64B.14 CONSOLIDATIONS AND MERGERS.

Subdivision 1. **Requirements.** A domestic society may consolidate or merge with any other society by complying with the provisions of this section. It shall file with the commissioner:

(1) a certified copy of the written contract containing the terms and conditions of the consolidation or merger;

(2) a sworn statement by the president and secretary, or corresponding officers of each society, showing the financial condition thereof on a date fixed by the commissioner but not earlier than December 31 next preceding the date of the contract;

(3) a certificate of the officers, duly verified by their respective oaths, that the consolidation or merger has been approved by a two-thirds vote of the supreme governing body of each society, the vote being conducted at a regular or special meeting of each such body, or, if the society's laws so permit, by mail; and

(4) evidence that at least 60 days prior to the action of the supreme governing body of each society, the text of the contract has been furnished to all members of each society either by mail or by publication in full in the official publication of each society.

Subd. 2. **Approval by commissioner.** If the commissioner finds that the contract is in conformity with this section, that the financial statements are correct and that the consolidation or merger is just and equitable to the members of each society, the commissioner shall approve the contract and issue a certificate to such effect. Upon approval, the contract shall be in full force and effect unless any society which is a party to the contract is incorporated under the laws of any other state or territory. In the event the consolidation or merger shall not become effective unless and until it has been approved as provided by the laws of the state or territory and a certificate of approval filed with the commissioner of this state or, if the laws of the state or territory contain no such provision, then the consolidation or merger shall not become effective unless and until it has been approved by the commissioner of such state or territory and a certificate of the approval filed with the commissioner of this state.

Subd. 3. **Payment of expenses.** (a) All necessary and actual expenses and compensation incident to all the proceedings provided hereby shall be paid as provided by the contract of merger, consolidation, or reinsurance. An itemized statement of all these expenses shall be filed with the commissioner or commissioners, as the case may be, subject to approval, and when approved the same shall be binding on the parties.

(b) No brokerage or commission shall be included in the expenses and compensation or shall be paid to any person by either of the parties to the contract in connection with the negotiation therefor, or execution thereof.

(c) No compensation shall be paid to any officer or employee of either of the parties to the contract for, directly or indirectly, aiding in effecting the contract of merger, consolidation, or reinsurance.

(d) Except as fully expressed in the contract of merger, consolidation, or reinsurance, or the approved itemized statement of expenses, as approved by the commissioner or commissioners, as the case may be, no compensation shall be paid to any person and no officer or employee of the state shall receive any compensation, directly or indirectly, for in any manner aiding, promoting, or assisting in any merger, consolidation, or reinsurance.

Subd. 4. **Effect of consolidation or merger.** Upon the consolidation or merger becoming effective, all the rights, franchises, and interests of the consolidated or merged societies in and to every species of property,

real, personal, or mixed, and things in action thereunto belonging shall be vested in the society resulting from or remaining after the consolidation or merger without any other instrument, except that conveyances of real property may be evidenced by proper deeds, and the title to any real estate or interest therein, vested under the laws of this state in any of the societies consolidated or merged, shall not revert or be in any way impaired by reason of the consolidation or merger, but shall vest absolutely in the society resulting from or remaining after the consolidation or merger.

Subd. 5. **Affidavit of officer.** The affidavit of any officer of the society or of anyone authorized by it to mail any notice or document, stating that the notice or document has been duly addressed and mailed, shall be prima facie evidence that the notice or document has been furnished the addressees.

History: *1985 c 49 s 14*