

SENATE BILL 333

1 **SECTION 95.** 181.0121 (1) (a) 4. of the statutes is created to read:

2 181.0121 (1) (a) 4. An application for a certificate of conversion under s.
3 181.1161 (5).

4 **SECTION 96.** 181.0122 (1) (intro.) of the statutes is amended to read:

5 181.0122 (1) **FILING FEE SCHEDULE.** (intro.) ~~The~~ Except as provided under sub.
6 (5), the department shall collect the following fees when the documents described in
7 this subsection are delivered to the department for filing or, under pars. (e) and (f),
8 when the telephone applications are made:

9 **SECTION 97.** 181.0122 (1) (j) of the statutes is amended to read:

10 181.0122 (1) (j) Subject to sub. (3) (e), domestic corporation's or foreign
11 corporation's statement of change of a ~~registered agent or a registered office, or both,~~
12 \$10.

13 **SECTION 98.** 181.0122 (1) (o) of the statutes is repealed and recreated to read:

14 181.0122 (1) (o) Articles of merger, \$150.

15 **SECTION 99.** 181.0122 (1) (yr) of the statutes is created to read:

16 181.0122 (1) (yr) A certificate of conversion, \$150.

17 **SECTION 100.** 181.0122 (5) of the statutes is created to read:

18 181.0122 (5) The department, by rule, may specify a larger fee for filing
19 documents described in sub. (1) in paper format.

20 **SECTION 101.** 181.0402 (1) of the statutes is amended to read:

21 181.0402 (1) **RESERVATION OF NAMES.** A person may reserve the exclusive use
22 of a corporate name, including a fictitious name for a foreign corporation whose
23 corporate name is not available, by delivering an application to the department for
24 filing or by making a telephone application. The application shall include the name
25 and address of the applicant and the name proposed to be reserved. If the

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1 department finds that the corporate name applied for under this subsection is
2 available, the department shall reserve the name for the applicant's exclusive use for
3 a 120-day period, which may be renewed by the applicant or a transferee under sub.
4 (2) from time to time. ~~If an application to reserve a name or to renew a reserved name~~
5 ~~is made by telephone, the department shall cancel the reservation or renewal if the~~
6 ~~department does not receive the fee required under s. 181.0122 (1) (e) or (f) within~~
7 ~~15 business days after the application is made.~~

8 **SECTION 102.** 181.0501 (2) of the statutes is amended to read:

9 181.0501 (2) DOMESTIC ENTITIES. A domestic corporation, stock corporation,
10 limited partnership, registered limited liability partnership, or limited liability
11 company, incorporated, registered, or organized in this state, whose business office
12 is identical with the registered office.

13 **SECTION 103.** 181.0501 (3) of the statutes is amended to read:

14 181.0501 (3) FOREIGN ENTITIES. A foreign corporation, stock corporation,
15 limited partnership, registered limited liability partnership, or limited liability
16 company, authorized to transact business in this state, whose business office is
17 identical with the registered office.

18 **SECTION 104.** Subchapter XI (title) of chapter 181 [precedes 181.1100] of the
19 statutes is amended to read:

20 **CHAPTER 181**

21 **SUBCHAPTER XI**

22 **MERGER; CONVERSION**

23 **SECTION 105.** 181.1100 of the statutes is created to read:

24 **181.1100 Definitions.** In this subchapter:

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1 (1) “Business entity” means a domestic business entity and a foreign business
2 entity.

3 (2) “Domestic business entity” means a corporation, as defined in s. 180.0103
4 (5), a limited liability company, as defined in s. 183.0102 (10), a limited partnership,
5 as defined in s. 179.01 (7), or a corporation, as defined in s. 181.0103 (5).

6 (3) “Foreign business entity” means a foreign limited liability company, as
7 defined in s. 183.0102 (8), a foreign limited partnership, as defined in s. 179.01 (4),
8 a foreign corporation, as defined in s. 180.0103 (9), or a foreign corporation, as
9 defined in s. 181.0103 (13).

10 **SECTION 106.** 181.1101 (1) of the statutes is amended to read:

11 181.1101 (1) **IN GENERAL.** One or more corporations may merge ~~into a~~
12 ~~corporation or a stock corporation,~~ with or into one or more other business entities
13 if the plan of merger is approved as provided in s. 181.1103 and if the merger is
14 permitted under the applicable law of the jurisdiction that governs each other
15 business entity that is a party to the merger and each business entity approves the
16 plan of merger in the manner required by the laws applicable to the business entity.

17 **SECTION 107.** 181.1101 (2) (a) of the statutes is amended to read:

18 181.1101 (2) (a) ~~The name of each corporation, form of business entity, and~~
19 identity of the jurisdiction governing each business entity planning to merge and the
20 name, form of business entity, and identity of the jurisdiction of the surviving
21 corporation business entity into which each other corporation business entity plans
22 to merge.

23 **SECTION 108.** 181.1101 (2) (d) of the statutes is amended to read:

24 181.1101 (2) (d) The manner and basis, if any, of converting ~~memberships of~~
25 ~~each merging corporation into memberships, obligations or the shares or other~~

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1 interests in each business entity that is a party to the merger into shares, interests,
2 obligations, or other securities of the surviving business entity or any other
3 corporation business entity or into cash or other property in whole or part.

4 **SECTION 109.** 181.1101 (3) (a) of the statutes is amended to read:

5 181.1101 (3) (a) ~~If the surviving corporation is a domestic corporation,~~
6 amendments Amendments to the articles of incorporation or bylaws other similar
7 governing document of the surviving corporation ~~to be effected by the planned~~
8 merger business entity.

9 **SECTION 110.** 181.1103 (6) of the statutes is amended to read:

10 181.1103 (6) ABANDONMENT OF PLANNED MERGER. After a merger is adopted, and
11 at any time before articles of merger are filed, the planned merger may be
12 abandoned, subject to any contractual rights, without further action by members or
13 other persons who approved the plan, in accordance with the procedure set forth in
14 the plan of merger or, if none is set forth, in the manner determined by the board or
15 other similar governing body of any other business entity that is a party to the
16 merger.

17 **SECTION 111.** 181.1104 (title) of the statutes is amended to read:

18 **181.1104 (title) Merger of subsidiary or parent.**

19 **SECTION 112.** 181.1104 (1) of the statutes is amended to read:

20 181.1104 (1) MEMBER APPROVAL NOT REQUIRED. A parent corporation that is a
21 member with at least 90% of the voting rights in a subsidiary corporation may merge
22 the subsidiary into itself the parent or the parent into the subsidiary without
23 approval of the members of the parent or the members or other owners of the
24 subsidiary.

25 **SECTION 113.** 181.1104 (2) (b) of the statutes is amended to read:

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1 181.1104 (2) (b) The manner and basis of converting the memberships of the
2 subsidiary or parent into memberships or other interests of the parent surviving
3 business entity or any other ~~corporation~~ business entity or into cash or other
4 property in whole or part.

5 **SECTION 114.** 181.1104 (3) of the statutes is amended to read:

6 181.1104 (3) NOTICE REQUIREMENT. The parent shall mail a copy or summary
7 of the plan of merger to each member or other owner of the subsidiary merging
8 business entity who does not waive the mailing requirement in writing.

9 **SECTION 115.** 181.1104 (4) of the statutes is amended to read:

10 181.1104 (4) FILING WITH DEPARTMENT. The parent may not deliver articles of
11 merger to the department for filing until at least ~~30~~ 10 days after the date on which
12 it mailed a copy of the plan of merger to each member or other owner of the subsidiary
13 merging business entity who did not waive the mailing requirement.

14 **SECTION 116.** 181.1105 (intro.) of the statutes is amended to read:

15 **181.1105 Articles of merger.** (intro.) After a plan of merger is approved by
16 the board, and, if required under s. 181.1103, by the members and any other persons,
17 and by each other business entity that is a party to the merger in the manner
18 required by the laws applicable to the business entity, the surviving or acquiring
19 ~~corporation~~ business entity shall deliver to the department for filing articles of
20 merger that include all of the following information:

21 **SECTION 117.** 181.1105 (2) of the statutes is amended to read:

22 181.1105 (2) IF MEMBER APPROVAL NOT REQUIRED. If approval of members was
23 not required, a statement to that effect and a statement that the plan was approved
24 by a sufficient vote of the board and by each other business entity that is a party to
25 the merger in the manner required by the laws applicable to the business entity.

