

Chapter 61

1955 REPLACEMENT PART

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GENERAL PROVISIONS RELATING TO ORGANIZATION, OPERATION AND DISSOLUTION

61.010 Creation; purposes. Corporations may be created under ORS 61.010 to 61.130 for any lawful purpose so long as they do not engage in any form of trade or commerce, or carry on any activity which will result in a remunerative profit to them or any of their members.

61.020 Articles of incorporation; filing; fee; disposition. To form a corporation under ORS 61.010 to 61.130 three or more individuals copartnerships or corporations shall make and subscribe written articles of incorporation, in triplicate, and acknowledge them before some officer authorized to take the acknowledgment of deeds. One copy, accompanied by a filing fee of \$5, shall be filed in the office of the Corporation Commissioner. Another copy shall be filed and recorded in the clerk's office of the county where the corporation is to be located. The third is to be retained in the possession of the corporation. If it is intended to incorporate a voluntary association already in existence, then three or more of the officers, trustees or directors of such voluntary association, who have been chosen, elected or appointed in accordance with the usages and regulations of the association, shall make and subscribe the articles of incorporation as provided in this section.

61.030 Articles, or certified copy thereof, as evidence of corporate existence. The articles of incorporation, or a certified copy of the one filed in the office of the Corporation Commissioner or the county clerk, shall be evidence of the existence of the corporation.

61.040 Contents of articles. The articles of incorporation shall specify:

- (1) The name of the corporation by which it is to be known, and its duration, if limited.
- (2) The object, business or pursuit of the corporation.
- (3) The estimated value of property and money possessed by the corporation at the time of making the articles of incorporation, and the sources of income.
- (4) The names and official titles and the postoffice addresses of the persons executing the articles, and a statement showing the nature of the board of trustees or

directors, officers or other governing body which is to exercise the powers of the corporation, and the mode and times of election of the governing body.

(5) The address of the principal office of the corporation.

61.050 Use of similar names unlawful; use of word "cooperative" prohibited. It shall be unlawful for any corporation organized under the provisions of ORS 61.010 to 61.130 to use any name which resembles or is similar to that of any other corporation organized under such provisions or under the provisions relating to corporations for profit. The use of the word "cooperative" in the name of any corporation organized under the provisions of ORS 61.010 to 61.130 is expressly prohibited.

61.060 Persons deemed body corporate; powers. (1) Upon the making and filing of articles of incorporation as provided in ORS 61.010 to 61.130, the persons subscribing them, and their successors in office, by the names assumed in the articles, shall be deemed a body corporate. However, if the articles provide for a governing body other than such persons or their successors, then upon the election of the governing body, the persons constituting it and their successors elected from time to time shall be deemed the body corporate.

(2) The corporators and such body corporate shall have power:

- (a) To sue and be sued.
- (b) To contract and be contracted with.
- (c) To have and use a corporate seal and to change it at pleasure.
- (d) To purchase, receive, possess and dispose of such real and personal property as may be necessary or convenient to carry out the object of the corporation.
- (e) To make bylaws, not inconsistent with any existing law, for the government of its affairs and the management of its property.

61.070 Exercise of powers; capital stock prohibited; members voting rights and eligibility to hold office. The powers vested in a corporation organized under ORS 61.010 to 61.130 shall be exercised by the corporators and their successors in office. However, the vested powers may be exercised by a majority of the corporators or successors. Any one of the corporators or successors may verify any pleading made by the corporation and required by law to be

verified. Such corporations shall not have capital stock but they shall have power to classify their members according to their respective periodic contributions of fees or dues, or otherwise, and to prescribe the voting rights and eligibility to hold office of the several classes of members.

61.075 Principal place of business or offices may be outside Oregon; change of principal place of business to outside Oregon; holding meetings outside Oregon. Any corporation incorporated under, or governed by, ORS 61.010 to 61.130 may establish one or more offices or its principal place of business in any of the several states, the United States and its dependencies, or in any foreign country, and may, by the filing of supplementary articles in the manner prescribed by ORS 61.080, change its principal place of business from this state to any such place. The meetings of the members of a corporation incorporated under, or governed by, ORS 61.010 to 61.130, or of its directors, trustees or other governing body, may be held without the state. [1955 c.200 §4]

