

HB483 INTRODUCED



1 HB483
2 4UV5A3R-1
3 By Representatives Brinyark, Shaw
4 RFD: Economic Development and Tourism
5 First Read: 19-Feb-26



SYNOPSIS:

This bill would authorize the formation and operation of decentralized unincorporated nonprofit associations as a subtype of unincorporated nonprofit associations, which are authorized under existing law.

This bill would allow a decentralized unincorporated nonprofit association to use distributed ledger technology and smart contracts for its governance and operation.

This bill would permit decentralized unincorporated nonprofit associations to acquire and maintain property and engage in profit-making activities, subject to certain standards relating to the distribution of proceeds.

This bill would provide for the duties, obligations, and liabilities of the members and administrators of a decentralized unincorporated nonprofit association.

This bill would also provide for the dissolution and winding up of a decentralized unincorporated nonprofit association.

A BILL
TO BE ENTITLED



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AN ACT

Relating to corporations, partnerships, and associations; to designate Sections 10A-17-1.01 through 10A-17-1.18, Code of Alabama 1975, inclusive, as Article 1; and to add Article 2, commencing with Section 10A-17-2.01, to Chapter 17 of Title 10A of the Code of Alabama 1975; to provide for the formation, management, and governance of decentralized unincorporated nonprofit associations; to provide for the duties, obligations, and liabilities of members and administrators of decentralized unincorporated nonprofit associations; and to provide for the dissolution and winding up of decentralized unincorporated nonprofit associations.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 10A-17-1.01 through 10A-17-1.18, Code of Alabama 1975, inclusive, are designated as Article 1.

Section 2. Article 2, commencing with Section 10A-17-2.01, is added to Chapter 17 of Title 10A of the Code of Alabama 1975, to read as follows:

§10A-17-2.01

This article together with applicable provisions of Chapter 1 shall be known and may be cited as the Decentralized Unincorporated Nonprofit Association Law.

§10A-17-2.02

For the purposes of this article, the following terms have the following meanings:

(1) ADMINISTRATOR. A person authorized by the members



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of a decentralized unincorporated nonprofit association to fulfill administrative or operational tasks at the direction of the membership.

(2) DECENTRALIZED UNINCORPORATED NONPROFIT ASSOCIATION or NONPROFIT ASSOCIATION. An unincorporated nonprofit association that meets the following requirements:

a. Consists of at least 100 members joined by mutual consent in digital activity under an agreement, which may be in writing or inferred from conduct, for a common nonprofit purpose, including, but not limited to, administering the affairs of a distributed ledger technology or network of smart contracts.

b. Has elected to be formed under this article.

c. Is not formed under any other law governing the nonprofit association's organization or operation.

(3) DIGITAL ASSET. A representation of economic, proprietary, or access rights that is stored in a computer readable format and is either a digital consumer asset, digital security, or virtual currency.

(4) DISTRIBUTED LEDGER TECHNOLOGY. A distributed ledger protocol and supporting infrastructure, including blockchain, which uses a distributed, shared, and replicated ledger, whether public or private, permissioned or permissionless, and which may include the use of digital assets as a medium of electronic exchange.

(5) ESTABLISHED PRACTICES. The practices used by a decentralized unincorporated nonprofit association without material change during the most recent five years of the



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nonprofit association's existence, or if the nonprofit association has existed for less than five years, during the nonprofit association's entire existence.

(6) GOVERNING PRINCIPLES. All agreements and any amendment or restatement of those agreements, including any decentralized unincorporated nonprofit association agreements, consensus formation algorithms, smart contracts, or enacted governance proposals, which govern the purpose or operation of a decentralized unincorporated nonprofit association and the rights and obligations of the nonprofit association's members and administrators, whether contained in a record, implied from the nonprofit association's established practices, or both.

(7) MEMBER. A person who, under the governing principles of a decentralized unincorporated nonprofit association, may participate in the selection of the decentralized unincorporated nonprofit association's administrators or the development of the policies and activities of the decentralized unincorporated nonprofit association.

(8) MEMBERSHIP INTEREST. A member's voting rights in a decentralized unincorporated nonprofit association determined by the decentralized unincorporated nonprofit association's governing principles, including as ascertained from decentralized ledger technology on which the decentralized unincorporated nonprofit association relies to determine a member's voting rights.

(9) NONPROFIT PURPOSE. Any purpose for which a



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nonprofit corporation could be organized under Article 1, and where no part of income or profit is distributable to its members or administrators.