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1 **SECTION 118.** 181.1105 (3) (c) of the statutes is created to read:

2 181.1105 (3) (c) A statement that the plan was approved by each other business
3 entity that is a party to the merger in the manner required by the laws applicable
4 to the business entity.

5 **SECTION 119.** 181.1105 (5) of the statutes is created to read:

6 181.1105 (5) **EFFECTIVE DATE AND TIME.** The effective date and time of the
7 merger, if the merger is to take effect at a time other than the close of business on
8 the date of filing the articles of merger, as provided under s. 181.0123.

9 **SECTION 120.** 181.1105 (6) of the statutes is created to read:

10 181.1105 (6) **OTHER MATTERS.** Other provisions relating to the merger, as
11 determined by the surviving business entity.

12 **SECTION 121.** 181.1106 (1) of the statutes is amended to read:

13 181.1106 (1) **TERMINATION OF SEPARATE EXISTENCE.** Every other corporation
14 business entity that is a party to the merger merges into the surviving corporation
15 business entity, and the separate existence of every corporation business entity,
16 except the surviving corporation business entity, ceases.

Handwritten notes: 47, 18, 9, 16

17 **SECTION 122.** 181.1106 (1m) of the statutes is created to read:

18 181.1106 (1m) **DEBTS AND OBLIGATIONS.** If the merger is with or into a business
19 entity under the laws applicable to which one or more of the owners of the business
20 entity is liable for the debts and obligations of the business entity, the owner or
21 owners are so liable only for the debts and obligations accrued during the period or
22 periods in which such laws are applicable. This subsection does not affect liability
23 under any taxation laws.

24 **SECTION 123.** 181.1106 (2) of the statutes is amended to read:

SENATE BILL 333**SECTION 123**

1 181.1106 (2) **TITLE TO PROPERTY.** The title to all real estate and other property
2 owned by each ~~corporation~~ business entity that is a party to the merger is vested in
3 the surviving ~~corporation~~ business entity without reversion or impairment subject
4 to any conditions to which the property was subject before the merger, provided that,
5 if a merging business entity has an interest in real estate in Wisconsin on the date
6 of the merger, the merging business entity shall transfer that interest to the business
7 entity surviving the merger and shall execute any real estate transfer return
8 required under s. 77.22. The business entity surviving the merger shall promptly
9 record the instrument of conveyance under s. 59.43 in the office of the register of
10 deeds for each county in which the real estate is located.

11 **SECTION 124.** 181.1106 (3) of the statutes is repealed and recreated to read:

12 181.1106 (3) **LIABILITIES.** The surviving business entity has all liabilities of
13 each business entity that is a party to the merger.

14 **SECTION 125.** 181.1106 (4) of the statutes is amended to read:

15 181.1106 (4) **PENDING PROCEEDINGS.** A civil, criminal, administrative, or
16 investigatory proceeding pending by or against any corporation business entity that
17 is a party to the merger may be continued as if the merger did not occur, or the
18 surviving ~~corporation~~ business entity may be substituted in the proceeding for the
19 ~~corporation~~ business entity whose existence ceased.

20 **SECTION 126.** 181.1106 (5) of the statutes is repealed and recreated to read:

21 181.1106 (5) **ARTICLES OF INCORPORATION OR OTHER SIMILAR GOVERNING DOCUMENT.**
22 The articles of incorporation, articles of organization, certificate of limited
23 partnership, or other similar governing document shall be amended to the extent
24 provided in the plan of merger.

25 **SECTION 127.** 181.1106 (6) of the statutes is created to read:

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1 181.1106 (6) OWNERSHIP INTERESTS. The shares or other interests of each
2 business entity that is party to the merger that are to be converted into shares,
3 interests, obligations, or other securities of the surviving business entity or any other
4 business entity or into cash or other property are converted, and the former holders
5 of the shares or interests are entitled only to the rights provided in the articles of
6 merger or under laws applicable to each business entity that is party to the merger.

7 **SECTION 128.** 181.1107 (2) of the statutes is amended to read:

8 181.1107 (2) EFFECT OF MERGER. Upon the merger taking effect, ~~the any~~
9 ~~surviving foreign corporation or foreign stock corporation~~ business entity is deemed
10 to have irrevocably appointed the department as its agent for service of process in
11 any proceeding brought against it.

12 **SECTION 129.** 181.1108 of the statutes is amended to read:

13 **181.1108 Bequests, devises, and gifts.** Any bequest, devise, gift, grant, or
14 promise contained in a will or other instrument of donation, subscription, or
15 conveyance, that is made to a constituent ~~corporation~~ business entity and that takes
16 effect or remains payable after the merger, inures to the surviving ~~corporation~~
17 business entity unless the will or other instrument otherwise specifically provides.

18 **SECTION 130.** 181.1161 of the statutes is created to read:

19 **181.1161 Conversion.** (1) (a) A domestic corporation may convert to another
20 form of business entity if it satisfies the requirements under this section and if the
21 conversion is permitted under the applicable law of the jurisdiction that governs the
22 organization of the business entity into which the domestic corporation is converting.

23 (b) In addition to satisfying any applicable legal requirements of the
24 jurisdiction that governs the organization of the business entity into which the
25 domestic corporation is converting and that relate to the submission and approval

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1 of a plan of conversion, the domestic corporation shall comply with the procedures
2 that govern a plan of merger under s. 181.1103 for the submission and approval of
3 a plan of conversion.

4 (2) (a) A business entity other than a domestic corporation may convert to a
5 domestic corporation if it satisfies the requirements under this section and if the
6 conversion is permitted under the applicable law of the jurisdiction that governs the
7 business entity.

8 (b) A business entity converting into a domestic corporation shall comply with
9 the procedures that govern the submission and approval of a plan of conversion of
10 the jurisdiction that governs the business entity.

11 (3) A plan of conversion shall set forth all of the following:

12 (a) The name, form of business entity, and the identity of the jurisdiction
13 governing the business entity that is to be converted.

14 (b) The name, form of business entity, and the identity of the jurisdiction that
15 will govern the new business entity.

16 (c) The terms and conditions of the conversion.

17 (d) The manner and basis of converting the shares or other ownership interests
18 of the business entity that is to be converted into the shares or other ownership
19 interests of the new form of business entity.

20 (e) The effective date and time of the conversion, if the conversion is to be
21 effective other than at the close of business on the date of filing the certificate of
22 conversion, as provided under s. 181.0123.

23 (f) A copy of the articles of incorporation, articles of organization, certificate of
24 limited partnership, or other similar governing document of the business entity after
25 conversion.

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1 (g) Other provisions relating to the conversion, as determined by the business
2 entity.

3 (4) When a conversion is effective, all of the following shall occur:

4 (a) 1. Except with respect to taxation laws of each jurisdiction that are
5 applicable upon the conversion of the business entity, the business entity that was
6 converted is no longer subject to the applicable law of the jurisdiction that governed
7 the organization of the prior form of business entity and is subject to the applicable
8 law of the jurisdiction that governs the new form of business entity.

9 2. If the conversion is from or to a business entity under the laws applicable to
10 which one or more of the owners thereof is liable for the debts and obligations of such
11 business entity, ~~such owner or owners shall be so liable only for debts and obligations~~
12 ~~accrued during the period or periods in which such laws are applicable.~~ This
13 subdivision does not affect liability under any taxation laws.

14 (b) The business entity continues to have all liabilities of the business entity
15 that was converted.