61.080 Meetings for considering supplementary articles or dissolution; notice of meetings required; filing with Commissioner; fee. (1) Three or more officers, trustees or directors of any corporation formed under ORS 61.010 to 61.130 may execute and file supplementary articles in the office of the Corporation Commissioner, at any time when two-thirds of the members present at any regular or special meeting called for the purpose so determine, for making any change whatsoever in the original articles or amending them in any respect, but not so as to take the corporation out of the nonprofit class as provided in ORS 61.010. In the event a special meeting is called, the officers, trustees or directors shall first cause to be published a notice of the time and place of holding the meeting and its object in some daily or weekly newspaper of general circulation in the county where the corporation is located. It shall be the duty of the secretary of the corporation to deposit in the postoffice, not less than 10 days prior to the time fixed for the special meeting, written or printed notices directed to each member at his last known postoffice address, stating the time and place of the special meeting and its object.

(2) Corporations formed under ORS 61.010 to 61.130, by a vote of three-fourths

of the members present at any such general or special meeting called for the purpose, may authorize the dissolution of the corporation and provide for the settling of its business and disposing of its property. Notice of a special meeting for the purpose of voting upon the dissolution shall be given in like manner as the notice specified in subsection (1). Notice of dissolution shall be certified by the secretary or clerk of the corporation to the Corporation Commissioner under oath and over the seal of the corporation, if it has a seal, with a full copy of the resolution authorizing the dissolution and with a statement that the resolution was adopted at a meeting called as provided in this section. The assets of the corporation shall be divided in accordance with the interest of each member in the proportion of his contribution to the assets of the corporation.

(3) At the time of filing supplementary articles or notice of dissolution, a fee of \$5 shall accompany the supplementary articles or the notice.

61.085 Amendment of articles of corporation formed to provide medical or hospital service to employees of certain common carriers. Any corporation formed under ORS 61.010 to 61.130 for the purpose of providing medical or hospital service to the employees, active or retired, of any common carrier engaged in interstate commerce may at any time amend its articles of incorporation in any respect, but not so as to take the corporation out of the nonprofit class described in ORS 61.010, in the manner provided either in ORS 61.080 or in this section. When authorized by vote of not less than three-fourths of the members of the board of directors or other governing body of any such corporation, any two or more officers, trustees or directors of the corporation may execute in triplicate supplementary articles of incorporation setting forth in full each of the proposed amendments and file one triplicate original in the office of the Corporation Commissioner and another in the office of the county clerk of the county in which the principal office of the corporation is located. Upon such filing of the supplementary articles and payment of the fee provided for in subsection (3) of ORS 61.080, such amendments shall become effective and binding upon the corporation and all of its members. [1955 c.319 §1]

61.090 Designation of attorney for service of process; service upon commissioner; time to answer. Every corporation governed by ORS 61.010 to 61.130 shall file with the Corporation Commissioner a power of attorney designating and appointing someone who is a citizen and resident of the State of Oregon attorney in fact for the purpose of receiving and accepting service of any summonses, writs or process issued out of any of the courts of the State of Oregon or out of the United States courts therein. A form for the power of attorney shall be furnished upon request by the Corporation Commissioner, and the address of the designated attorney in fact shall be included therein. If the designated agent or attorney in fact removes from the state or the corporation fails continuously to maintain an attorney in fact, or after due diligence the agent or attorney in fact is not found within the state, and when either of these facts appears by the certificate of the sheriff of the county wherein the agent or attorney in fact last resided according to the records in the office of the Corporation Commissioner, then service of the summonses, process, pleadings and papers in the actions or suits may be made upon the Corporation Commissioner. The Corporation Commissioner shall immediately notify the president or secretary or a trustee or director of the corporation of such service and forward a copy of the writ, process, summons or other papers served on him, by mail with postage prepaid, and directed to the officer, trustee or director at his last known postoffice address as shown by the records in the office of the Corporation Commissioner, whereupon the corporation shall have 30 days from the date of such service within which to appear and answer.

61.100 Dissolution for failure to file power of attorney. If any corporation governed by the provisions of ORS 61.010 to 61.130 fails to file a power of attorney as provided in ORS 61.090, it shall be dissolved in the manner provided in this section; and all powers conferred by law upon it shall thereupon become inoperative and void. On or before the first Monday in January in each year the Corporation Commissioner shall report to the Governor a list of all corporations which for two years or more next preceding the report have so failed to furnish the executed power of attorney after demand therefor has been made by letter

upon the corporations by the commissioner. The Governor shall forthwith issue his proclamation declaring such corporations dissolved and their articles of incorporation revoked. The proclamation shall be filed in the office of the Corporation Commissioner who shall indorse on the articles of incorporation of each such corporation that it has been dissolved and its articles revoked.

