

NONPROFIT CORPORATIONS 317.04

Subd. 3. A release under this section may not allow a fund to be used for purposes other than the educational, religious, charitable, or other eleemosynary purposes of the institution affected.

Subd. 4. This section does not limit the application of the doctrine of cy pres.

[1973 c 313 s 7]

309.69 Severability

If any provision of sections 309.62 to 309.71 or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of sections 309.62 to 309.71 which can be given effect without the invalid provision or application, and to this end the provisions of sections 309.62 to 309.71 are declared severable.

[1973 c 313 s 8]

309.70 Uniformity of application and construction

Sections 309.62 to 309.71 shall be so applied and construed as to effectuate its general purpose to make uniform the law with respect to the subject of sections 309.62 to 309.71 among those states which enact it.

[1973 c 313 s 9]

309.71 Citation

Sections 309.62 to 309.71 may be cited as the "uniform management of institutional funds act."

[1973 c 313 s 10]

CHAPTER 317. NONPROFIT CORPORATIONS

ORGANIZATIONAL PROVISIONS		Sec.	
Sec.		317.22	Meetings of members.
317.04	Application to domestic corporations.	317.27	Amendment of articles.
317.06	Scope of chapter.	317.285	Use of facsimile signatures and seal [New].
317.15	Bylaws.		
317.16	Corporate capacity, corporate authority; distinguished.		MERGER AND CONSOLIDATION
317.20	Directors.	317.35	Agreement, execution.
		317.37	Time effective.

ORGANIZATIONAL PROVISIONS

317.04 Application to domestic corporations

[For text of subds. 1 and 2, see M.S.1971]

Subd. 3. Election to accept. (1) Whether or not a domestic corporation has elected to reject under subdivision 2, it may at any time accept and come under the provisions of sections 317.01 to 317.25 by adopting a resolution of acceptance by a majority vote of all the directors entitled to vote at a special meeting of the board of directors, notice having been duly given, and by certifying and filing the resolution in the manner prescribed by subdivision 2, clause 3, for effecting a rejection.

(2) The election to accept sections 317.01 to 317.25 becomes effective upon the filing for record (a) of a copy of the adopted resolution to accept, together with articles of incorporation and amendments thereto with the secretary of state, and (b) of the resolution to accept, duly certified by the secretary of state, with the register of deeds of the county in which the principal place of business of the corporation is located.

[1973 c 51 s 1]

[For text of subds. 4 to 6, see M.S.1971]

Subd. 7. Articles and bylaws in force. All provisions of the articles of incorporation and bylaws of the accepting corporation that may be included

317.04 NONPROFIT CORPORATIONS

in articles of incorporation or in bylaws under this chapter remain in effect. When a provision of the articles of incorporation or of the bylaws of the accepting corporation may not be included in articles of incorporation or in bylaws, as the case may be, under this chapter it becomes inoperative when the corporation comes under sections 317.01 to 317.25. Except as otherwise permitted by subdivisions 5 and 6, when the articles of incorporation fail to include some or all of the provisions required by section 317.08, other than subdivision 2, clauses (6) and (7) thereof relating to incorporators and first directors, the corporation shall, in the manner prescribed by section 317.27, either amend its articles of incorporation or adopt restated articles of incorporation to include such required provisions.

[1973 c 51 s 2]

317.06 Scope of chapter

- (1) This chapter does not apply to
 - (a) cooperative associations,
 - (b) public cemetery corporations and associations,
 - (c) private cemeteries.
- (2) Religious corporations authorized by chapter 315, may be formed under that chapter or under this chapter.
- (3) This chapter does not apply to a religious corporation unless it is formed under this chapter or has elected to come under this chapter in the manner prescribed by section 317.04, subdivision 3, but a religious corporation, whether or not formed or electing to come under this chapter, may avail itself, where applicable, of sections 317.26 to 317.69 of this chapter in lieu of chapters 315 and 300 by complying with the provisions of those sections. Such compliance shall not constitute an election to accept the provisions of sections 317.01 to 317.25 as provided in section 317.04 or otherwise.