16 (c) The business entity continues to be vested with title to all property owned
17 by the business entity that was converted without reversion or impairment, provided
18 that, if the converting business entity has an interest in real estate in Wisconsin on
19 the date of the conversion, the converting business entity shall transfer that interest
20 to the business entity surviving the conversion and shall execute any real estate
21 transfer return required under s. 77.22. The business entity surviving the
22 conversion shall promptly record the instrument of conveyance under s. 59.43 in the
23 office of the register of deeds for each county in which the real estate is located.

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1 (d) The articles of incorporation, articles of organization, certificate of limited
2 partnership, or other similar governing document, whichever is applicable, of the
3 business entity are as provided in the plan of conversion.

4 (e) All other provisions of the plan of conversion apply.

5 (5) After a plan of conversion is submitted and approved, the business entity
6 that is to be converted shall deliver to the department for filing a certificate of
7 conversion that includes all of the following:

8 (a) The plan of conversion.

9 (b) A statement that the plan of conversion was approved in accordance with
10 the applicable law of the jurisdiction that governs the organization of the business
11 entity.

12 (c) The registered agent and registered office, the record agent and record
13 office, or other similar agent and office of the business entity before and after
14 conversion.

15 (6) Any civil, criminal, administrative, or investigatory proceeding that is
16 pending by or against a business entity that is converted may be continued by or
17 against the business entity after the effective date of conversion.

18 **SECTION 131.** 181.1403 (1) (e) of the statutes is repealed and recreated to read:

19 181.1403 (1) (e) If approval by members is required, a statement that
20 dissolution was approved by a sufficient vote of the members of each class entitled
21 to vote on dissolution.

22 **SECTION 132.** 181.1421 (1) of the statutes is amended to read:

23 181.1421 (1) NOTICE OF DETERMINATION. If the department determines that one
24 or more grounds exist under s. 181.1420 for dissolving a corporation, the department
25 shall give the corporation written notice of the department's determination by

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1 certified first-class mail, ~~return receipt requested~~, addressed to the corporation's
2 registered agent ~~and to the corporation's principal office~~, as most recently designated
3 ~~on the records of the department~~.

4 **SECTION 133.** 181.1421 (2) of the statutes is repealed and recreated to read:

5 181.1421 (2) SECONDARY NOTICES. (a) If a notice under sub. (1) is returned to
6 the department as undeliverable, the department shall again give the corporation
7 notice by first-class mail, addressed to the principal office of the corporation, as most
8 recently designated in the records of the department.

9 (b) If the notice under par. (a) is returned to the department as undeliverable
10 or if the corporation's principal office cannot be determined from the records of the
11 department, the department shall give the notice by publishing a class 2 notice under
12 ch. 985 in the official state newspaper.

13 **SECTION 134.** 181.1421 (4) (b) of the statutes is amended to read:

14 181.1421 (4) (b) If the corporation fails to satisfy par. (a), the department shall
15 administratively dissolve the corporation ~~by issuing a certificate of dissolution that~~
16 ~~recites each ground for dissolution and its effective date~~. The department shall file
17 ~~the original of the certificate and shall provide notice to~~ enter a notation in the
18 department's records to reflect each ground for dissolution and the effective date of
19 dissolution and shall give the corporation of the certificate notice of those facts in the
20 same manner as a notice of determination under subs. (1) and (2).

21 **SECTION 135.** 181.1422 (2) (a) (intro.) of the statutes is amended to read:

22 181.1422 (2) (a) (intro.) The department shall cancel the ~~certificate~~ notice of
23 dissolution and issue a certificate of reinstatement that complies with par. (b) if the
24 department determines all of the following:

25 **SECTION 136.** 181.1423 (2) of the statutes is amended to read:

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1 181.1423 (2) TIME FOR APPEAL OF DENIAL. The corporation may appeal the denial
2 of reinstatement to the circuit court for the county where the corporation's principal
3 office or, if none in this state, its registered office is located, within 30 days after
4 service of the notice of denial is perfected. The corporation shall appeal by
5 petitioning the court to set aside the dissolution and attaching to the petition copies
6 of the department's ~~certificate~~ notice of dissolution, the corporation's application for
7 reinstatement, and the department's notice of denial.

8 **SECTION 137.** 181.1504 (1) (b) of the statutes is amended to read:

9 181.1504 (1) (b) ~~The~~ Its date of incorporation or the period of its duration.

10 **SECTION 138.** 181.1507 (2) of the statutes is amended to read:

11 181.1507 (2) DOMESTIC ENTITIES. A domestic corporation, stock corporation,
12 limited partnership, registered limited liability partnership, or limited liability
13 company, incorporated, registered, or organized in this state, whose business office
14 is identical with the registered office.

15 **SECTION 139.** 181.1507 (3) of the statutes is amended to read:

16 181.1507 (3) FOREIGN ENTITIES. A foreign corporation, stock corporation,
17 limited partnership, registered limited liability partnership, or limited liability
18 company, authorized to transact business in this state, whose business office is
19 identical with the registered office.

20 **SECTION 140.** 181.1531 (1) of the statutes is amended to read:

21 181.1531 (1) NOTICE OF PROCEEDING BY DEPARTMENT. If the department
22 determines that one or more grounds exist under s. 181.1530 (1) for revocation of a
23 certificate of authority, the department shall ~~serve~~ give the foreign corporation under
24 s. 181.1510 ~~with~~ written notice of the determination, addressed to the foreign
25 corporation's registered agent.

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1 **SECTION 141.** 181.1531 (2) (a), (b) and (c) 1. (intro.) of the statutes are amended
2 to read:

3 181.1531 (2) (a) Within 60 days after ~~service of the notice is perfected under~~
4 ~~s. 181.1510~~ takes effect, the foreign corporation shall correct each ground for
5 revocation or demonstrate to the reasonable satisfaction of the department that each
6 ground determined by the department does not exist.

7 (b) If the foreign corporation fails to satisfy par. (a), the department may revoke
8 the foreign corporation's certificate of authority by ~~issuing a certificate of revocation~~
9 ~~that recites~~ entering a notation in the department's records to reflect each ground for
10 revocation and the ~~certificate's effective date of revocation~~. The department shall ~~file~~
11 ~~the original certificate and serve a copy on~~ give notice of those facts to the foreign
12 corporation in the same manner as a notice of determination under s. 181.1510 subs.
13 (1) and (2).

14 (c) 1. (intro.) If a foreign corporation's certificate of authority is revoked, the
15 department shall reinstate the certificate of authority if the foreign corporation does
16 all of the following within 6 months after the effective date of ~~the certificate of~~
17 ~~revocation~~:

18 **SECTION 142.** 181.1531 (2g) of the statutes is created to read:

19 181.1531 (2g) **SECONDARY NOTICES.** (a) If a notice under sub. (1) or (2) (b) is
20 returned to the department as undeliverable, the department shall again give
21 written notice to the foreign corporation, addressed to the principal office of the
22 foreign corporation, as most recently designated in the records of the department.

23 (b) If the notice under par. (a) is returned to the department as undeliverable
24 or if the corporation's principal office cannot be determined from the records of the

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1 department, the department shall give the notice by publishing a class 2 notice under
2 ch. 985 in the official state newspaper.

3 SECTION 143. 181.1531 (2r) of the statutes is created to read:

4 181.1531 (2r) EFFECTIVE DATE OF NOTICE. A notice under sub. (1), (2) (b), or (2g)
5 (a) takes effect at the earliest of the following:

6 (a) When received.

7 (b) Five days after its deposit in the U.S. mail, if mailed postpaid and correctly
8 addressed.

9 (c) On the date shown on the return receipt, if sent by registered or certified
10 mail, return receipt requested, and the receipt is signed by or on behalf of the
11 addressee.

12 SECTION 144. 181.1531 (3) of the statutes is amended to read:

13 181.1531 (3) EFFECT OF REVOCATION. The authority of a foreign corporation to
14 transact business in this state, ends on the effective date shown on the certificate
15 revoking of revocation of its certificate of authority, as reflected in the records of the
16 department.