61.110 Continuance of dissolved corporation; reinstatement. Any corporation that is dissolved under ORS 61.100 shall continue to exist as a body corporate for five years from the date of the dissolution for the purposes of liquidation and the enforcement against it and its assets of all rights of suit or action, but for no other purpose. The corporation may at any time be reinstated upon the payment of \$5 to the Corporation Commissioner and upon tendering a properly executed power of attorney. Reinstatement shall be made by order of the Governor on approval of the Attorney General.

61.120 Application of ORS 61.010 to 61.130 to corporations organized before June 14, 1941. Any corporation formed before June 14, 1941, under any law of this state, the objects of which are clearly of a nonprofit character, may avail itself of the privileges and incur the liabilities prescribed by ORS 61.010 to 61.130 upon a majority vote of all the members to reorganize under such sections. The result of such vote is to be evidenced by a certificate executed by the president and secretary under the seal of the corporation, if it has a seal, and filed in the office of the Corporation Commissioner. Upon the filing of the certificate the corporation shall be endowed with all the privileges and affected by all the liabilities prescribed by ORS 61.010 to 61.130, but the time of its existence fixed by its articles shall not be enlarged by such action. Any nonprofit corporation created before June 14, 1941, under any law of this state which did not file a power of attorney, as provided in ORS 61.090, by December 31, 1945, shall be deemed to be dissolved and its rights, powers and privileges automatically revoked. Such corporation may be reinstated at any time as provided in ORS 61.110.

61.130 Validation of corporations organized under repealed sections. All corporations which before June 14, 1941, were organized under sections 77-401, 77-402, 77-

403, 77-404, 77-405, 77-406, 77-407 and 77-408, O. C. L. A., including telephone, power, water companies and cooperative associations, and each and every group of incorporators, or their successors, which before June 14, 1941, attempted to incorporate under such sections by filing thereunder articles of incorporation with the Secretary of State or the Corporation Commissioner, hereby are declared to be lawfully existing corporations with such powers, privileges and limitations as may have been granted to or imposed upon them by their charters and the provisions of such sections. Such corporations and attempted corporations are hereby confirmed and ratified as of the dates upon which their respective articles were filed with the Secretary of State or Corporation Commissioner, and the repeal of such sections by section 14, chapter 462, Oregon Laws 1941, shall in no manner affect the validity or continued existence of such corporations.

61.140 Dissolution of nonprofit corporations and crematory and cemetery associations. Any religious, charitable or educational corporation organized under the laws of the State of Oregon pertaining to corporations of that class, or crematory or cemetery association, may at any meeting of its members called for the purpose, by vote of three-fourths of the members present, authorize its dissolution and provide for the settling of its business and disposing of its property. The officers or trustees shall first cause to be published a notice of the time and place of holding the special meeting and its object, in one issue of some daily or weekly newspaper of general circulation within the county where the corporation is located; and it shall be the duty of the secretary or clerk of the corporation to deposit in the postoffice, not less than 10 days prior to the time fixed for the special meeting, written or printed notices directed to each member at his last known postoffice address, stating the time and place of the special meeting and its object. Notice of such dissolution shall be certified by the secretary or clerk of the corporation or association to the Corporation Commissioner under oath and over the seal of the corporation, if it has a seal, with a full copy of the resolution authorizing the dissolution and with a statement that it was adopted at a meeting called as provided in this section. Proof of the notice of the meeting shall also be filed

by the secretary or clerk, verified by his oath and accompanied by a fee of \$5. After the filing of the proof of dissolution it shall be unlawful for the corporation to engage in any business except that necessarily incidental to the settling of its business or disposing of its property or dividing its capital. The assets of the corporation shall be apportioned according to the articles of incorporation or the bylaws and in event of conflict then by the bylaws. In event no provision for dissolution is made in either the articles of incorporation or bylaws, the division shall be made in accordance with the interest of each member according to his contribution to the assets of the corporation.

61.150 Merger or consolidation of nonprofit corporations and corporations without capital stock. Nonprofit corporations and corporations without capital stock may merge or consolidate in the manner and with the effect provided in ORS 57.455 to 57.490. [1953 c.549 §141]

61.160 Merger or consolidation of nonprofit corporations and corporations without capital stock. (1) Nonprofit corporations and corporations without capital stock may merge or consolidate in the manner and with the effect provided in chapter 366, Oregon Laws 1943. In that Act the words "stockholders" and "shareholders" include "members" and the words "stock" and "shares" include "membership."

