (6) a government or a governmental subdivision,
- 12 agency, or instrumentality;

13 2. "Merger" means a transaction authorized by:

- 14 a. the provisions of this section, or
- 15 b. a similar law of one or more other jurisdictions,
- 16 however the transaction is denominated, under which at
- 17 least two entities are combined into one of the
- 18 entities or a newly created entity when any records
- 19 delivered to the Secretary of State and similar
- 20 offices in the other jurisdiction or jurisdictions
- 21 become effective;

22 3. "Merging entity" means an entity that is a party to a merger  
23 and exists immediately before the merger becomes effective;

24

1           4. "Organic law" means the law of this state or another  
2 jurisdiction that principally governs the internal affairs of an  
3 entity;

4           5. "Organic rules" means the public organic record and private  
5 organic rules of an entity;

6           6. "Private organic rules" means the rules, whether or not in a  
7 record, that govern the internal affairs of an entity, are binding  
8 on all its equity owners or persons with the right to vote or  
9 consent with respect to any of its internal affairs, and are not  
10 part of its public organic record, if any;

11           7. "Public organic record" means the record the filing of which  
12 by the Secretary of State forms an entity and any amendment to or  
13 restatement of that record; and

14           8. "Surviving entity" means the entity that continues in  
15 existence after or is created by a merger.

16           B. An unincorporated nonprofit association may be a merging  
17 entity or surviving entity in a merger with any entity that is  
18 authorized by law to merge with an unincorporated nonprofit  
19 association.

20           C. A merger involving an unincorporated nonprofit association  
21 is subject to the following rules:

22           1. Each constituent entity shall comply with its organic law;  
23  
24

1        2. Each party to the merger shall approve a plan of merger.  
2 The plan, which shall be in a record, shall include the following  
3 provisions:  
4            a. the name and form of each entity that is a party to  
5                the merger,  
6            b. the name and form of the surviving entity and whether  
7                the surviving entity is to be created by the merger,  
8            c. if the surviving entity is to be created by the  
9                merger, the surviving entity's organic rules that are  
10                proposed to be in a record,  
11            d. if the surviving entity is not to be created by the  
12                merger, any amendments to be made by the merger to the  
13                surviving entity's organic rules that are, or are  
14                proposed to be, in a record, and  
15            e. the terms and conditions of the merger, including the  
16                manner and basis for converting the interests in each  
17                merging entity into any combination of money,  
18                interests in the surviving entity, and other  
19                consideration except that the plan of merger may not  
20                permit members of an unincorporated nonprofit  
21                association to receive merger consideration if a  
22                distribution of such consideration would not be  
23                permitted in the absence of a merger under Sections 25  
24                and 28 of this act;

1           3. The plan of merger shall be approved by the members of each  
2 unincorporated nonprofit association that is a merging entity. If a  
3 plan of merger would impose personal liability for an obligation of  
4 an entity on a member of an association that is a merging entity,  
5 the plan may not take effect unless the association has received a  
6 record acknowledging acceptance of the liability by the member if  
7 the member has not affirmatively voted for or consented to the  
8 merger;

9           4. Subject to the contractual rights of third parties, after a  
10 plan of merger is approved and at any time before the merger is  
11 effective, a merging entity may amend the plan or abandon the plan  
12 as provided in the plan, or except as otherwise prohibited in the  
13 plan, with the same consent as was required to approve the plan; and

14           5. Following approval of the plan, a merger under this section  
15 is effective:

16           a. if a merging entity is required to give notice to or  
17 obtain the approval of a governmental agency or  
18 officer in order to be a party to a merger, when the  
19 notice has been given and the approval has been  
20 obtained, and

21           b. if the surviving entity:

22           (1) is an unincorporated nonprofit association, as  
23 specified in the plan of merger and upon  
24 compliance by any merging entity that is not an

1 association with any requirements, including any  
2 required filings in the Office of the Secretary  
3 of State, of the entity's organic law, or

4 (2) is not an unincorporated nonprofit association,  
5 as provided by the organic law of the surviving  
6 entity.