17 SECTION 145. 181.1532 (1) of the statutes is amended to read:

18 181.1532 (1) RIGHT TO APPEAL. A foreign corporation may appeal the
19 department's revocation of its certificate of authority under s. 181.1530 (1) to the
20 circuit court for the county where the foreign corporation's principal office or, if none
21 exists in this state, its registered office is located, within 30 days after ~~service of the~~
22 certificate the effective date of the notice of revocation is perfected under s. 181.1510.
23 The foreign corporation shall appeal by petitioning the court to set aside the
24 revocation and attaching to the petition copies of its certificate of authority and the
25 department's certificate notice of revocation.

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1 **SECTION 146.** 183.0104 (1) of the statutes is amended to read:

2 183.0104 (1) A person may reserve the exclusive use of a limited liability
3 company name, including a fictitious name for a foreign limited liability company
4 whose name is not available, by delivering an application to the department for filing
5 or by making a telephone application. The application shall include the applicant's
6 name and address and the name proposed to be reserved. If the department finds
7 that the name applied for under this subsection is available, the department shall
8 reserve the name for the applicant's exclusive use for a 120-day period, which may
9 be renewed by the applicant or a transferee under sub. (2) from time to time. ~~If an~~
10 ~~application to reserve a name or to renew a reserved name is made by telephone, the~~
11 ~~department shall cancel the reservation or renewal if the department does not~~
12 ~~receive the fee required under s. 183.0114 (1) (e) or (f) within 10 business days after~~
13 ~~the day on which the application is made.~~

14 **SECTION 147.** 183.0105 (1) (b) of the statutes is amended to read:

15 183.0105 (1) (b) A domestic corporation, ~~a domestic~~ limited liability company,
16 limited partnership, registered limited liability partnership, or a nonstock
17 corporation organized or registered in this state, whose business office is identical
18 with the registered office.

19 **SECTION 148.** 183.0105 (1) (c) of the statutes is amended to read:

20 183.0105 (1) (c) A foreign corporation, nonstock corporation, limited
21 partnership, registered limited liability partnership, or ~~a foreign~~ limited liability
22 company, ~~that is~~ authorized to transact business in this state ~~and,~~ whose business
23 office is identical with the registered office.

24 **SECTION 149.** 183.0107 (1) of the statutes is renumbered 183.0107 (1r).

25 **SECTION 150.** 183.0107 (1g) of the statutes is created to read:

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1 183.0107 (1g) In this section:

2 (a) “Electronic” has the meaning given in s. 183.0108 (1g) (b).

3 (b) “Electronic signature” means an electronic sound, symbol, or process,
4 attached to or logically associated with a writing and executed or adopted by a person
5 with intent to authenticate the writing.

6 (c) “Sign” means to execute or adopt a manual, facsimile, conformed, or
7 electronic signature or any symbol with intent to authenticate a writing.

8 **SECTION 151.** 183.0108 (1) of the statutes is renumbered 183.0108 (1r).

9 **SECTION 152.** 183.0108 (1g) of the statutes is created to read:

10 183.0108 (1g) In this section:

11 (a) “Deliver” means deliver by hand, mail, commercial delivery service,
12 electronic transmission, or any other method of delivery used in conventional
13 commercial practice.

14 (b) “Electronic” means relating to technology having electrical, digital,
15 magnetic, wireless, optical, electromagnetic, or similar capabilities.

16 **SECTION 153.** 183.0108 (3) of the statutes is amended to read:

17 183.0108 (3) The department may waive any of the requirements of subs. (1)
18 ~~and (2)~~ subs. (1r) and (2) and of s. 183.0107 if it appears from the face of the document
19 that the document’s failure to satisfy the requirement is immaterial.

20 **SECTION 154.** 183.0109 (1) (a) 5. of the statutes is created to read:

21 183.0109 (1) (a) 5. An application for a certificate of conversion under s.
22 183.1207 (5).

23 **SECTION 155.** 183.0110 (1) of the statutes is amended to read:

24 183.0110 (1) Upon receipt of a document by the department for filing under this
25 chapter, the department shall stamp or otherwise endorse the date ~~and time~~ of

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1 receipt on the original, the document copy and, upon request, any additional
2 document copy received. The department shall return any additional document copy
3 to the person delivering it, as confirmation of the date and time of receipt.

4 **SECTION 156.** 183.0114 (1) (intro.) of the statutes is amended to read:

5 183.0114 (1) (intro.) ~~The~~ Except as provided under sub. (3), the department
6 shall collect the following fees when the documents described in this subsection are
7 delivered for filing, or, under pars. (e) and (f), the telephone applications are made:

8 **SECTION 157.** 183.0114 (1) (j) of the statutes is amended to read:

9 183.0114 (1) (j) Subject to sub. (2) (b), a domestic limited liability company's or
10 foreign limited liability company's statement of change of ~~registered agent or~~
11 ~~registered office or both~~, \$10.

12 **SECTION 158.** 183.0114 (1) (mp) of the statutes is created to read:

13 183.0114 (1) (mp) A certificate of conversion filed under s. 183.1207 (5), \$150.

14 **SECTION 159.** 183.0114 (1) (n) of the statutes is repealed and recreated to read:

15 183.0114 (1) (n) Articles of merger, \$150.

16 **SECTION 160.** 183.0114 (1) (w) of the statutes, as affected by 2001 Wisconsin Act
17 16, is amended to read:

18 183.0114 (1) (w) Annual report of a foreign limited liability company ~~that is~~
19 ~~submitted to the department by authorized electronic means, \$65; annual report~~
20 ~~submitted to the department on paper, \$80.~~

21 **SECTION 161.** 183.0114 (3) of the statutes is created to read:

22 183.0114 (3) The department, by rule, may specify a larger fee for filing
23 documents described in sub. (1) in paper format.

24 **SECTION 162.** 183.0204 of the statutes is repealed and recreated to read:

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1 **183.0204 Effect of delivery or filing of articles of organization and**
2 **other documents.** (1) (a) A limited liability company is formed when the articles
3 of organization become effective under s. 183.0111.

4 (b) The department's filing of the articles of organization is conclusive proof
5 that the limited liability company is organized and formed under this chapter.

6 (c) The status of a limited liability company as a limited liability company or
7 as a foreign limited liability company registered to transact business in this state and
8 the liability of any member of any such limited liability company is not adversely
9 affected by errors or subsequent changes in any information stated in any filing
10 made under this chapter.

11 (2) The department's filing of the articles of organization of a foreign limited
12 liability company under s. 183.1004 shall be considered the certificate of authority
13 for that foreign limited liability company to transact business in this state and is
14 notice of all other facts set forth in the registration statement.

15 (3) (a) If a limited liability company or a foreign limited liability company that
16 is registered to transact business in this state dissolves, but its business continues
17 without winding up and without liquidating the company, the status of the limited
18 liability company or foreign limited liability company before dissolution shall
19 continue to be applicable to the company as it continues its business, and the
20 company shall not be required to make any new filings under this chapter. Any
21 filings made by such a limited liability company or foreign limited liability company
22 before dissolution shall be considered to have been filed by the company while it
23 continues its business.

24 (b) If a limited liability company or a foreign limited liability company that is
25 registered to transact business in this state dissolves, any filings made by the

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1 company before dissolution remain in effect as to the company and its members
2 during the period of winding up and to the members during the period after the
3 company's liquidation or termination with respect to the liabilities of the company.

4 **SECTION 163.** 183.0404 (2) (fm) of the statutes is created to read:

5 183.0404 (2) (fm) Convert to a new form of business entity under s. 183.1207.

6 **SECTION 164.** 183.0504 of the statutes is created to read:

7 **183.0504 Series of members, managers, or limited liability company**
8 **interests.** An operating agreement may establish, or provide for the establishment
9 of, designated series or classes of members, managers, or limited liability company
10 interests that have separate or different preferences, limitations, rights, or duties,
11 with respect to profits, losses, distributions, voting, property, or other incidents
12 associated with the limited liability company.