(2) Mergers or consolidations of nonprofit corporations or corporations without capital stock effected under chapter 366, Oregon Laws 1943, prior to July 21, 1953, shall not be invalidated on the ground that that Act did not apply to such corporations. [1953 c.680 §§1, 2]

61.170 to 61.200 [Reserved for expansion]

TRANSACTION OF BUSINESS BY FOREIGN ORGANIZATIONS

61.210 Conditions to transaction of business by foreign organizations; declaration and certificates. Every foreign corporation or association formed for religious, benevolent, literary, educational, scientific, fine art, musical, sculptural, engraving, architectural or charitable purposes and not for gain and not transacting business in the State of Oregon before May 20, 1911, shall before transacting business in this state file

with the Corporation Commissioner a written declaration of its desire and purpose to engage in business within this state. The declaration must also set forth a full name under which it proposes to transact business, the name of the state or country under whose laws it was organized, the location of its home office, the date of its formation or incorporation, the nature of the pursuit, business or occupation in which it is authorized to engage, the location of its principal office within this state, the name of its attorney in fact who shall be constituted and appointed in accordance with ORS 61.220, and the names and addresses of its principal officers and of its directors or trustees. The declaration shall be accompanied by a certified copy of the charter or articles of incorporation of the foreign corporation or association, certified to by the legal keeper of the original, together with a certificate of the Secretary of State of a state or territory of the United States, or of a United States ambassador, minister, consul-general, vice-consul, or charge d'affaires in a foreign country under whose jurisdiction it was formed, that the certifying officer has the requisite official knowledge as to whether the charter or articles of incorporation are of a genuine, valid and subsisting character, and that the copy is duly certified by the officer having the legal custody of the original. Upon presentation of the declaration and certificates to the Corporation Commissioner, the person presenting them shall pay to the commissioner \$5 for filing them. The commissioner shall thereupon, if he finds them satisfactory in substance and form, cause the declaration to be filed in the same manner as articles of incorporation of domestic corporations are filed in his office, and the documentary evidence accompanying the declaration shall be filed and suitably entered in his office. Upon compliance with the foregoing requirements, the commissioner shall issue to the organization a certificate setting forth, in substance, that such corporation or association has filed the declaration required in this section, the date of filing, and a recital of the other facts stated in the declaration, together with the fact that it has furnished to the commissioner satisfactory evidence of its legal existence and of its authority under the law of its domicile to engage in the occupation, business or pursuit stated in the declaration, and which shall be specified in the certificate. Such certificate shall be

prima facie evidence of the legal existence of the foreign corporation or association, and of its right to begin the transaction of the business specified within the State of Oregon, whether the same is questioned in any court of justice in this state or before any commission, board, officer, magistrate or inferior tribunal.

61.220 Attorney to accept service of process; service on Corporation Commissioner.

(1) Every foreign corporation or association specified in ORS 61.210, before transacting business within this state, shall execute and acknowledge a power of attorney and cause it to be recorded in the office of the Corporation Commissioner. The power of attorney is irrevocable, except by the substitution of another qualified person for the one mentioned as attorney in fact. The power of attorney shall appoint some person, who is a citizen of the United States and a citizen and resident of this state, as attorney in fact for the foreign corporation or association. The appointment shall authorize and empower the attorney to accept service of all writs, process and summonses requisite or necessary to give complete jurisdiction of the foreign corporation or association to any of the courts of this state or United States courts in this state, and shall constitute the attorney the authorized agent of the foreign corporation or association upon whom lawful and valid service may be made of all writs, process and summonses in any action, suit or proceeding commenced by or against the foreign corporation or association in any court mentioned in this section, in cases where such service is necessary to give such court complete jurisdiction. The foreign corporation or association shall maintain at all times within this state some qualified person as its attorney in fact, as provided in this section, and in default thereof, the foreign corporation or association shall not be entitled to transact any business within this state or maintain any suit, action or proceeding in its courts.

