WEST VIRGINIA CODE: §36-13-26

§36-13-26. Winding up; termination.

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

(b) In winding up a decentralized unincorporated nonprofit association, the members:

(1) Shall discharge the nonprofit association's debts, obligations and other liabilities, settle and close the nonprofit association's business and distribute any remaining property:

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

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

(C) If neither subdivision (A) or (B) of this paragraph applies, in accordance with the law of unclaimed property contained in §36-8-1 *et seq*. of this code.

(2) May:

(A) Authorize an administrator to wind up the nonprofit association in accordance with §36-13-20 of this code. Any administrator so authorized shall owe the nonprofit association a duty of care in the conduct or winding up of the nonprofit to refrain from grossly negligent or reckless conduct, willful or intentional misconduct or a knowing violation of the law;

(B) Preserve the nonprofit association's operations and property as a going concern for a reasonable time;

(C) Prosecute and defend actions and proceedings, whether civil, criminal or administrative;

(D) Transfer the nonprofit association's property;

(E) Settle disputes by mediation or arbitration;

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

(3) If the members of a nonprofit association do not appoint an administrator or administrators to wind up the nonprofit association, the members shall owe the nonprofit association a duty of care in the conduct or winding up of the nonprofit association's operations to refrain from engaging in grossly negligent or reckless conduct, willful or

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intentional misconduct or a knowing violation of the law.

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