[1973 c 51 s 3]

317.15 Bylaws

[For text of subd. 1, see M.S.1971]

Subd. 2. Adoption, alteration. Except as provided in section 317.14 for the initial bylaws, and except as provided in clause (4), bylaws shall be adopted or amended in the manner provided in clauses (1) to (3).

(1) **Procedure to amend, by members, where there are members with voting rights.** The procedure to amend, by members, where there are members with voting rights shall be: (a) the board of directors may propose the amendment to the bylaws by resolution setting forth the proposed amendment and directing that it be submitted for adoption at a meeting of the members; or (b) any five members may set forth a proposed amendment by petition by them subscribed, which petition shall be filed with the secretary of the corporation. Notice of the meeting of the members, stating the purpose including the proposed amendment, shall be given to each member entitled to vote on the proposed amendment, and to each officer and director regardless of his voting rights. If notice required by this clause has been given, the proposed amendment may be adopted at any meeting of members. Unless the articles or bylaws require a greater vote, when a majority of the members voting have approved a proposed amendment, it is adopted.

(2) **Procedure to amend, by directors, where members have voting rights.** The procedure to amend by directors where members have voting rights shall be the same as prescribed in section 317.27, subdivision 3, for amendment of articles.

(3) **Procedure to amend, where there are no members with voting rights.** Where there are no members with voting rights, the procedure to amend shall be as prescribed in section 317.27, subdivision 4, for amendment of articles.

NONPROFIT CORPORATIONS 317.22

(4) **Certain amendments.** An amendment to bylaws of religious, charitable, or educational corporations shall be valid if made in accordance with the laws, usages, and customs of a superior body with which such corporation is affiliated, provided such laws, usages and customs are not less restricted than those provided in clauses (1) to (3).

[1973 c 51 s 4]

317.16 Corporate capacity, corporate authority; distinguished

[For text of subd. 1, see M.S.1971]

Subd. 2. Authority. Without limiting or enlarging the provisions of subdivision 1, and unless the articles prescribe otherwise, a corporation has authority to:

(1) continue as a corporation for the time limited in its articles of incorporation, or, if the time is not limited, perpetually;

(2) sue and be sued;

(3) have, and alter at pleasure, a corporate seal, affixing of which shall not affect the validity or enforceability of any instrument;

(4) take and hold an interest in real or personal property;

(5) lease, encumber, convey or dispose of real and personal property subject to the provisions of section 317.26, subdivision 3;

(6) enter into obligations or contracts and do any act incidental to the transaction of its business or expedient to the purposes stated in its articles of incorporation;

(7) acquire, hold, mortgage, pledge, or dispose of shares, bonds, securities, and other evidences of indebtedness of any domestic or foreign corporation, either profit or nonprofit and either public or private, and, if it is owner thereof, to exercise all the rights, powers, and privileges of ownership, including the right to vote;

(8) conduct its affairs within and without this state;

(9) make, amend, and repeal bylaws, not inconsistent with its articles or with law, for the administration and regulation of its affairs;

(10) merge and consolidate with other nonprofit corporations, domestic or foreign, organized for related purposes;

(11) make donations to other nonprofit corporations, domestic or foreign, organized for related purposes, and to needy persons;

(12) be a member of another nonprofit corporation, whether foreign or domestic;

(13) dissolve and wind up; and

(14) subject to the provisions of section 317.165, indemnify certain persons against certain expenses and liabilities as provided in section 300.082. In applying section 300.082 for this purpose, the term "members" shall be substituted for the terms "shareholders" and "stockholders".

[1973 c 51 s 5]

317.20 Directors

[For text of subds. 1 to 4, see M.S.1971]

Subd. 5. Compensation. Directors may be paid for their services to the corporation as authorized by the members, or by either the articles or bylaws or both.

[1973 c 51 s 6]

[For text of subds. 6 to 13, see M.S.1971]

317.22 Meetings of members

[For text of subds. 1 to 6, see M.S.1971]

Subd. 7. Voting. (1) Unless the articles or bylaws preclude cumulative voting, or provide for cumulative voting under different notice or procedure, when a member gives written notice to the president or secretary, at least

317.22 NONPROFIT CORPORATIONS

24 hours before the time when the meeting is actually held, for the election of directors by the members, of his intention to vote cumulatively in that election, each member or shareholder may multiply the number of votes to which he is entitled by the number of directors to be elected, and may cast all such cumulative votes for one candidate or distribute them among any two or more candidates. Upon the convening of the meeting, the presiding officer shall announce that such notice has been given.