(2) If any attorney of any foreign corporation or association, appointed under the provisions of this section removes from this state or is disqualified in any manner from accepting service of any writ, process or summons, or if the foreign corporation or association authorized to transact business in this state, at any time fails to maintain within this state an attorney in fact, or if it transacts any business in this state without being authorized as provided by this sec-

tion, valid service may be made on the foreign corporation or association by service on the Corporation Commissioner. In such case the commissioner shall immediately notify the foreign corporation or association, including a copy of the writ, process, summons or other papers served on him, by mail, postage paid, to it, at its principal office or place of business as disclosed in the last declaration, or authorization and appointment of any attorney in fact filed by it with the commissioner. If the foreign corporation or association has transacted business in this state without being authorized as provided by this section, the commissioner shall immediately notify the foreign corporation or association, including a copy of the writ, process, summons or other papers served on him, by mail, postage paid, to it, at its principal office or place of business as disclosed in the writ, process, summons or other papers so served on the commissioner. In case of service on the commissioner no proceedings shall be had, unless the foreign corporation or association appears or consents thereto, until 40 days after the service on the Corporation Commissioner. [Amended by 1955 c.199 §1]

61.230 Effect of failure to file declaration and power of attorney or to pay fee. If any foreign corporation or association formed for any of the purposes specified in ORS 61.210 and not transacting business in the State of Oregon before May 20, 1911, fails to file the declaration and power of attorney or to pay the fee as provided in ORS 61.210 and 61.220, it shall not be permitted to maintain any suit, action or proceeding in any court in this state until the declaration and power of attorney have been filed and the fee paid.

61.240 to 61.300 [Reserved for expansion]

DENOMINATIONAL UNIVERSITIES AND COLLEGES

61.310 Acceptance of ORS 61.310 to 61.360 by incorporated university or college. The board of trustees of any university or college incorporated before May 23, 1885, and now under the patronage of one or more conferences, or other religious bodies of any religious denomination, may accept the provisions of ORS 61.310 to 61.360 by resolution adopted at any regular meeting of the board by a vote of two-thirds of all the

members of the board of trustees and entered upon the records of its proceedings. After such acceptance, the board shall in all respects be organized, constituted, regulated and perpetuated pursuant to and under such provisions; but no right acquired by any such board or any such university or college under its charter or any law of this state shall be invalidated or affected by such provisions.

61.320 Election of trustees by board; president as trustee ex officio. (1) The board of trustees shall elect, by ballot, at its regular annual meeting at which the provisions of ORS 61.310 to 61.360 are first adopted, nine trustees. Three shall be elected for the term of three years, three for the term of two years, and three for the term of one year; and at each annual meeting thereafter, perpetually, the board shall elect three trustees for the term of three years.

(2) The president of the university or college accepting the provisions of ORS 61.310 to 61.360 shall be a trustee ex officio.

61.330 Election of trustees by conferences or religious bodies. (1) The patronizing conference, or other patronizing religious body, within whose territorial bounds the university or college is located, shall have the right, at the first election under ORS 61.310 to 61.360, to elect 12 trustees: Four for the term of three years, four for the term of two years, and four for the term of one year, and four each year thereafter, perpetually, for the term of three years.

(2) Each additional patronizing conference, or other patronizing religious body, shall have the right to elect not more than one-half the number of trustees authorized to be elected in subsection (1) of this section, and for the same terms of office.

61.340 Election of trustees by alumni. The alumni of the university or college, who have been graduates three years, shall have the right to elect three trustees at the first election under ORS 61.310 to 61.360: One for the term of three years, one for the term of two years, and one for the term of one year, and each year thereafter, perpetually, one trustee for the term of three years. However, the board of trustees shall determine the day, the number necessary to constitute a quorum, and make additional regulations relative to this election.

61.350 Filling vacancies in board of trustees. Vacancies in the board of trustees,

caused by death, resignation or otherwise, may be filled for the unexpired term.

61.360 Power of trustees as to patronizing conferences or religious bodies. The board of trustees shall have power to determine the conditions and requirements by which a conference or other religious body is constituted a patronizing conference or other patronizing religious body, providing that each of the patronizing conferences or other patronizing religious bodies shall be of the same denomination as the original patronizing conference or other religious body; and provided further, that no patronizing conference or other patronizing religious body shall be discontinued as such, except at its own request, so long as it continues to exercise its right of electing trustees.

61.370 to 61.400 [Reserved for expansion]

CHURCH CORPORATIONS

61.410 Church corporations may deal with property. Corporations may be formed for acquiring, holding and disposing of church property for the benefit of religion, for works of charity and for public worship, in the manner provided in ORS 61.410 to 61.460.

