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**WEST VIRGINIA CODE CHAPTER 31E**  
**ARTICLE 6**

WV Legislature

**§31E-6-601. Classes of members.**

A corporation may have one or more classes of members or may have no members. If the corporation has one or more classes of members, the designation of a class or classes is to be set forth in the articles of incorporation and the manner of election or appointment and the qualifications and rights of the members of each class is to be set forth in the articles of incorporation or bylaws. If the corporation has no members, or only members not entitled to vote, that is to be set forth in the articles of incorporation and the corporation is to operate under the management of its board of directors. A corporation may issue articles evidencing membership.

**§31E-6-602. Rules for membership.**

(a) Membership is to be governed by rules of admission, retention, withdrawal and expulsion as the bylaws prescribe, provided all bylaws are to be reasonable, germane to the purposes of the corporation, and equally enforced as to all members.

(b) Unless otherwise provided in the articles of incorporation or the bylaws, another entity, foreign or domestic, may become a member of a corporation.

(c) Membership may be limited to persons who are members in good standing of another corporation, organization or association, if provided for in the articles of incorporation. If membership is limited, the articles of incorporation may provide that failure on the part of any member to keep in good standing with the other corporation, organization or association is sufficient cause for expulsion.

(d) Unless otherwise provided in the articles of incorporation or bylaws, a member may not voluntarily or involuntarily transfer his or her membership or any rights arising from his or her membership.

(e) Unless otherwise provided in the articles of incorporation or bylaws, membership is terminated by death, voluntary withdrawal or expulsion, and all rights and privileges of the member in the corporation and its property cease.

**§31E-6-603. Imposition of fines and penalties; levy of dues and assessments.**

(a) A corporation may impose fines or penalties on members if provided in bylaws duly adopted by a two-thirds vote of members entitled to vote and, if the fine or penalty applies to members not entitled to vote, by a two-thirds vote as a class of the members not otherwise entitled to vote. The fine or penalty may not exceed the higher of the: (1) Annual dues or assessment; or (2) initiation fee, if any.

(b) A corporation may levy dues or assessments against members if provided in a bylaw provision duly adopted: (1) By the affirmative vote of at least two thirds of the members of each class of members, voting as a class, to which the levy applies, even though a class of members is not otherwise entitled to vote; or (2) by the directors if the directors are authorized by a bylaw provision adopted by the affirmative vote of at least two thirds of the members of each class of members, voting as a class, to which a levy may apply, even though a class of members is not otherwise entitled to vote.

(c) For purposes of this section, the corporation's initial bylaws adopted by: (1) The incorporators; or (2) the board of directors is deemed to have been adopted by all the members entitled to vote thereon, if any.

(d) Notwithstanding any limitation on the amount of a fine or penalty set forth in subsection (a) of this section, a corporation organized under this chapter, or any predecessor statutes, that is a trade association or other professional organization exempt from taxation under Section 501(c)(6) of the Internal Revenue Code may impose a fine on a member, not to exceed the amount set forth in the bylaws, for the violation of a code of ethics or other code of conduct upon majority vote of its board of directors in accordance with its bylaws, provided the articles of corporation or bylaws of the corporation contain a written provision whereby members agree to be bound by a code of ethics or code of conduct as a condition of membership.

**§31E-6-604. Liability of members.**

(a) A member of a corporation is not liable to the corporation or its creditors with respect to his or her membership except for the obligation to pay in full any fines or penalties duly imposed against him or her and any dues and assessments levied against him or her to which he or she has assented, or imposed or levied against him or her in accordance with the provisions of section six hundred three of this article.

(b) Any member who receives any distribution of income or assets from a corporation in violation of this chapter or of the articles of incorporation, whether by dividend, in liquidation or otherwise, and who accepted or received the distribution knowing it to be improper, is liable for the amount so received: (1) To any creditors existing at the time of the distribution who obtain a judgment against the corporation on which execution is returned unsatisfied; and (2) to the corporation.