317A.681 CONVERSION.

Subdivision 1. **Definitions.** (a) For the purposes of sections 317A.671 to 317A.689, the terms in this section have the meanings given.

(b) "Organizational document" means:

(1) for a domestic or foreign limited liability company, its articles or certificate of organization;

(2) for a trust, its agreement of trust or declaration of trust;

(3) for a domestic or foreign corporation, its articles or certificate of incorporation; and

(4) for any other organization, the basic record that creates the organization.

(c) "Converted organization" means the organization into which a converting organization converts pursuant to sections 317A.681 to 317A.689.

(d) "Converting organization" means an organization that converts into another organization pursuant to sections 317A.681 to 317A.689.

(e) "Converting corporation" means a corporation governed under this chapter.

Subd. 2. **Conversion requirements.** An organization other than a corporation may convert to a corporation, and a corporation may convert to another organization, pursuant to this section, sections 317A.683 to 317A.689, and a plan of conversion if:

(1) the converting organization's governing statute authorizes the conversion;

(2) the conversion is not prohibited by another law of this state or the law of the jurisdiction that enacted the converting organization's governing statute;

(3) the converting organization complies with its governing statute in effecting the conversion;

(4) the converting organization and the converted organization's governing statute prohibits the organization from:

(i) being formed for a purpose involving pecuniary gain to its members, other than to members that are nonprofit organizations or subdivisions, units, or agencies of the United States or a state or local government; and

(ii) paying dividends or other pecuniary remuneration, directly or indirectly, to its members, other than to members that are nonprofit organizations or subdivisions, units, or agencies of the United States or a state or local government; and

(5) the attorney general has been notified, to the extent applicable under section 317A.811, and any applicable waiting periods under that section have expired.

Subd. 3. **Contents of plan of conversion.** A plan of conversion must include:

(1) the name and form of the converting organization and the jurisdiction of the converting organization's governing statute before conversion;

(2) the name and form of the converted organization and the jurisdiction of the converted organization's governing statute after conversion;

(3) the terms and conditions of the conversion, including the manner and basis for converting interests in the converting organization into interests in the converted organization; and

(4) the organizational documents of the converted organization as they are to be in effect upon completion of the conversion.

History: *2017 c 17 s 11*