61.420 Incorporators to file articles of incorporation; articles to be evidence of incorporation. (1) One or more of the principal officers, trustees or clergy of any church, duly chosen, elected or appointed in accordance with the usages and regulations of the church and authorized to act for it, and in whom is vested the legal title of the church property, may make and subscribe written articles of incorporation, in triplicate. They may acknowledge them before some officer authorized to take the acknowledgment of deeds, and file one copy of the articles, accompanied by a filing fee equal to the one specified in ORS 61.020, in the office of the Corporation Commissioner, file and have another recorded in the office of the county clerk where the church is located, and retain possession of the other.

(2) The articles of incorporation, or a certified copy of the one filed in the office of the Corporation Commissioner, or filed and recorded in the office of the county clerk, shall be evidence of the existence of the corporation. [Amended by 1955 c.197 §1]

61.430 Contents of articles. The articles of incorporation shall specify:

- (1) The name assumed by the corporation and by which it shall be known.
- (2) The object of the corporation.
- (3) The estimated value of church property and money at the time of making articles of incorporation.
- (4) The title of the person or persons making the articles, and the manner and time in which successor or successors are elected, chosen or appointed.

61.440 Persons constituting body corporate; power to deal with properties. Upon the making and filing for record articles of incorporation as provided in ORS 61.420, the person or persons subscribing them, and his or their successor or successors in office, by the name or title specified in the articles, shall thereafter be deemed a body corporate, with continual perpetual succession, and shall have power to acquire and possess by donation, gift or purchase, and to retain and enjoy, property, real, personal and mixed, and to sell, grant, convey or rent or otherwise dispose of it at pleasure; provided, however, that no part of the resources of the corporation shall ever be used for any other than the object named in ORS 61.410.

61.450 Other powers of corporation. Those corporations mentioned in ORS 61.410 shall have power:

- (1) To contract and be contracted with.
- (2) To sue and be sued.
- (3) To plead and be pleaded in all courts.
- (4) To have and use a common seal by which all deeds and acts of the corporation shall pass and be authenticated.

61.460 Execution of written instruments; signing, sealing. All deeds and other instruments of writing shall be signed by the person or persons representing the corporation, in the official capacity designated in the articles of incorporation, and sealed with the seal of the corporation, an impression of which shall be filed in the office of the Corporation Commissioner. The provisions of ORS 61.410 to 61.460 shall not repeal or modify ORS 61.580 and 61.590.

61.470 Creation of corporation by archbishop or bishop and associates; articles of incorporation; successors. (1) The archbishop or bishop of any religious denomination

may associate with him the vicar-general of the same diocese and the pastor of such denomination of the parish wherein the corporation is to be located, which shall be within the diocese of the archbishop or bishop, and the archbishop or bishop, vicar-general and pastor, or a majority of them, shall designate and associate with them two lay members of any such denomination. Upon adopting, signing and acknowledging in triplicate articles of incorporation reciting the fact of such association and of the selection of such laymen and containing the name, general purpose and place of location or principal office of the corporation, and upon having one copy of the articles filed and recorded in the office of the county clerk of the county wherein the corporation is located and one filed with the Corporation Commissioner, the other to be retained in the office of the corporation, the five persons so associated and their successors shall become a corporation, subject to all requirements and vested with all the rights, powers, and privileges of a religious corporation.

(2) The persons at any time holding, in any diocese, the offices specified in this section shall by virtue of their respective offices be members of and with the two laymen, shall constitute the corporation; but every such person, on ceasing to hold his office, shall cease to be a member of the corporation, and his successor in office shall become a member in his place. The two laymen shall remain members for the term of two years from the date of the formation of the corporation; and thereafter their term of office shall be two years. In either case their terms shall continue until their successors are chosen. The two laymen shall always be designated and appointed by the three first named corporators, who shall also fill all vacancies in their number. Their appointment shall be in writing and entered upon the records of the corporation. Should there at any time be a vacancy in the office of archbishop or bishop of any diocese, and another person is appointed in his stead to administer the spiritual and temporal affairs of the diocese, then, during such vacancy or suspension of the authority of the archbishop or bishop, the administrator of the affairs of the diocese, or any other person appointed under the rules of the denomination to preside over and administer its affairs, shall, while acting as administrator or appointee, be a member of the corpora-

tion with all the rights and powers incident thereto. However, his membership shall cease when the vacancy has been filled or suspension of authority removed.