(10) PERSON. An individual, corporation, business trust, estate, trust, partnership, association, agency, joint venture, government, governmental subdivision or instrumentality, or any other legal commercial entity.

(11) RECORD. Information that is inscribed on a tangible medium or stored in an electronic or other medium that is retrievable in perceivable form.

(12) SMART CONTRACT. An automated transaction, as defined in any substantially similar analogue or code, script, or programming language relying on distributed ledger technology, including blockchain, which may include facilitating and instructing transfers of an asset, administering membership interest votes with respect to a decentralized unincorporated nonprofit association, or issuing executable instructions for these actions based on the occurrence or nonoccurrence of specified conditions.

(13) STATE. A state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or insular possession subject to the jurisdiction of the United States.

§10A-17-2.03

(a) The law of this state governs any decentralized unincorporated nonprofit association that is formed in this state.

(b) Each decentralized unincorporated nonprofit



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association's governing principles shall identify the jurisdiction in which the decentralized unincorporated nonprofit association is formed.

§10A-17-2.04

(a) A decentralized unincorporated nonprofit association may engage in profit-making activities. Profits from any activities shall be used in furtherance of, or set aside for, the nonprofit association's common nonprofit purpose.

(b) Except as provided in subsection (c), a decentralized unincorporated nonprofit association may not make distributions to its members or administrators.

(c) A decentralized unincorporated nonprofit association may do all of the following:

(1) Pay reasonable compensation or reimburse reasonable expenses to its members, administrators, and persons outside of the nonprofit association for services rendered, including with respect to the administration and operation of the nonprofit association, which may include the provision of collateral for the self-insurance of the nonprofit association, voting, or participation in the nonprofit association's operations and activities.

(2) Confer benefits on its members and administrators in conformity with its common nonprofit purpose.

(3) Repurchase membership interests to the extent authorized by the nonprofit association's governing principles.

(4) Make distributions of property to members upon



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winding up and termination of the decentralized unincorporated nonprofit association to the extent permitted by Section 10A-17-2.26.

§10A-17-2.05

(a) Unless prohibited or otherwise limited by its written rules or governing documents, a decentralized unincorporated nonprofit association in its name may acquire, hold, encumber, or transfer an estate or interest in real or personal property.

(b) Unless prohibited or otherwise limited by its written rules or governing documents, a decentralized unincorporated nonprofit association may be a legatee, devisee, or beneficiary of a trust or contract.

(c) Real and personal property in Alabama may be acquired, held, encumbered, and transferred by a decentralized unincorporated nonprofit association, whether it or a member has any other relationship to Alabama.

§10A-17-2.06

(a) A decentralized unincorporated nonprofit association shall execute and record a statement of authority to transfer an estate or interest in real property in the name of the nonprofit association.

(b) An estate or interest in real property in the name of a decentralized unincorporated nonprofit association may be transferred by a person so authorized in a statement of authority recorded in the office of the judge of probate of the county in which the real property is located.

(c) A statement of authority shall set forth:



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(1) The name of the decentralized unincorporated nonprofit association;

(2) The address in Alabama, including the street address, if any, of the decentralized unincorporated nonprofit association, or, if the decentralized unincorporated nonprofit association does not have an address in Alabama, its address out of state;

(3) The name or title of a person authorized to transfer an estate or interest in real property held in the name of the decentralized unincorporated nonprofit association; and

(4) The action, procedure, or vote of the decentralized unincorporated nonprofit association which authorizes the person to transfer the real property of the decentralized unincorporated nonprofit association and which authorizes the person to execute the statement of authority.

(d) A statement of authority shall be executed and recorded in the same manner as a deed by a person who is not the person authorized to transfer the estate or interest.

(e) The judge of probate shall collect a fee for recording a statement of authority in accordance with Article 4 of Chapter 1.

(f) An amendment, including a cancellation, of a statement of authority shall meet the requirements for execution and recording, and be accompanied by payment of the same recording fee payable to and for the judge of probate, of an original statement. Unless canceled earlier, a recorded statement of authority as amended is canceled by operation of



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law five years after the date of the most recent amended statement of authority.

(g) If the record title to real property is in the name of a decentralized unincorporated nonprofit association and the statement of authority is recorded in the office of the judge of probate of the county in which the real property is located, the authority of the person named in a statement of authority is conclusive in favor of a person who gives value without notice that the person lacks authority.

