308B.225 AMENDMENT OF ORGANIZATIONAL DOCUMENTS TO BE GOVERNED BY THIS CHAPTER.

Subdivision 1. **Authority.** (a) A cooperative organized under chapter 308A may convert and become subject to this chapter by amending its organizational documents to conform to the requirements of this chapter.

(b) A cooperative organized under chapter 308A that becomes subject to this chapter must provide its members with a disclosure statement of the rights and obligations of the members and the capital structure of the cooperative before becoming subject to this chapter. A cooperative organized under chapter 308A, upon distribution of the disclosure required in this subdivision and approval of its members as necessary for amending its articles under chapter 308A, may amend its articles to comply with this chapter.

(c) A cooperative organized under chapter 308A that is converting to be subject to this chapter must prepare a certificate stating:

(1) the date on which the entity was first organized;

(2) the name of the chapter 308A cooperative and, if the name is changed, the name of the cooperative to be governed under this chapter; and

(3) the future effective date and time, which must be a date and time certain, that it will be governed by this chapter, if the effective date and time is not to be the date and time of filing.

(d) Upon filing with the secretary of state of the articles for compliance with this chapter and the certificate required under paragraph (c), a cooperative organized under chapter 308A is converted and governed by this chapter unless a later date and time is specified in the certificate under paragraph (c).

(e) In connection with a conversion under which a cooperative becomes governed by this chapter, the rights, securities, or interests in the chapter 308A cooperative may be exchanged or converted into rights, property, securities, or interests in the cooperative as governed by this chapter.

Subd. 2. **Effect of being governed by this chapter.** The conversion of a cooperative organized under chapter 308A to a cooperative governed by this chapter does not affect any obligations or liabilities of the cooperative before the conversion or the personal liability of any person incurred before the conversion. When the conversion is effective, the rights, privileges, and powers of the cooperative, real and personal property of the cooperative, debts due to the cooperative, and causes of action belonging to the cooperative, remain vested in the cooperative and are the property of the cooperative as converted and governed by this chapter. Title to real property vested by deed or otherwise in the cooperative organized under chapter 308A does not revert and is not impaired by reason of the cooperative being converted and governed by this chapter. Rights of creditors and liens upon property of the cooperative under chapter 308A are preserved unimpaired, and debts, liabilities, and duties of the cooperative under chapter 308A remain attached to the cooperative as converted and governed by this chapter and may be enforced against the cooperative to the same extent as if the debts, liabilities, and duties had originally been incurred or contracted by the cooperative as organized under this chapter. The rights, privileges, powers, and interests in property of the cooperative under chapter 308A, as well as the debts, liabilities, and duties of the cooperative are not deemed, as a consequence of the conversion, to have been transferred for any purpose of the laws of this state.

History: *2003 c 105 art 1 s 14*