61.480 Subdivision of diocese; archbishop or bishop and vicar-general as members of existing corporation. If any diocese in which the corporation mentioned in ORS 61.470 is located is subdivided according to the rules and practice of the denomination and one or more new dioceses formed therefrom or from parts thereof, the bishop or archbishop and vicar-general of the new diocese and their successors in office, as soon as appointed, shall, by virtue of their respective offices, immediately become members of the corporation within the new diocese, with all the rights, duties, privileges, and powers of members; and the archbishop or bishop and vicar-general of the diocese in which the corporation was located prior to such subdivision shall cease to be members.

61.490 Creation of corporation by archbishop and associates; articles; members; appointment and resignation; proxy. (1) The archbishop of any diocese may associate with him the vicar-general and chancellor of such diocese and they, or a majority of them, shall designate or associate with them two other members of such religious denomination who are residents of such diocese. Upon signing and acknowledging in triplicate articles of incorporation reciting the fact of the association and selection of the two persons and containing the name, general purpose and location or principal office of the corporation, and upon filing and recording the articles as provided in ORS 61.470, the five persons and their successors shall become a corporation. The corporation shall have power to take, hold, receive, sell, convey, encumber and dispose of any real or personal property for the use and benefit of the diocese, and for the use and benefit of the religious denomination therein creating such diocese, to administer the temporalities of such diocese and to establish and conduct schools, seminaries, colleges, or any benevolent, charitable, religious or missionary work, or society of such religious denomination within the diocese, with all the rights, powers and privileges designated in this section and ORS 61.470 and 61.480.

(2) The persons who may hold the offices, respectively, of archbishop or bishop,

vicar-general and chancellor of such religious denomination within and for such diocese, and their successors in office forever, shall by virtue of their offices always be members of the corporation; but on ceasing to hold office their corporate membership shall cease. The other two incorporators and their successors in office shall always be selected and appointed by the archbishop or bishop, vicar-general and chancellor of the diocese, or a majority of them, for the same term and in the same manner as provided in ORS 61.470 and 61.480 for the selection and appointment of the two laymen by the archbishop or bishop, vicar-general and pastor, and all vacancies shall be filled by the three first named incorporators. Every such appointment shall be in writing and entered in the minutes of the record of the corporation. The appointees shall be members of the religious corporation and residents of the diocese of its location. Any member of the corporation so selected may at any time resign, and the resignation and its acceptance shall be entered on the minutes of the corporation. In case of the vacancy of the office of archbishop or bishop of the diocese who may be a member of the corporation or the temporary suspension of his authority to act, the provisions of ORS 61.470 and 61.480 in reference to such case shall apply.

(3) The archbishop or bishop may, by a writing signed by him, appoint a proxy to represent and act for him and, in his name and stead, to vote at any meeting of the corporation.

61.500 Board of trustees; officers. The members of the corporation formed under ORS 61.470 to 61.520 shall be designated a board of trustees and the archbishop or bishop, as the case may be, shall be president of the board. The other officers shall be appointed by the archbishop or bishop, and their appointment shall be entered in the record of the corporation.

61.510 Incorporators deemed body corporate; powers. Upon making and filing the articles of incorporation as provided by ORS 61.470 and 61.490, the persons executing them and their successors in office, by the name assumed in the articles, shall thereafter be deemed a body corporate with power, in addition to that provided in ORS 61.470 to 61.500:

- (1) To sue and be sued.
- (2) To contract and be contracted with.

(3) To have and use a corporate seal and to change it at pleasure.

(4) To make bylaws not inconsistent with any existing law for the government of its affairs and the management of its property.

(5) To exercise all other powers, rights and privileges belonging to religious corporations formed under any other law of this state.

61.520 Effect of enactment of ORS 61.470 to 61.510 on right of incorporation under other laws. Nothing in ORS 61.470 to 61.510 shall limit or interfere with the right of any person or persons to incorporate any church or any religious, benevolent, literary or charitable society under any other law of this state.

61.530 to 61.570 [Reserved for expansion]

61.580 Religious denominations; bishop, overseer or elder as incorporator; other persons; powers. Any person, being the bishop, overseer or presiding elder of any church or religious denomination in this state, may, in conformity with the constitution, canons, rules, regulations and discipline of such church or denomination, become a corporation sole for religious and educational purposes in the manner, as nearly as may be, prescribed in the Act approved October 24, 1864, providing for the incorporation of churches and religious, benevolent and charitable societies, and any amendments thereto [§§ 77-401 to 77-404, 77-407, 77-408 and 77-417, O. C. L. A.]. Thereupon the bishop, overseer or presiding elder, as the case may be, together with his successors in office or position, by his official designation, shall be held to be a body corporate, with all the rights and powers, and subject to the limitations, prescribed in the 1864 Act and amendments thereto in the case of corporations aggregate. Any number of persons not less than three, when designated, chosen or appointed by the council, convention, convocation, presbytery, association or conference of any church or religious denomination of this state for such purpose, may become incorporated by the means and in the manner, as nearly as may be, provided in the 1864 Act and amendments thereto, with power and authority to acquire, receive, hold, manage and dispose of money and property in trust for the church or denomination, to enable it to promote and maintain works of charity, education and the

public worship of Almighty God in this state.