13 **SECTION 165.** 183.0802 (3) of the statutes is amended to read:

14 183.0802 (3) (a) Except as provided in par. (b), ~~unless an operating agreement~~
15 ~~provides that a member does not have the power to withdraw by voluntary act from~~
16 ~~a limited liability company, the a member may de so~~ voluntarily withdraw from a
17 limited liability company at any time by giving written notice to the other members,
18 or on any other terms as are provided in an operating agreement. ~~If the member has~~
19 ~~the power to withdraw but the withdrawal is a breach of an operating agreement or~~
20 ~~the withdrawal occurs as a result of otherwise wrongful conduct of the member, the~~
21 ~~limited liability company may recover from the withdrawing member damages for~~
22 ~~breach of the operating agreement or as a result of the wrongful conduct and may~~
23 ~~offset the damages against the amount otherwise distributable to the member, in~~
24 ~~addition to pursuing any remedies provided for in an operating agreement or~~
25 ~~otherwise available under applicable law. Unless otherwise provided in an operating~~

SENATE BILL 333**SECTION 165**

1 ~~agreement, in the case of a limited liability company for a definite term or particular~~
2 ~~undertaking, a withdrawal by a member before the expiration of that term or~~
3 ~~completion of that undertaking is a breach of the operating agreement.~~

4 (b) If a member acquired an interest in a limited liability company for no or
5 nominal consideration or owns an interest as to which the power to withdraw is
6 prohibited or otherwise restricted in the operating agreement, the member may
7 withdraw from the limited liability company with respect to that interest only in
8 accordance with the operating agreement and only at the time or upon the occurrence
9 of an event specified in the operating agreement. If the operating agreement does
10 not specify the time or the event upon the occurrence of which the member may
11 withdraw, a member who acquired an interest in the limited liability company for no
12 or nominal consideration may not withdraw prior to the time for the dissolution and
13 commencement of winding up of the limited liability company without the written
14 consent of all members of the limited liability company. Unless otherwise provided
15 in an operating agreement, in the case of a limited liability company that is organized
16 for a definite term or particular undertaking, the operating agreement shall be
17 considered to provide that a member may not withdraw before the expiration of that
18 term or completion of that undertaking.

19 **SECTION 166.** 183.0901 (4) (intro.) of the statutes is amended to read:

20 183.0901 (4) (intro.) ~~An~~ For a limited liability company organized before the
21 effective date of this subsection [revisor inserts date], an event of dissociation of
22 a member, unless any of the following applies:

23 **SECTION 167.** 183.1001 (1) of the statutes is amended to read:

24 183.1001 (1) The laws of the state or other jurisdiction under which a foreign
25 limited liability company is organized shall govern its organization and internal

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1 affairs and the liability and authority of its managers and members, regardless of
2 whether the foreign limited liability company obtained or should have obtained a
3 certificate of registration under this chapter, except that a foreign limited liability
4 company that has filed a certificate of conversion under s. 183.1207 (5) to become a
5 domestic limited liability company shall be subject to the requirements of this
6 chapter governing domestic limited liability companies on the effective date of the
7 conversion and shall not be subject to the requirements of this chapter governing
8 foreign limited liability companies.

9 **SECTION 168.** 183.1006 (1) (a) of the statutes is amended to read:

10 183.1006 (1) (a) Its name or the fictitious name under which it has been issued
11 a certificate of registration.

12 **SECTION 169.** 183.1006 (1) (b) of the statutes is amended to read:

13 183.1006 (1) (b) The state or jurisdiction under whose laws it is organized or
14 its date of organization.

15 **SECTION 170.** 183.1020 (2) of the statutes is amended to read:

16 183.1020 (2) If the department receives a certificate under sub. (1) (f) and a
17 statement by the foreign limited liability company that the certificate is submitted
18 by the foreign limited liability company to terminate its registration to transact
19 business in this state, the department shall ~~issue a certificate of revocation~~ revoke
20 the foreign limited liability company's certificate of registration under s. 183.1021
21 (2) (b).

22 **SECTION 171.** 183.1020 (3) of the statutes is amended to read:

23 183.1020 (3) A court may revoke under s. 946.87 the certificate of registration
24 of a foreign limited liability company registered to transact business in this state.
25 The court shall notify the department of the action, and the department shall issue

SENATE BILL 333**SECTION 171**

1 ~~a certificate of revocation~~ revoke the foreign limited liability company's certificate of
2 registration under s. 183.1021 (2) (b).

3 **SECTION 172.** 183.1021 (1) and (2) of the statutes are amended to read:

4 183.1021 (1) If the department determines that one or more grounds exist
5 under s. 183.1020 (1) for revocation of a certificate of registration, the department
6 shall ~~serve~~ give the foreign limited liability company ~~under s. 183.1010~~ with written
7 notice of the determination by first class mail, addressed to the foreign limited
8 liability company's registered office.

9 (2) (a) Within 60 days after ~~service of the notice is perfected under s. 183.1010~~
10 takes effect, the foreign limited liability company shall correct each ground for
11 revocation or demonstrate to the reasonable satisfaction of the department that each
12 ground determined by the department does not exist.

13 (b) If the foreign limited liability company fails to satisfy par. (a), the
14 department may revoke the foreign limited liability company's certificate of
15 registration by ~~signing a certificate of revocation that recites~~ entering a notation in
16 the department's records to reflect each ground for revocation and ~~its~~ the effective
17 date of the revocation. The department shall ~~file the original of the certificate and~~
18 ~~serve a copy on~~ give written notice of those facts to the foreign limited liability
19 company ~~under s. 183.1010~~ by first class mail, addressed to the foreign limited
20 liability company's registered office.

21 **SECTION 173.** 183.1021 (2g) of the statutes is created to read:

22 183.1021 (2g) (a) If a notice under sub. (1) or (2) (b) is returned to the
23 department as undeliverable, the department shall again give written notice to the
24 foreign limited liability company, addressed to the principal office of the foreign
25 limited liability company.

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1 (b) If the notice under par. (a) is returned to the department as undeliverable
2 or if the foreign limited liability company's principal office cannot be determined
3 from the records of the department, the department shall give the notice by
4 publishing a class 2 notice under ch. 985 in the official state newspaper.

5 **SECTION 174.** 183.1021 (2r) of the statutes is created to read:

6 183.1021 (2r) A notice under sub. (1), (2) (b), or (2g) (a) takes effect at the
7 earliest of the following:

8 (a) When received.

9 (b) Five days after its deposit in the U.S. mail, if mailed postpaid and correctly
10 addressed.

11 (c) On the date shown on the return receipt, if sent by registered or certified
12 mail, return receipt requested, and the receipt is signed by or on behalf of the
13 addressee.

14 **SECTION 175.** 183.1021 (3) of the statutes is amended to read:

15 183.1021 (3) The authority of a foreign limited liability company to transact
16 business in this state, other than as provided in s. 183.1002 (2), ends on the effective
17 date shown on the certificate revoking of revocation of its certificate of registration
18 as reflected in the records of the department.

19 **SECTION 176.** 183.1022 (1) of the statutes is amended to read:

20 183.1022 (1) A foreign limited liability company may appeal the department's
21 revocation of its certificate of registration under s. 183.1020 (1) to the circuit court
22 for the county where the foreign limited liability company's principal office or, if none
23 in this state, its registered office is located, within 30 days after service notice of the
24 certificate of revocation is perfected takes effect under s. 183.1010 s. 183.1021 (2r).
25 The foreign limited liability company shall appeal by petitioning the court to set

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1 aside the revocation and attaching to the petition copies of its certificate of
2 registration and the department's ~~certificate~~ notice of revocation.

3 **SECTION 177.** Subchapter XII (title) of chapter 183 [precedes 183.1200] of the
4 statutes is amended to read:

CHAPTER 183**SUBCHAPTER XII****MERGER; CONVERSION**

8 **SECTION 178.** 183.1200 of the statutes is created to read:

9 **183.1200 Definitions.** In this subchapter:

10 (1) "Business entity" means a domestic business entity and a foreign business
11 entity.

12 (2) "Domestic business entity" means a corporation, as defined in s. 180.0103
13 (5), a domestic limited liability company, a limited partnership, as defined in s.
14 179.01 (7), or a corporation, as defined in s. 181.0103 (5).