(2) Except where otherwise prescribed in the articles or bylaws, and also in the membership certificate, if any, or share certificate, a member of a nonstock corporation has one vote, and a shareholder of a capital stock corporation has one vote for each share of stock standing in his name on the books of the corporation.

(3) Members may vote (a) by voice or ballot, or (b) when authorized by the articles or bylaws, by mail or other reasonable means.

(4) Where the articles or bylaws authorize members to vote by mail, the notice shall be given as provided in this chapter. The entire vote on any single issue, including the election of directors, may be by mailed ballots if so stated in the notice. Such a vote shall have all the effects of a vote taken at a regular or special meeting, provided that at least 20 percent of the membership so votes, unless otherwise provided in the articles or bylaws.

Notwithstanding the other provisions of this subdivision, if the articles or bylaws authorize voting by mail and do not preclude cumulative voting, there may be cumulative voting by mail for the election of directors only if either (a) the notice of the meeting at which the election of directors is to occur expressly informs the members that cumulative voting will be permitted at the election, or (b) the articles or bylaws permit cumulative voting by mail only if a member gives written notice to the president or secretary at least 48 hours before the time when the meeting is actually held for the election of directors by the members of his intention to vote cumulatively by mail in that election.

(5) When a corporation is a member or owns shares in another domestic or foreign corporation, it may vote through

(a) its president; or

(b) a proxy appointed by the president; or

(c) when its board of directors has authorized a person to vote, through such person if he produces a certified copy of the resolution.

[1973 c 51 s 7]

[For text of subds. 8 to 10, see M.S.1971]

317.27 Amendment of articles

Subdivision 1. Extent. A domestic corporation may amend its articles in the manner prescribed by this section to include or omit any provisions which it could lawfully include or omit from the original articles at the time the amendment is made, or to extend its duration for a further definite time or perpetually. Any number of amendments may be submitted and voted upon at a single meeting.

A corporation may by action taken in the same manner as required for amendment of articles of incorporation adopt restated articles of incorporation consisting of the articles of incorporation as amended to date. Restated articles of incorporation may, but need not be, adopted in connection with an amendment to the articles of incorporation. Restated articles of incorporation shall contain all the statements required by chapter 317 to be included in original articles of incorporation except that: in lieu of setting forth the names and addresses of the first board of directors, the restated articles shall set forth the names and addresses of the directors at the time of the adoption of the restated articles; and no statement need be made with respect to the names and addresses of the incorporators. The certificate

NONPROFIT CORPORATIONS 317.35

filed to accomplish any restated articles shall be entitled "Certificate of Restated Articles of Incorporation of (name of corporation)" and shall contain a statement that the articles supersede and take the place of existing articles of incorporation. When executed, filed and recorded in the manner prescribed in this section for articles of amendment the restated articles shall supersede and take the place of theretofore existing articles of incorporation and amendments thereto. The secretary of state upon request shall certify the articles as restated articles of incorporation.

[1973 c 51 s 8]

[For text of subds. 2 to 4, see M.S.1971]

Subd. 5. Amendments; execution, filing. When an amendment has been adopted, the president or vice-president and the secretary or assistant secretary shall execute and acknowledge articles of amendment which shall set forth the amendment and the manner of its adoption. The articles of amendment shall be filed for record with the secretary of state. If the articles conform to law and the fees prescribed by section 317.67 have been paid, the secretary of state shall record the articles and the amendment becomes effective upon recording or upon such later date, or date and hour, not more than 31 days after recording, as may be specified in the amendment.

Before any amendment to articles of incorporation may be filed under this section, every corporation now subject to this chapter and every religious corporation which has not elected to accept sections 317.01 to 317.25 and which avails itself of sections 317.26 to 317.69 as provided in section 317.06, which is incorporated under a law which required articles of incorporation of the corporation or religious corporation and amendments of articles to be filed with a public office other than the secretary of state, shall file with the secretary of state a copy of all such articles and amendments certified as true, correct and complete by the public officer having custody of the original documents.