61.590 Protestant Episcopal Church; incorporation. Any number of persons, not less than three, being the duly called rector and appointed or elected wardens and vestrymen of any parish or congregation of the Protestant Episcopal Church of the United States in the State of Oregon, according to the canons, rules and regulations of that church, may become incorporated. This may be done by making, acknowledging and filing articles of incorporation for that purpose, in conformity with the canons, rules and regulations of the church upon the organization and incorporation of parishes and the provisions of the Act of 1864, and its amendments, referred to in ORS 61.580. Upon the making and filing of such articles of incorporation, the rector, wardens and vestrymen and their successors in office shall, by the name assumed therein, thereafter be taken to be a body corporate, with the powers prescribed and mentioned in section 77-407, O. C. L. A.

61.600 to 61.700 [Reserved for expansion]

REPORTS ON SOLICITATIONS OF FUNDS

61.710 Contents, verification and filing of solicitor's report. All persons, corporations, societies or other organizations, except those specified in ORS 61.730, that solicit funds for charitable, benevolent, eleemosynary, political, educational or religious purposes and collect more than \$250 in any calendar year shall file, on or before February 15, with the county clerk of each county in which the funds were solicited, a detailed report showing the amount of the funds received or disposed of during the year ending December 31 preceding. The report shall contain a detailed list of all salaries and wages paid and expenses allowed to any officer, employee, agent or other person, giving his name, and of all moneys expended for supplies, equipment and other expenses. This report shall be verified by the person soliciting the funds under his own authority, or if filed by a corporation, society or other organization by its managing officer or agent.

61.720 Audit of accounts of solicitor. Upon petition of 10 persons who contributed

funds during any calendar year to any person or organization enumerated in ORS 61.710, the circuit court of the county in which such person or organization resides or has its principal office shall appoint a competent certified public accountant to audit the accounts of such person or organization pertaining to funds solicited, and shall file his report with the county clerk of the county. The cost of the audit shall be paid by the petitioners. It shall be the duty of the person having custody of any of the records or books of account of the person or organization pertaining to the receipt or expenditures of any such funds, to place them at the disposal of any person appointed to audit the accounts, pursuant to the provisions of this section.

61.730 Institutions and societies excepted. Any educational institution soliciting funds solely for the use of that institution, or any lodge, club or other similar society soliciting funds only from members, or any political committee required to file a report under the provisions of ORS 260.070, or any church or religious organization or society soliciting funds only from its members or members of its congregation, shall not be subject to ORS 61.710 to 61.740.

61.740 Reports by bodies receiving aid from community chest and soliciting funds. Any corporation, society or organization receiving funds from any community chest, or similar organization, that solicits funds from the public for the purposes specified in ORS 61.710 shall file a report as required by that section.

61.750 to 61.980 [Reserved for expansion]

PENALTIES

61.990 Penalties. (1) Violation of ORS 61.710, 61.720 or 61.740 is punishable upon conviction by a fine not exceeding \$250.

(2) In case funds are solicited by a corporation, society or other organization and no report is made as required by ORS 61.710 or 61.740, its officers, managing committee or managing director shall upon conviction be fined not more than \$250.

(3) Any person who prepares or files, or assists in preparing or filing, a report required by ORS 61.710 to 61.740 that is false or fraudulent shall be punished upon conviction by imprisonment in the penitentiary for not more than five years.

NONPROFIT CORPORATIONS; SOLICITATIONS OF FUNDS

CERTIFICATE OF LEGISLATIVE COUNSEL

Pursuant to ORS 173.170, I, Sam R. Haley, Legislative Counsel, do hereby certify that I have compared each section printed in this chapter with the original section in the enrolled bill, and that the sections in this chapter are correct copies of the enrolled sections, with the exception of the changes in form permitted by ORS 173.160 and other changes specifically authorized by law.
Done at Salem, Oregon,
on October 15, 1955.

Sam R. Haley
Legislative Counsel

