

## Part 4. Definitions.

### § 55A-1-40. Chapter definitions.

In this Chapter unless otherwise specifically provided:

- (1) "Articles of incorporation" include amended and restated articles of incorporation and articles of merger.
- (2) "Board" or "board of directors" means the group of natural persons vested by the corporation with the management of its affairs whether or not the group is designated as directors in the articles of incorporation or bylaws.
- (2a) "Business corporation" or "domestic business corporation" means a corporation as defined in G.S. 55-1-40.
- (3) "Bylaws" means the rules (other than the articles) adopted pursuant to this Chapter for the regulation or management of the affairs of the corporation irrespective of the name or names by which the rules are designated.
- (4) "Charitable or religious corporation" means any corporation that is exempt under section 501(c)(3) of the Internal Revenue Code of 1986 or any successor section, or that is organized exclusively for one or more of the purposes specified in section 501(c)(3) of the Internal Revenue Code of 1986 or any successor section and that upon dissolution shall distribute its assets to a charitable or religious corporation, the United States, a state or an entity that is exempt under section 501(c)(3) of the Internal Revenue Code of 1986 or any successor section.
- (4a) "Conspicuous" means so written that a reasonable person against whom the writing is to operate should have noticed it. For example, printing in italics or boldface or contrasting color, or typing in capitals or underlined, is conspicuous.
- (5) "Corporation" or "domestic corporation" means a nonprofit corporation subject to the provisions of this Chapter, except a foreign corporation.
- (6) "Delegates" means those persons elected or appointed to vote in a representative assembly for the election of a director or directors or on other matters.
- (7) "Deliver" includes mail.
- (8) "Distribution" means a direct or indirect transfer of money or other property or inurrence of indebtedness by a corporation to or for the benefit of its members, directors, or officers, or to or for the benefit of transferees in liquidation under Article 14 of this Chapter (other than creditors).
- (8a) "Domestic limited liability company" has the same meaning as the term "LLC" in G.S. 57D-1-03.
- (8b) "Domestic limited partnership" has the same meaning as in G.S. 59-102.
- (9) "Effective date of notice" is defined in G.S. 55A-1-41.
- (9a) "Electronic" has the same meaning as in G.S. 66-312.
- (9b) "Electronic record" has the same meaning as in G.S. 66-312.
- (9c) "Electronic signature" has the same meaning as in G.S. 66-312.
- (10) "Entity" includes:
  - a. Any domestic or foreign:
    1. Corporation; business corporation; professional corporation;
    2. Limited liability company;
    3. Profit and nonprofit unincorporated association, chapter or other organizational unit; and

4. Business trust, estate, partnership, trust;
  - b. Two or more persons having a joint or common economic interest; and
  - c. The United States, and any state and foreign government.
- (10a) "Foreign business corporation" means a foreign corporation as defined in G.S. 55-1-40.
  - (11) "Foreign corporation" means a corporation (with or without capital stock) organized under a law other than the law of this State for purposes for which a corporation might be organized under this Chapter.
  - (11a) "Foreign limited liability company" has the same meaning as the term "foreign LLC" in G.S. 57D-1-03.
  - (11b) "Foreign limited partnership" has the same meaning as in G.S. 59-102.
  - (12) "Governmental subdivision" includes authority, county, district, and municipality.
  - (13) "Includes" denotes a partial definition.
  - (14) "Individual" denotes a natural person legally competent to act and also includes the estate of an incompetent or deceased individual.
  - (15) "Means" denotes an exhaustive definition.
  - (16) "Member" means a person who is, by the articles of incorporation or bylaws of the corporation, either (i) specifically designated as a member or (ii) included in a category of persons specifically designated as members. A person is not a member solely by reason of having voting rights or other rights associated with membership.
  - (17) "Nonprofit corporation" means a corporation intended to have no income or intended to have income none of which is distributable to its members, directors, or officers, except as permitted by Article 13 of this Chapter, and includes all associations without capital stock formed under Subchapter V of Chapter 54 of the General Statutes or under any act or acts replaced thereby.
  - (18) "Notice" includes demand and is defined in G.S. 55A-1-41.
  - (19) "Person" includes individual and entity.
  - (20) "Principal office" means the office (in or out of this State) where the principal offices of a domestic or foreign corporation are located, as most recently designated by the domestic or foreign corporation in its articles of incorporation, a Designation of Principal Office Address form, a Corporation's Statement of Change of Principal Office Address form, or in the case of a foreign corporation, its application for a certificate of authority.
  - (21) "Proceeding" includes civil suit and criminal, administrative, and investigatory action.
  - (22) "Record date" means the date established under Article 7 of this Chapter on which a corporation determines the identity of its members for the purposes of this Chapter.
  - (23) "Secretary" means the corporate officer to whom the board of directors has delegated responsibility under G.S. 55A-8-40(c) for custody of the minutes of the meetings of the board of directors and of the members and for authenticating records of the corporation.
  - (24) "State," when referring to a part of the United States, includes a state and commonwealth (and their agencies and governmental subdivisions) and a territory, and insular possession (and their agencies and governmental subdivisions) of the United States.

- (24a) "Unincorporated entity" means a domestic or foreign limited liability company, a domestic or foreign limited partnership, a registered limited liability partnership or foreign limited liability partnership as defined in G.S. 59-32, or any other partnership as defined in G.S. 59-36, whether or not formed under the laws of this State.
- (25) "United States" includes district, authority, bureau, commission, department, and any other agency of the United States.
- (26) "Vote" includes authorization by written ballot and written consent, including electronic ballot and electronic consent. (1955, c. 1230; 1959, c. 1161, s. 4; 1985 (Reg. Sess., 1986), c. 801, s. 1; 1993, c. 398, s. 1; 1995, c. 539, s. 15; 1999-369, s. 2.2; 2001-358, s. 5(b); 2001-387, ss. 33, 34, 35, 173, 175(a); 2001-413, s. 6; 2001-487, s. 62(e); 2008-37, s. 1; 2013-157, s. 4.)