§10A-17-2.07

(a) A decentralized unincorporated nonprofit association is a legal entity separate from its members for the purposes of determining and enforcing rights, duties, and liabilities in contract and tort.

(b) A person is not liable for a breach of a decentralized unincorporated nonprofit association's contract merely because the person is a member, administrator, authorized to participate in the management of the affairs of the nonprofit association, or considered a member by the nonprofit association.

(c) A person is not liable for a tortious act or omission for which a decentralized unincorporated nonprofit association is liable merely because the person is a member or administrator of the nonprofit association, authorized to participate in the management of the affairs of the nonprofit association, or considered a member by the nonprofit association.

(d) A tortious act or omission of a member,



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administrator, or other person for which a decentralized unincorporated nonprofit association is liable is not imputed to a person merely because the person is a member or administrator of the nonprofit association, authorized to participate in the management of the affairs of the nonprofit association, or considered a member by the nonprofit association.

(e) A member, administrator, person authorized to participate in the management of the affairs of the nonprofit association, or person considered a member by the nonprofit association may assert a claim against the decentralized unincorporated nonprofit association. A decentralized unincorporated nonprofit association may assert a claim against a member, administrator, person authorized to participate in the management of the affairs of the nonprofit association, or person considered a member by the nonprofit association.

§10A-17-2.08

(a) A decentralized unincorporated nonprofit association, in its own name, may institute, defend, intervene, or participate in a judicial, administrative, or other governmental proceeding or in an arbitration, mediation, or any other form of alternative dispute resolution.

(b) A decentralized unincorporated nonprofit association may assert a claim on behalf of its members if all of the following apply:

(1) One or more members of the nonprofit association have standing to assert a claim in their own right.



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(2) The interests the nonprofit association seeks to protect are germane to the nonprofit association's purposes.

(3) Neither the claim asserted, nor the relief requested, requires the participation of a member.

§10A-17-2.09

A judgment or order against a decentralized unincorporated nonprofit association is not by itself a judgment or order against a member or administrator of the nonprofit association.

§10A-17-2.10

(a) A decentralized unincorporated nonprofit association may deliver to the Secretary of State for filing a statement appointing an agent authorized to receive service of process.

(b) A statement appointing an agent shall set forth:

(1) The name of the nonprofit association;

(2) The address in Alabama, including the street address, if any, of the decentralized unincorporated nonprofit association, or, if the decentralized unincorporated nonprofit association does not have an address in Alabama, its address out of state; and

(3) The name of the person in Alabama authorized to receive service of process and the person's address, including the street address, in Alabama.

(c) A statement appointing an agent shall be signed and acknowledged by a person authorized to manage the affairs of the decentralized unincorporated nonprofit association. The statement shall also be signed and acknowledged by the person



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appointed agent, who thereby accepts appointment.

(d) The appointed agent may resign by delivering to the Secretary of State for filing a resignation, and by giving notice to the decentralized unincorporated nonprofit association. The appointment of the agent shall terminate upon the expiration of 30 days after the Secretary of State has filed the resignation.

(e) The Secretary of State may collect a fee for filing a statement appointing an agent to receive service of process, an amendment, or a resignation in the amount charged for filing similar documents for nonprofit corporations.

(f) An amendment to a statement appointing an agent to receive service of process shall meet the requirements for execution of an original statement.

§10A-17-2.11

In an action or proceeding against a decentralized unincorporated nonprofit association, a summons and complaint shall be served on the agent authorized by appointment in Section 10A-17-2.10 to receive service of process, on a person authorized to administer the affairs of the nonprofit association, or in any manner otherwise provided in the Alabama Rules of Civil Procedure. If, after reasonable efforts to accomplish service through the methods provided in this section, service cannot be accomplished, then service may be made on a member of the nonprofit association.

§10A-17-2.12

A claim for relief against a decentralized unincorporated nonprofit association shall not abate merely



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because of a change in its members or persons authorized to administer the affairs of the nonprofit association.

§10A-17-2.13

Venue shall be:

(1) As provided in Section 6-3-6; or

(2) The county in which the agent authorized to receive service of process under Section 10A-17-2.10 resides.

§10A-17-2.14

(a) A decentralized unincorporated nonprofit association shall have perpetual existence unless its governing principles otherwise specify.