7 D. When a merger becomes effective:

8 1. The surviving entity continues or comes into existence;

9 2. Each merging entity that is not the surviving entity ceases  
10 to exist;

11 3. All property of each merging entity vests in the surviving  
12 entity without transfer, reversion, or impairment;

13 4. All debts, obligations, or other liabilities of each merging  
14 entity continue as debts, obligations, or other liabilities of the  
15 surviving entity;

16 5. The name of the surviving entity may be substituted for the  
17 name of any merging entity that is a party to any pending action or  
18 proceeding;

19 6. Except as provided by law other than this act, all the  
20 rights, privileges, immunities, powers, and purposes of each merging  
21 entity vest in the surviving entity;

22 7. Except as provided in the plan of merger, the terms and  
23 conditions of the plan of merger take effect;

24

1       8. The merger does not affect the personal liability, if any,  
2 of a member or manager of a merging entity for a debt, obligation,  
3 or other liability incurred before the merger is effective; and

4       9. A surviving entity that is not organized in this state is  
5 subject to the jurisdiction of the courts of this state to enforce  
6 any debt, obligation, or other liability owed by a merging entity,  
7 if before the merger the merging entity was subject to suit in this  
8 state for the debt, obligation, or other liability.

9       E. Property by a merging entity for a charitable purpose under  
10 the law of this state, whether in trust or otherwise, immediately  
11 before a merger under this section becomes effective may not, as a  
12 result of the merger, be diverted from the objects for which it was  
13 donated, granted, or devised or otherwise transferred, except in  
14 compliance with the law of this state concerning cy pres doctrine or  
15 other law dealing with nondiversion of charitable assets.

16       F. Subject to the express terms of a will or other instrument  
17 of donation, subscription, or conveyance, a bequest, devise, gift,  
18 grant, or promise contained in the will or other instrument made  
19 before, simultaneously with, or after a transaction under this  
20 section, to or for a charitable corporation or unincorporated entity  
21 that has a charitable purpose and is not the surviving entity in the  
22 merger, inures to the surviving entity if it is a charitable  
23 corporation or unincorporated entity that has a charitable purpose.

24

1 G. A trust obligation that would govern property if transferred  
2 to the nonsurviving entity applies to property that is transferred  
3 to the surviving entity under this section.

4 H. A reference in this section to an entity or type of entity  
5 includes an entity whose internal affairs are governed by the law of  
6 this state or another jurisdiction.

7 I. A term used in the law of a foreign jurisdiction applicable  
8 to a transaction that has a meaning comparable to the meaning of a  
9 different term used in this section to refer to a party to or a  
10 record or other matter relating to a merger shall be treated as  
11 referring to the term used in this section.

12 SECTION 32. NEW LAW A new section of law to be codified  
13 in the Oklahoma Statutes as Section 2132 of Title 18, unless there  
14 is created a duplication in numbering, reads as follows:

15 In applying and construing this uniform act, consideration shall  
16 be given to the need to promote uniformity of the law with respect  
17 to its subject matter among states that enact it.

18 SECTION 33. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 2133 of Title 18, unless there  
20 is created a duplication in numbering, reads as follows:

21 This act modifies, limits, and supersedes the Electronic  
22 Signatures in Global and National Commerce Act, 15 U.S.C., Section  
23 7001 et seq., but does not modify, limit, or supersede Section  
24 101(c) of that act, 15 U.S.C., Section 7001(c), or authorize



1 electronic delivery of any of the notices described in Section  
2 103(b) of that act, 15 U.S.C., Section 7003(b).

3 SECTION 34. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 2134 of Title 18, unless there  
5 is created a duplication in numbering, reads as follows:

6 This act shall not affect an action commenced, proceeding  
7 brought, or right accrued before the effective date of this act.

8 SECTION 35. This act shall become effective November 1, 2025.

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