

317A.661 TRANSFER OF ASSETS; WHEN PERMITTED.

Subdivision 1. **Member approval; when not required.** Unless otherwise provided in its articles or bylaws, a corporation, by affirmative vote of the board of directors, may sell, lease, transfer, or dispose of all or substantially all of its property and assets in the usual and regular course of its activities and, subject to section 317A.501, subdivision 1, grant a security interest in all or substantially all of its property and assets whether or not in the usual and regular course of its activities, upon those terms and conditions and for those considerations, which may be money, securities, or other instruments for the payment of money or other property, as the board considers expedient, in which case no member approval is required.

Subd. 2. **Voting member approval; when required.** A corporation, by affirmative vote of the board of directors, may sell, lease, transfer, or dispose of all or substantially all of its property and assets, including its good will, not in the usual and regular course of its activities, upon those terms and conditions and for those considerations, which may be money, securities, or other instruments for the payment of money or other property, as the board considers expedient, when approved at a regular or special meeting of the members by the affirmative vote of the majority of the members with voting rights. If there are no members with voting rights, member approval is not required. Notice of the meeting must be given to the members with voting rights. The notice must state that a purpose of the meeting is to consider the sale, lease, transfer, or other disposition of all or substantially all of the property and assets of the corporation.

Subd. 3. **Notice to attorney general.** If applicable, a corporation shall comply with section 317A.811 before transferring all or substantially all of its assets under this section.

Subd. 4. **Signing of documents.** Confirmatory deeds, assignments, or similar instruments to evidence a sale, lease, transfer, or other disposition may be signed and delivered at any time in the name of the transferor by its current officers or, if the corporation no longer exists, by its last officers.

Subd. 5. **Transferee liability.** The transferee is liable for the debts, obligations, and liabilities of the transferor only to the extent provided in the contract or agreement between the transferee and the transferor or to the extent provided by this chapter or other statutes of this state.

History: 1989 c 304 s 92