(b) A decentralized unincorporated nonprofit association may be dissolved as follows:

(1) If the governing principles of the nonprofit association provide a time or method for dissolution, by that method.

(2) If the governing principles of the nonprofit association do not provide a method for dissolution, by approval of its members pursuant to Section 10A-17-2.20.

(3) If membership in the decentralized unincorporated nonprofit association falls below 100 members and the decentralized unincorporated nonprofit association does not meet the requirements of Sections 10A-17-2.01 through 10A-17-2.15. In the event membership in the nonprofit association falls below 100 members and the nonprofit association meets the requirements of Sections 10A-17-2.01 through 10A-17-2.15, the entity shall automatically transition to an Alabama unincorporated nonprofit association unless the



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365 governing principles otherwise specify.

366 (4) By court order.

367 (c) After dissolution, a decentralized unincorporated
368 nonprofit association continues in existence until its
369 activities are wound up and terminated pursuant to Section
370 10A-17-2.26.

371 §10A-17-2.15

372 (a) (1) A person may become a member of a decentralized
373 unincorporated nonprofit association in accordance with the
374 governing principles of that decentralized unincorporated
375 nonprofit association.

376 (2) If there are no applicable governing principles, a
377 person shall be considered a member upon the purchase or
378 assumption of ownership of a membership interest.

379 (3) A person shall continue as a member absent the
380 person's suspension, dismissal, or expulsion pursuant to
381 subsection (b), resignation pursuant to Section 10A-17-2.16,
382 or the decentralized unincorporated nonprofit association's
383 dissolution and winding-up pursuant to this article.

384 (b) Subject to the governing principles of the
385 decentralized unincorporated nonprofit association, a member
386 may be suspended, dismissed, or expelled. If there are no
387 applicable governing principles, a member may be suspended,
388 dismissed, or expelled by approval of the membership in
389 accordance with Section 10A-17-2.20.

390 (c) Unless otherwise provided for in the governing
391 principles, suspension, dismissal, or expulsion of a member
392 does not relieve the member of any obligation incurred, or



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393 commitment made by the member, before the suspension,
394 dismissal, or expulsion.

395 §10A-17-2.16

396 (a) (1) A member may resign as a member of a
397 decentralized unincorporated nonprofit association in
398 accordance with the governing principles of that decentralized
399 unincorporated nonprofit association.

400 (2) If there are no applicable governing principles, a
401 member shall be deemed to have resigned as a member upon the
402 disposal, whether voluntary or involuntary, of all membership
403 interests or other property or instruments that confer upon
404 the person a voting right within the nonprofit association.

405 (b) Unless otherwise provided for in the governing
406 principles, resignation of a member does not relieve the
407 member of any obligation incurred or commitment made by the
408 member before the resignation.

409 §10A-17-2.17

410 (a) Unless otherwise provided for in the governing
411 principles, a member shall not have any fiduciary duty to a
412 decentralized unincorporated nonprofit association or to any
413 other member of the decentralized unincorporated nonprofit
414 association merely by reason of being a member.

415 (b) A member acting on behalf of the decentralized
416 unincorporated nonprofit association shall discharge his or
417 her duties in a manner the member reasonably believes to be in
418 the best interest of the nonprofit association.

419 §10A-17-2.18

420 (a) A member is not an agent of a decentralized



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unincorporated nonprofit association merely by being a member.

(b) A person's status as a member does not prevent or restrict laws other than this article from imposing liability on a decentralized unincorporated nonprofit association because of a member's conduct.

§10A-17-2.19

Except as otherwise provided in the decentralized unincorporated nonprofit association's governing principles, a member's interest or any right granted pursuant to the governing principles is freely transferable to another person through conveyance of the membership interest.

§10A-17-2.20

(a) Except as otherwise provided in the governing principles, a decentralized unincorporated nonprofit association shall have the approval of a majority of the membership interests participating in a vote to do any of the following:

(1) Suspend, dismiss, or expel a member.

(2) Select or dismiss an administrator.

(3) Adopt, amend, or repeal the governing principles.

(4) Sell, lease, exchange, or otherwise dispose of the property of the decentralized unincorporated nonprofit association.

(5) Dissolve the decentralized unincorporated nonprofit association under Section 10A-17-2.14.

(6) Undertake any other act outside of the ordinary course of the decentralized unincorporated nonprofit association's activities.



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(7) Determine the policy and purpose of the decentralized unincorporated nonprofit association.

