

302A.681 CONVERSION OF CORPORATIONS AND LIMITED LIABILITY COMPANIES.

Subdivision 1. **Conversions authorized.** In each case pursuant to a plan of conversion:

(1) a domestic corporation may become a domestic or foreign limited liability company or a foreign corporation;

(2) a domestic limited liability company may become a domestic or foreign corporation or a foreign limited liability company; and

(3) a foreign corporation or foreign limited liability company may become a domestic corporation or a domestic limited liability company.

Subd. 2. **Certain definitions.** (a) For purposes of sections 302A.681 to 302A.691, the words, terms, and phrases in paragraphs (b) to (h) have the meanings given them.

(b) "Articles of organization" has the same meaning as it does under section 322B.03, subdivision 6.

(c) "Board of governors" has the same meaning as it does under section 322B.03, subdivision 7.

(d) "Class," when used with reference to membership interests, has the same meaning as it does under section 322B.03, subdivision 10.

(e) "Governor" has the same meaning as it does under section 322B.03, subdivision 24.

(f) "Member" has the same meaning as it does under section 322B.03, subdivision 30.

(g) "Membership interest" has the same meaning as it does under section 322B.03, subdivision 31.

(h) "Series," when used with reference to membership interests, has the same meaning as it does under section 322B.03, subdivision 44.

Subd. 3. **Additional provisions applicable to conversions to or from foreign organizations.** If either the converting organization or the converted organization is a foreign organization, then:

(1) the conversion is authorized only if it is permitted by, and effected in compliance with, the applicable laws of the jurisdiction under which the foreign organization is or will be incorporated or organized;

(2) if the converted organization will be a foreign organization and will transact business in this state, the converted organization shall comply with the provisions of chapter 303 with respect to foreign corporations or chapter 322B with respect to foreign limited liability companies, as applicable. In every such case, the converted organization shall file with the secretary of state:

(i) an agreement that it may be served with process in this state in a proceeding for the enforcement of an obligation of the converting organization and in a proceeding for the enforcement of the rights of a dissenting shareholder of the converting organization against the converted organization if the converting organization is a domestic corporation;

(ii) an irrevocable appointment of the secretary of state as its agent to accept service of process in any proceeding as provided in section 5.25, and an address to which process may be forwarded; and

(iii) if the converting organization is a domestic organization, an agreement that it will promptly pay to the dissenting owners of the organization the amount, if any to which they are entitled under section 302A.473 or 322B.383, as applicable.

History: *2004 c 199 art 14 s 23; 2014 c 157 art 2 s 10,31; 2014 c 170 s 19,20*

NOTE: This section was also amended by Laws 2014, chapter 157, article 2, section 10, effective August, 1, 2015, to read as follows:

"302A.681 CONVERSION.

Subdivision 1. **Authorization.** An organization, other than a corporation, a foreign corporation, a nonprofit corporation, or an organization owning assets irrevocably dedicated to a charitable purpose, may convert to a corporation, and a corporation may convert to an organization other than a foreign corporation, in each case pursuant to a plan of conversion approved in the manner provided in sections 302A.681 to 302A.692, if:

- (1) the other organization's governing statute authorizes the conversion; and
- (2) the other organization complies with its governing statute and organizational documents in effecting the conversion.

Subd. 2. [Repealed by amendment, 2014 c 157 art 2 s 10]"