[1973 c 51 s 9]

Subd. 6. Certain amendments. An amendment to articles of incorporation of religious, charitable, or educational corporations shall be valid if made in accordance with the laws, usages, and customs of a superior body with which such corporation is affiliated, provided such laws, usages and customs are not less restricted than those provided for in subdivisions 1 to 4.

[1973 c 51 s 10]

317.285 Use of facsimile signatures and seal

A corporation which issues share certificates for shares of capital stock pursuant to section 317.25, subdivision 2, clause (1), or issues membership certificates pursuant to section 317.25, subdivision 2, clause (2), or issues bonds or any other evidences of indebtedness may engrave or print on any such share certificate, membership certificate, bond, or other evidence of indebtedness facsimiles of signatures of its corporate officers and its corporate seal, if any.

[1973 c 51 s 13]

MERGER AND CONSOLIDATION

317.35 Agreement, execution

(1) Upon adoption of an agreement of merger or consolidation, the president or a vice-president, and the secretary or an assistant secretary, of each constituent corporation shall execute and acknowledge the agreement.

(2) The persons who execute the agreement shall certify on the agreement that it was adopted in accordance with the provisions of this chapter and with the articles and bylaws of each constituent corporation and shall certify on the agreement the manner of adoption of such agreement.

317.35 NONPROFIT CORPORATIONS

(3) Sufficient copies of the agreement, certified as prescribed by clause (2), shall be furnished to enable the secretary of state to comply with the provisions of this chapter with respect to filing the agreement of merger or consolidation.

[1973 c 51 s 11]

317.37 Time effective

Upon the issuance of the certificate of merger or the certificate of consolidation and incorporation by the secretary of state, the merger or consolidation is effective, or shall become effective upon such later date, or date and hour, not more than 31 days after the issuance of the certificate of merger or the certificate of consolidation and incorporation by the secretary of state, as may be specified in the agreement of merger or consolidation.

[1973 c 51 s 12]

CHAPTER 319. PROFESSIONAL CORPORATIONS

Sec.
319.01 to 319.993 Repealed.

PHYSICIANS

- 319.01 [Repealed, 1973 c 40 s 23]
- 319.02 [Repealed, 1973 c 40 s 23]
- 319.03 [Repealed, 1973 c 40 s 23]
- 319.04 [Repealed, 1973 c 40 s 23]
- 319.05 [Repealed, 1973 c 40 s 23]
- 319.06 [Repealed, 1973 c 40 s 23]
- 319.07 [Repealed, 1973 c 40 s 23]
- 319.08 [Repealed, 1973 c 40 s 23]
- 319.09 [Repealed, 1973 c 40 s 23]
- 319.10 [Repealed, 1973 c 40 s 23]
- 319.11 [Repealed, 1973 c 40 s 23]
- 319.12 [Repealed, 1973 c 40 s 23]
- 319.13 [Repealed, 1973 c 40 s 23]
- 319.14 [Repealed, 1973 c 40 s 23]
- 319.15 [Repealed, 1973 c 40 s 23]
- 319.16 [Repealed, 1973 c 40 s 23]
- 319.17 [Repealed, 1973 c 40 s 23]
- 319.18 [Repealed, 1973 c 40 s 23]
- 319.19 [Repealed, 1973 c 40 s 23]
- 319.20 [Repealed, 1973 c 40 s 23]
- 319.21 [Repealed, 1973 c 40 s 23]
- 319.22 [Repealed, 1973 c 40 s 23]
- 319.23 [Repealed, 1973 c 40 s 23]

ATTORNEYS

- 319.26 [Repealed, 1973 c 40 s 23]
- 319.27 [Repealed, 1973 c 40 s 23]
- 319.28 [Repealed, 1973 c 40 s 23]
- 319.29 [Repealed, 1973 c 40 s 23]
- 319.30 [Repealed, 1973 c 40 s 23]
- 319.31 [Repealed, 1973 c 40 s 23]
- 319.32 [Repealed, 1973 c 40 s 23]
- 319.33 [Repealed, 1973 c 40 s 23]
- 319.34 [Repealed, 1973 c 40 s 23]
- 319.35 [Repealed, 1973 c 40 s 23]