15 (3) "Foreign business entity" means a foreign limited liability company, a
16 foreign limited partnership, as defined in s. 179.01 (4), a foreign corporation, as
17 defined in s. 180.0103 (9), or a foreign corporation, as defined in s. 181.0103 (13).

18 **SECTION 179.** 183.1201 (2) of the statutes is amended to read:

19 183.1201 (2) Unless otherwise provided in an operating agreement, one or
20 more limited liability companies may merge with or into one or more other limited
21 ~~liability companies or one or more other foreign limited liability companies,~~ with the
22 ~~surviving limited liability company being the limited liability company provided in~~
23 ~~the plan of merger~~ business entities if the merger is permitted under the applicable
24 laws of the jurisdiction that governs each such other business entity and each

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1 business entity approves the plan of merger in the manner required by the laws
2 applicable to the business entity.

3 **SECTION 180.** 183.1201 (3) of the statutes is amended to read:

4 183.1201 (3) Interests in a limited liability company that is a party to a merger
5 may be exchanged for or converted into cash, property, shares, obligations of or
6 ~~interest~~ interests in the surviving ~~limited liability company~~ business entity, or of any
7 other ~~limited liability company~~ business entity.

8 **SECTION 181.** 183.1202 (3) of the statutes is amended to read:

9 183.1202 (3) Each ~~foreign~~ business entity, other than a domestic limited
10 liability company, that is a party to a proposed merger shall approve the merger in
11 the manner ~~and by the vote~~ required by the laws applicable to the ~~foreign limited~~
12 ~~liability company~~ business entity.

13 **SECTION 182.** 183.1202 (4) of the statutes is amended to read:

14 183.1202 (4) Each ~~limited liability company~~ business entity that is a party to
15 the merger shall have any rights to abandon the merger that are provided for in the
16 plan of merger or in the laws applicable to the ~~limited liability company~~ business
17 entity.

18 **SECTION 183.** 183.1202 (6) of the statutes is created to read:

19 183.1202 (6) After a merger is authorized, and at any time before the articles
20 of merger are filed with the department, the planned merger may be abandoned,
21 subject to any contractual rights, without further action on the part of the
22 shareholders or other owners, in accordance with the procedure set forth in the plan
23 of merger or, if none is set forth, in the manner determined by the governing body of
24 any business entity that is a party to the merger.

25 **SECTION 184.** 183.1203 (1) of the statutes is repealed.

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1 **SECTION 185.** 183.1203 (2) of the statutes is renumbered 183.1203, and
2 183.1203 (1), (3) and (4), as renumbered, are amended to read:

3 183.1203 (1) ~~The name of, form of business entity, and identity of the~~
4 jurisdiction governing each limited liability company business entity that is a party
5 to the merger and the name, ~~form of business entity, and identity of the jurisdiction~~
6 of the surviving ~~limited liability company business entity~~ with, or into, which each
7 other ~~limited liability company business entity~~ proposes to merge.

8 (3) The manner and basis of converting the interests in each ~~limited liability~~
9 ~~company business entity~~ that is a party to the merger into ~~limited liability company~~
10 shares, interests or, obligations, or other securities of the surviving ~~limited liability~~
11 ~~company business entity~~ or any other business entity or into cash or other property
12 in whole or in part.

13 (4) Amendments to the articles of organization or other similar governing
14 document of the surviving ~~limited liability company~~ that ~~will be effected by the~~
15 merger business entity.

16 **SECTION 186.** 183.1204 (1) of the statutes is repealed and recreated to read:

17 183.1204 (1) The surviving business entity shall deliver to the department
18 articles of merger that include all of the following:

19 (a) The plan of merger.

20 (b) The effective date and time of the merger, if the merger is to take effect at
21 a time other than the close of business on the date of filing the articles of merger
22 under s. 183.0111.

23 (c) A statement that the plan was approved by each domestic limited liability
24 company that is a party to the merger in accordance with s. 183.1202, and by each

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1 other business entity that is a party to the merger in the manner required by the laws
2 applicable to the business entity.

3 (e) Other provisions relating to the merger, as determined by the surviving
4 business entity. 69-10 (SAC)

5 **SECTION 187.** 183.1205 of the statutes is repealed and recreated to read:

6 **183.1205 Effects of merger.** A merger has the following effects:

7 (1) Every other business entity that is a party to the merger merges into the
8 surviving business entity, and the separate existence of every business entity, except
9 the surviving business entity, ceases.

10 (1m) If the merger is with or into a business entity under the laws applicable
11 to which one or more of the owners of the business entity is liable for the debts and
12 obligations of the business entity, the owner or owners are so liable only for the debts
13 and obligations accrued during the period or periods in which such laws are
14 applicable.

15 (2) The title to all property owned by each business entity that is a party to the
16 merger is vested in the surviving business entity without reversion or impairment,
17 provided that, if a merging business entity has an interest in real estate in Wisconsin
18 on the date of the merger, the merging business entity shall transfer that interest to
19 the business entity surviving the merger and shall execute any real estate transfer
20 return required under s. 77.22. The business entity surviving the merger shall
21 promptly record the instrument of conveyance under s. 59.43 in the office of the
22 register of deeds for each county in which the real estate is located.

23 (3) The surviving business entity has all liabilities of each business entity that
24 is party to the merger.

SENATE BILL 333**SECTION 187**

1 (4) A civil, criminal, administrative, or investigatory proceeding pending by or
2 against any business entity that is a party to the merger may be continued as if the
3 merger did not occur, or the surviving business entity may be substituted in the
4 proceeding for the business entity whose existence ceased.

5 (5) The articles of organization, certificate of limited partnership, or other
6 similar governing document, whichever is applicable, of the surviving business
7 entity shall be amended to the extent provided in the plan of merger.

8 (6) The shares or other interests of each business entity that is party to the
9 merger that are to be converted into shares, interests, obligations, or other securities
10 of the surviving business entity or any other business entity or into cash or other
11 property are converted, and the former holders of the shares or interests are entitled
12 only to the rights provided in the articles of merger or to their rights under the laws
13 applicable to each business entity that is a party to the merger.

14 (7) If the surviving business entity is a foreign business entity, the department
15 is the agent of the surviving foreign business entity for service of process in a
16 proceeding to enforce any obligation of any business entity that is a party to the
17 merger or the rights of the dissenting members or other owners of each business
18 entity that is a party to the merger.

19 (8) When a merger takes effect, any surviving foreign business entity of the
20 merger shall promptly pay to the dissenting shareholders of each domestic
21 corporation or dissenting owners of each other domestic business entity that is a
22 party to the merger the amount, if any, to which they are entitled under ss. 180.1301
23 to 180.1331 or under any law applicable to the other domestic business entity.

24 **SECTION 188.** 183.1206 of the statutes is amended to read:

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1 **183.1206 Right to object.** Unless otherwise provided in an operating
2 agreement, upon receipt of the notice required by s. 183.1202 (5), a member of a
3 limited liability company who did not vote in favor of the merger may, within 20 days
4 after the date of the notice, voluntarily dissociate from the limited liability company
5 under s. 183.0802 (3) and receive fair value for the member's limited liability
6 company interest under s. 183.0604. The rights afforded to shareholders, partners,
7 or other owners of other business entities shall be as required or provided by the laws
8 applicable to the other business entities.

9 **SECTION 189.** 183.1207 of the statutes is created to read:

10 **183.1207 Conversion.** (1) (a) A domestic limited liability company may
11 convert to another form of business entity if it satisfies the requirements under this
12 section and if the conversion is permitted under the applicable law of the jurisdiction
13 that governs the organization of the business entity into which the domestic limited
14 liability company is converting.

15 (b) In addition to satisfying any applicable legal requirements of the
16 jurisdiction that governs the organization of the business entity into which the
17 domestic limited liability company is converting and that relate to the submission
18 and approval of a plan of conversion, the domestic limited liability company shall
19 comply with the procedures that govern a plan of merger under s. 183.1202 for the
20 submission and approval of a plan of conversion.