(b) In order to perform any act or exercise any right that the governing principles require to be approved by the membership, a decentralized unincorporated nonprofit association must have the approval of the membership to act in accordance with its governing principles.

(c) Unless otherwise provided for in the governing principles, membership interest in a decentralized unincorporated nonprofit association shall be calculated in proportion to a member's voting rights within the nonprofit association.

§10A-17-2.21

(a) A decentralized unincorporated nonprofit association may provide for its governance, in whole or in part, through distributed ledger technology including, but not limited to, smart contracts.

(b) The governing principles for a decentralized unincorporated nonprofit association may include, but not be limited to, the following provisions:

(1) Specify whether any distributed ledger technology used or enabled by the decentralized unincorporated nonprofit association will be fully immutable or subject to change by the decentralized unincorporated nonprofit association and whether any distributed ledger will be fully or partially public or private, including the extent of a member's access to information.

(2) Adopt voting procedures, which may include smart



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contracts deployed to distributed ledger technology and which may provide for all of the following:

a. Proposals from members or administrators in the decentralized unincorporated nonprofit association for upgrades, modifications, or additions to software systems or protocols.

b. Other proposed changes to the decentralized unincorporated nonprofit association's governing principles.

c. Any other matters of governance or activities within the purpose of the decentralized unincorporated nonprofit association.

§10A-17-2.22

In accordance with its governing principles, a decentralized unincorporated nonprofit association may do both of the following:

(1) Adopt any reasonable algorithmic means for establishing consensus for the validation of records, as well as for establishing requirements, processes, and procedures for conducting operations or making organizational decisions with respect to the distributed ledger technology used by the nonprofit association.

(2) In accordance with any procedure specified pursuant to Section 10A-17-2.21, modify the consensus mechanism, as well as the requirements, processes, and procedures or substitute a new consensus mechanism, requirements, processes, or procedures that comply with this state's law and the governing principles of the nonprofit association.

§10A-17-2.23



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(a) Unless otherwise provided for in the decentralized unincorporated nonprofit association's governing principles, the members of the nonprofit association may select the nonprofit association's administrators in accordance with Section 10A-17-2.20.

(b) If no administrators are selected, none of the members may be considered administrators for the decentralized unincorporated nonprofit association.

(c) No decentralized unincorporated nonprofit association shall be required to have an administrator, and the rights and duties of all administrators shall be established as part of the authorization of authority to act as an administrator.

(d) If in a record, the governing principles of a decentralized unincorporated nonprofit association may limit or eliminate the liability of an administrator to the decentralized unincorporated nonprofit association or its members for money damages for any action taken, or failure to take any action, as an administrator except liability for any of the following:

(1) The amount of financial benefit improperly received by an administrator.

(2) An intentional infliction of harm on the nonprofit association or its members.

(3) An intentional violation of criminal law.

(4) Breach of the duty of loyalty should one exist, unless, following full disclosure of all material facts to the nonprofit association members, the specific act or transaction



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that would otherwise breach the duty of loyalty is authorized or ratified by approval of the disinterested members pursuant to Section 10A-17-2.20.

(5) Improper distributions.

§10A-17-2.24

(a) Except as provided by subsection (b), on reasonable notice, a member or administrator of a decentralized unincorporated nonprofit association is entitled to an electronic record of any record maintained by the nonprofit association regarding the nonprofit association's activities, financial condition, and other circumstances, to the extent the information is material to the member's or administrator's rights and duties under the decentralized unincorporated nonprofit association's governing principles or this article.

(b) A decentralized unincorporated nonprofit association is not obligated to provide records requested from a member or administrator if access to the information is contained in a record available to the member or administrator in a medium available to the member, including distributed ledger technology.

(c) (1) A decentralized unincorporated nonprofit association may impose reasonable restrictions on access to and use of information that may be provided under this section, including by designating the information confidential and imposing nondisclosure or other safeguarding obligations on the recipient of the information.

(2) In a dispute concerning the reasonableness of a restriction under this subsection, the decentralized



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unincorporated nonprofit association shall have the burden of proving reasonableness.

(d) A former member or administrator may have access to information to which the former member or administrator was entitled to as a member or administrator if all of the following apply:

(1) The information relates to the period of time during which the former member or administrator was a member or administrator.

(2) The former member or administrator seeks the information in good faith.

(3) The former member or administrator satisfies the requirements of subsections (a) through (c) with respect to the information.

