

**317A.621 MERGER OF SUBSIDIARY.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms in paragraphs (b) and (c) have the meanings given.

(b) "Parent" means a corporation that directly, or indirectly through related organizations, owns all of the governance and financial interests in a subsidiary.

(c) "Subsidiary" means an organization having all of its governance and financial interests owned directly, or indirectly through related organizations, by a corporation.

Subd. 2. **When authorized; contents of plan.** A corporation that is a parent of a subsidiary may merge the subsidiary into itself. The merger may be approved by a resolution approved by the affirmative vote of a majority of the directors or other members of the governing body of the parent. The resolution must set forth a plan of merger that contains:

- (1) the names of the parent and subsidiary proposing to merge;
- (2) the name of the surviving corporation;
- (3) the terms and conditions of the proposed merger; and

(4) the manner and basis of converting the governance and financial interests of the subsidiary into membership interest of the surviving corporation, if applicable.

Subd. 3. **Approval by board and members with voting rights.** (a) When a parent has members with voting rights, the board of directors of the parent shall adopt a resolution by the affirmative vote of a majority of all directors approving a proposed plan of merger and directing that the plan be submitted to a vote at a meeting of the members with voting rights. Notice of the meeting must be given to each member with voting rights, accompanied by a copy or summary of the proposed plan. Unless the articles or bylaws require a greater vote, the plan of merger is adopted upon receiving the affirmative vote of a majority of the members with voting rights voting on the action.

(b) When a parent does not have members with voting rights, and unless the articles or bylaws require a greater vote, a plan of merger under this section is adopted at a meeting of the board of directors of the parent upon receiving the affirmative votes of a majority of the directors. Notice of the meeting must be given, accompanied by a copy of the proposed plan of merger.

Subd. 4. **Articles of merger; contents of articles.** Articles of merger must be prepared that contain:

(1) the plan of merger;

(2) a statement that the parent owns directly, or indirectly through related organizations, all of the governance and financial interests of each subsidiary that is a party to the merger;

(3) a statement that the plan of merger has been approved by the parent under this section; and

(4) a statement that the notice to the attorney general required by section 317A.811 has been given and the waiting period has expired or has been waived by the attorney general or a statement that section 317A.811 is not applicable.

Subd. 5. **Articles signed, filed.** The articles of merger must be signed on behalf of the parent and filed with the secretary of state.

Subd. 6. **Certificate.** The secretary of state shall issue a certificate of merger to the parent or the parent's legal representative.

**History:** *2017 c 17 s 9*