21 (2) (a) A business entity other than a domestic limited liability company may
22 convert to a domestic limited liability company if it satisfies the requirements under
23 this section and if the conversion is permitted under the applicable law of the
24 jurisdiction that governs the business entity.

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1 (b) A business entity converting into a domestic limited liability company shall
2 comply with the procedures that govern the submission and approval of a plan of
3 conversion of the jurisdiction that governs the business entity.

4 (3) A plan of conversion shall set forth all of the following:

5 (a) The name, form of business entity, and the identity of the jurisdiction
6 governing the business entity that is to be converted.

7 (b) The name, form of business entity, and the identity of the jurisdiction that
8 will govern the business entity after conversion.

9 (c) The terms and conditions of the conversion.

10 (d) The manner and basis of converting the shares or other ownership interests
11 of the business entity that is to be converted into the shares or other ownership
12 interests of the new form of business entity.

13 (e) The effective date and time of the conversion, if the conversion is to be
14 effective other than at the close of business on the date of filing the certificate of
15 conversion, as provided under s. 183.0111.

16 (f) A copy of the articles of incorporation, article of organization, certificate of
17 limited partnership or other governing document of the business entity after
18 conversion.

19 (g) Other provisions relating to the conversion, as determined by the business
20 entity.

21 (4) When a conversion is effective, all of the following shall occur:

22 (a) 1. Except with respect to taxation laws of each jurisdiction that are
23 applicable upon the conversion of the business entity, the business entity that was
24 converted is no longer subject to the applicable law of the jurisdiction that governed

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1 the organization of the prior form of business entity and is subject to the applicable
2 law of the jurisdiction that governs the new form of business entity.

3 2. If the conversion is from or to a business entity under the laws applicable to
4 which one or more of the owners thereof is liable for the debts and obligations of such
5 business entity, such owner or owners shall be so liable only for debts and obligations
6 accrued during the period or periods in which such laws are applicable. This
7 subdivision does not affect liability under any taxation laws.

8 (b) The business entity continues to have all liabilities of the business entity
9 that was converted.

10 (c) The business entity continues to be vested with title to all property owned
11 by the business entity that was converted without reversion or impairment, provided
12 that, if the converting business entity has an interest in real estate in Wisconsin on
13 the date of the conversion, the converting business entity shall transfer that interest
14 to the business entity surviving the conversion and shall execute any real estate
15 transfer return required under s. 77.22. The business entity surviving the
16 conversion shall promptly record the instrument of conveyance under s. 59.43 in the
17 office of the register of deeds for each county in which the real estate is located.

18 (d) The articles of incorporation, articles of organization, certificate of limited
19 partnership, or other similar governing document, whichever is applicable, of the
20 business entity are as provided in the plan of conversion.

21 (e) All other provisions of the plan of conversion apply.

22 (5) After a plan of conversion is submitted and approved, the business entity
23 that is to be converted shall deliver to the department for filing a certificate of
24 conversion that includes all of the following:

25 (a) The plan of conversion.

SENATE BILL 333**SECTION 189**

1 (b) A statement that the plan of conversion was approved in accordance with
2 the applicable law of the jurisdiction that governs the organization of the business
3 entity.

4 (c) The registered agent and registered office, record agent and record office,
5 or other similar agent and office of the business entity before and after conversion.

6 (6) Any civil, criminal, administrative, or investigatory proceeding that is
7 pending by or against a business entity that is converted may be continued by or
8 against the business entity after the effective date of conversion.

9 **SECTION 190.** 184.10 (4) of the statutes is amended to read:

10 184.10 (4) The department of financial institutions shall collect a fee of \$15 for
11 filing a statement appointing an agent to receive service of process, an amended and
12 restated statement, or a resignation, except that the department of financial
13 institutions, by rule, may specify a larger fee for documents filed in paper format.

14 **SECTION 191.** 185.48 (4) of the statutes is amended to read:

15 185.48 (4) Any report not filed as required by sub. (3) may be filed only upon
16 payment to the department of \$26 or, if the report is filed in paper format, upon
17 payment of such larger fee as the department prescribes by rule.

18 **SECTION 192.** 185.48 (6) of the statutes is amended to read:

19 185.48 (6) The Except as otherwise provided in this subsection, the cooperative
20 may be restored to good standing by delivering to the department a current annual
21 report and by paying the \$26 late filing fee plus \$15 for each calendar year or part
22 thereof during which it was not in good standing, not exceeding a total of \$176. The
23 department, by rule, may specify a larger fee for the filing of an annual report in
24 paper format.

25 **SECTION 193.** 185.83 (1) (intro.) of the statutes is amended to read:

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1 185.83 (1) (intro.) ~~The Except as provided under sub. (1m), the~~ department
2 shall charge and collect for:

3 **SECTION 194.** 185.83 (1) (b) of the statutes is renumbered 185.83 (1) (b) (intro.)
4 and amended to read:

5 185.83 (1) (b) (intro.) Filing an amendment to or restatement of the articles or
6 articles of ~~merger~~, consolidation or division, \$10, plus \$1.25 for each \$1,000 of
7 authorized stock not authorized at the time of the amendment, restatement,
8 consolidation, or division, except that no fee may be collected for an any of the
9 following:

10 1. An amendment showing only a change of address resulting from the action
11 of a governmental agency if there is no corresponding change in physical location and
12 if 2 copies of the notice of the action are submitted to the department; ~~and an~~
13 ~~additional fee of \$1.25 for each \$1,000 of authorized stock not authorized at the time~~
14 ~~of amendment, restatement, merger, consolidation or division.~~ ✓

15 **SECTION 195.** 185.83 (1) (b) 2. of the statutes is created to read:

16 185.83 (1) (b) 2. An amendment filed to reflect only a change in the name of a
17 registered agent.

18 **SECTION 196.** 185.83 (1) (bm) of the statutes is created to read:

19 185.83 (1) (bm) Filing articles of merger, \$30.

20 **SECTION 197.** 185.83 (1m) of the statutes is created to read:

21 185.83 (1m) The department, by rule, may specify a larger fee for filing
22 documents described in sub. (1) in paper format.

23 **SECTION 198.** 551.02 (1) of the statutes is renumbered 551.02 (1r).

24 **SECTION 199.** 551.02 (1g) of the statutes is created to read:

25 551.02 (1g) "Accredited investor" has the meaning given in 17 CFR 230.501 (a).

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1 **SECTION 200.** 551.23 (8) (g) of the statutes is amended to read:

2 551.23 (8) (g) ~~An individual accredited investor, as defined by rule of the~~
3 ~~division, if the issuer reasonably believes immediately before the sale that the~~
4 ~~individual accredited investor, either alone or with the individual accredited~~
5 ~~investor's representative, has such knowledge and experience in financial and~~
6 ~~business matters as to be capable of evaluating the merits and risks of the~~
7 ~~prospective investment.~~

8 **SECTION 201.** 551.23 (10) of the statutes is amended to read:

9 551.23 (10) Any offer or sale of its securities by an issuer having its principal
10 office in this state, if the aggregate number of persons holding directly or indirectly
11 all of the issuer's securities, after the securities to be issued are sold, does not exceed
12 ~~15~~ 25, exclusive of persons under sub. (8), if no commission or other remuneration
13 is paid or given directly or indirectly for soliciting any person in this state, except to
14 broker-dealers and agents licensed in this state, and if no advertising is published
15 unless it has been permitted by the division.

16 **SECTION 202.** 551.23 (11) (a) of the statutes is amended to read:

17 551.23 (11) (a) Any transaction pursuant to an offer directed by the offeror to
18 not more than ~~10~~ 25 persons in this state, excluding persons exempt under sub. (8)
19 but including persons exempt under sub. (10), during any period of 12 consecutive
20 months, whether or not the offeror or any of the offerees is then present in this state,
21 if the offeror reasonably believes that all the persons in this state are purchasing for
22 investment, and no commission or other remuneration is paid or given directly or
23 indirectly for soliciting any person in this state other than those exempt by sub. (8).