(e) A decentralized unincorporated nonprofit association shall not be obligated to collect and maintain a list of members or information on an individual member, including the names or addresses of members.

§10A-17-2.25

(a) Unless otherwise provided in its governing principles, a decentralized unincorporated nonprofit association may reimburse a member or administrator for authorized expenses reasonably incurred on behalf of the nonprofit association.

(b) A decentralized unincorporated nonprofit association may indemnify a member or administrator for any debt, obligation, or other liability incurred in the course of the member or administrator's activities on behalf of the



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nonprofit association. To be eligible for indemnification, an administrator must have complied with the duties stated in Section 10A-17-2.23. If in a record, a nonprofit association's governing principles may broaden or limit this right of indemnification.

(c) If a person is made or threatened to be made a party in a proceeding based on that person's conduct in the affairs of a decentralized unincorporated nonprofit association, that person is entitled, upon written request to the decentralized unincorporated nonprofit association, including through distributed ledger technology, to receive payment of or reimbursement by the nonprofit association, of reasonable expenses, including attorney fees and disbursements, incurred by that person in advance of the final disposition of the proceeding. To be entitled to these payments or advances, the person making the request shall make a written affirmation that the person has a good faith belief that the criteria for indemnification in subsection (b) has been satisfied and that the person will repay the amounts paid or reimbursed if it is determined that the criteria for reimbursement has not been satisfied. No payment or reimbursement under this subsection shall be made without prior approval, in a record, of the disinterested members under Section 10A-17-2.20.

(d) A decentralized unincorporated nonprofit association may purchase and maintain insurance on behalf of a member or administrator for liability asserted against or incurred by the member or administrator in that capacity, even



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if the decentralized unincorporated nonprofit association would not have the power to indemnify or advance expenses to the member or administrator against the same liability under this section.

(e) These rights of reimbursement, indemnification, and advancement of expense apply to former members or administrators for activities undertaken on behalf of the decentralized unincorporated nonprofit association while they were members or administrators.

§10A-17-2.26

(a) A dissolved decentralized unincorporated nonprofit association shall wind up its operations and may continue after dissolution only for the purpose of winding up.

(b) In winding up a decentralized unincorporated nonprofit association, the members shall discharge the decentralized unincorporated nonprofit association's debts, obligations, and other liabilities, settle and close the decentralized unincorporated nonprofit association's business, and distribute any remaining property as follows:

(1) To another entity or person with similar nonprofit purposes, if required by law other than this article.

(2) In accordance with the decentralized unincorporated nonprofit association's governing principles. In the absence of applicable governing principles, to the current members of the decentralized unincorporated nonprofit association in proportion to their membership interests.

(3) If neither subdivision (1) or (2) applies, in accordance with the law of unclaimed property contained in



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Article 2A, Chapter 12 of Title 35, Code of Alabama 1975.

(c) In winding up a decentralized unincorporated nonprofit association, the members may do all of the following:

(1) Authorize an administrator to wind up the decentralized unincorporated nonprofit association in accordance with Section 10A-17-2.14. Any authorized administrator shall owe the nonprofit association a duty of care in the conduct or winding up of the decentralized unincorporated nonprofit association to refrain from grossly negligent or reckless conduct, willful or intentional misconduct, or a knowing violation of the law.

(2) Preserve the decentralized unincorporated nonprofit association's operations and property as a going concern for a reasonable time.

(3) Prosecute and defend actions and proceedings, whether civil, criminal, or administrative.

(4) Transfer the decentralized unincorporated nonprofit association's property.

(5) Settle disputes by mediation or arbitration.

(6) Perform other acts necessary or appropriate to the winding up.

(d) If the members of a decentralized unincorporated nonprofit association do not appoint an administrator or administrators to wind up the decentralized unincorporated nonprofit association, the members shall owe the decentralized unincorporated nonprofit association a duty of care in the conduct or winding up of the decentralized unincorporated



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nonprofit association's operations to refrain from engaging in grossly negligent or reckless conduct, willful or intentional misconduct, or a knowing violation of the law.

§10A-17-2.27

A decentralized unincorporated nonprofit association may effect a merger or conversion by complying with the applicable provisions of Chapter 1 and its governing principles.

§10A-17-2.28

Principles of law and equity supplement this chapter unless displaced by a specific provision of this chapter.

Section 3. This act shall become effective on October 1, 2026.