24 **SECTION 203.** 551.31 (1) (d) of the statutes is created to read:

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1 551.31 (1) (d) An agent who is acting exclusively as an agent representing an
2 issuer of securities and who makes offers and sales of the issuer's securities in
3 transactions that are exempt under s. 551.23 (8) (g) or under a rule of the division
4 promulgated under s. 551.23 (18) that specifically exempts transactions involving
5 accredited investors and that is based on a model accredited investor exemption
6 adopted by the North American Securities Administrators Association.

7 **SECTION 204.** 611.72 (2) of the statutes is amended to read:

8 611.72 (2) APPROVAL REQUIRED. No proposed plan of merger under s. 180.1101,
9 or 180.1104 ~~or 180.1107~~ or other plan for acquisition of control may be submitted to
10 the shareholders of any domestic stock insurance corporation or its parent insurance
11 holding corporation participating in the transaction or executed unless it has been
12 approved by the commissioner.

13 **SECTION 205. Appropriation changes.**

14 (1) In the schedule under section 20.005 (3) of the statutes for the appropriation
15 to the department of financial institutions under section 20.144 (1) (g) of the statutes,
16 as affected by the acts of 2001, the dollar amount is increased by \$821,600 for fiscal
17 year 2002–03 to carry out the purpose for which the appropriation is made.

18 **SECTION 206. Effective date.**

19 (1) This act takes effect on the first day of the 6th month beginning after
20 publication.

21

(END)

**SENATE AMENDMENT 1,
TO 2001 SENATE BILL 333**

February 5, 2002 - Offered by JOINT COMMITTEE ON FINANCE.

1 At the locations indicated, amend the bill as follows:

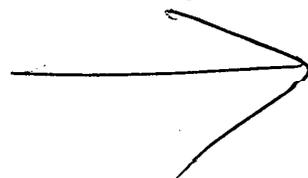
2 **1.** Page 9, line 9: delete "2 one" and substitute "2". ✓

3 **2.** Page 18, line 8: delete the material beginning with "such" and ending with
4 "applicable" on line 9 and substitute "such owner or owners shall continue to be or
5 become so liable for debts and obligations of such business entity, but only for such
6 debts and obligations accrued during the period or periods in which such laws are
7 applicable to such owner or owners". ✓

8 **3.** Page 21, line 12: delete lines 12 to 16 and substitute:

9 (b) 1. If, under the laws applicable to a business entity that is a party to the
10 merger, one or more of the owners thereof is liable for the debts and obligations of
11 such business entity, such owner or owners shall continue to be liable for the debts
12 and obligations of the business entity, but only for such debts and obligations accrued

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21-12

1 during the period or periods in which such laws are applicable to such owner or
2 owners.

3 2. If, under the laws applicable to the surviving business entity, one or more of
4 the owners thereof is liable for the debts and obligations of such business entity, the
5 owner or owners of a business entity that is party to the merger, other than the
6 surviving business entity, who become subject to such laws shall be liable for the
7 debts and obligations of the surviving business entity to the extent provided in such
8 laws, but only for such debts and obligations accrued after the merger. The owner
9 or owners of the surviving business entity prior to the merger shall continue to be
10 liable for the debts and obligations of the surviving business entity to the extent
11 provided in subd. 1^s." ✓

12 4. Page 26, line 13: after that line insert:

13 "SECTION 47d. 180.0125 (2) (b) of the statutes is amended to read:

14 180.0125 (2) (b) If a domestic corporation or foreign corporation is in default
15 in the payment of any fee required under s. 180.0122 (1) (a) to (j) or (m) to ~~(ym)~~ (yr),
16 ²⁶⁻¹³ the department shall refuse to file any document relating to the domestic corporation
17 or foreign corporation until all delinquent fees are paid by the domestic corporation
18 or foreign corporation. ✓

19 5. Page 32, line 13: delete lines 13 to 17 and substitute:

20 180.1106 (1) (am) 1. If, under the laws applicable to a business entity that is
21 a party to the merger, one or more of the owners thereof is liable for the debts and
22 obligations of such business entity, such owner or owners shall continue to be liable
23 for the debts and obligations of the business entity, but only for such debts and

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1 obligations accrued during the period or periods in which such laws are applicable
2 to such owner or owners.

3 2. If, under the laws applicable to the surviving business entity, one or more of
4 the owners thereof is liable for the debts and obligations of such business entity, the
5 owner or owners of a business entity that is party to the merger, other than the
6 surviving business entity, who become subject to such laws shall be liable for the
7 debts and obligations of the surviving business entity to the extent provided in such
8 laws, but only for such debts and obligations accrued after the merger. The owner
9 or owners of the surviving business entity prior to the merger shall continue to be
10 liable for the debts and obligations of the surviving business entity to the extent
11 provided in subd. 1.

12 3. This paragraph does not affect liability under any taxation laws." ✓

13 6. Page 36, line 14: delete the material beginning with "such" and ending with
14 "applicable" on line 15 and substitute "such owner or owners shall continue to be or
15 become so liable for debts and obligations of such business entity, but only for such
16 debts and obligations accrued during the period or periods in which such laws are
17 applicable to such owner or owners".

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18 7. Page 47, line 18: delete lines 18 to 23 and substitute.

19 181.1106 (1m) DEBTS AND OBLIGATIONS. (a) If, under the laws applicable to a
20 business entity that is a party to the merger, one or more of the owners thereof is
21 liable for the debts and obligations of such business entity, such owner or owners
22 shall continue to be liable for the debts and obligations of the business entity, but only
23 for such debts and obligations accrued during the period or periods in which such
24 laws are applicable to such owner or owners.

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1 (b) If, under the laws applicable to the surviving business entity, one or more
 2 of the owners thereof is liable for the debts and obligations of such business entity,
 3 the owner or owners of a business entity that is party to the merger, other than the
 4 surviving business entity, who become subject to such laws shall be liable for the
 5 debts and obligations of the surviving business entity to the extent provided in such
 6 laws, but only for such debts and obligations accrued after the merger. The owner
 7 or owners of the surviving business entity prior to the merger shall continue to be
 8 liable for the debts and obligations of the surviving business entity to the extent
 9 provided in par. (a).

10 (c) This subsection does not affect liability under any taxation laws. ✓

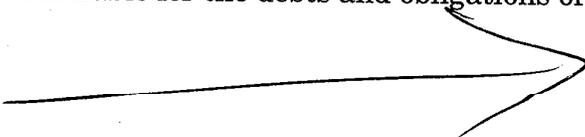
11 **8.** Page 51, line 11: delete the material beginning with "such" and ending with
 12 "applicable" on line 12 and substitute "such owner or owners shall continue to be or
 13 become so liable for debts and obligations of such business entity, but only for such
 14 debts and obligations accrued during the period or periods in which such laws are
 15 applicable to such owner or owners".

16 **9.** Page 69, line 10: delete lines 10 to 14 and substitute:

17 **(1m)** (a) If, under the laws applicable to a business entity that is a party to the
 18 merger, one or more of the owners thereof is liable for the debts and obligations of
 19 such business entity, such owner or owners shall continue to be liable for the debts
 20 and obligations of the business entity, but only for such debts and obligations accrued
 21 during the period or periods in which such laws are applicable to such owner or
 22 owners.

23 (b) If, under the laws applicable to the surviving business entity, one or more
 24 of the owners thereof is liable for the debts and obligations of such business entity,

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1 the owner or owners of a business entity that is party to the merger, other than the
2 surviving business entity, who become subject to such laws shall be liable for the
3 debts and obligations of the surviving business entity to the extent provided in such
4 laws, but only for such debts and obligations accrued after the merger. The owner
5 or owners of the surviving business entity prior to the merger shall continue to be
6 liable for the debts and obligations of the surviving business entity to the extent
7 provided in par. (a).

8 **10.** Page 73, line 5: delete the material beginning with "such" and ending with
9 "applicable" on line 6 and substitute "such owner or owners shall continue to be or
10 become so liable for debts and obligations of such business entity, but only for such
11 debts and obligations accrued during the period or periods in which such laws are
12 applicable to such owner or owners".

13

(END)

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x

x