



State of Wisconsin
2001 - 2002 LEGISLATURE

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2001 BILL

1 AN ACT to repeal 180.1130 (14); to amend 77.21 (1e), 180.0122 (1) (a), 180.0122
2 (1) (m), 180.0122 (1) (n), 180.0122 (1) (o), 180.0122 (1) (om), 180.0602 (3),
3 180.0825 (1), 180.0825 (2) (a), 180.1101 (1), 180.1101 (2) (a), 180.1101 (2) (c),
4 180.1103 (1), 180.1103 (6), 180.1104 (title), 180.1104 (1), 180.1104 (2) (b),
5 180.1104 (3), 180.1104 (4), 180.1104 (5), 180.1105 (1) (intro.), 180.1105 (1) (b),
6 180.1106 (1) (a), 180.1106 (1) (b), 180.1106 (1) (c), 180.1106 (1) (d), 180.1106 (1)
7 (f), 180.1107 (title), 180.1107 (1) (intro.), 180.1107 (1) (a), 180.1107 (1) (c),
8 180.1107 (1) (d), 180.1107 (2) (a) (intro.), 180.1107 (2) (a) 1., 180.1107 (2) (a) 3.,
9 180.1107 (3) (a), 180.1107 (3) (b), 180.1132 (1) (a) (intro.), 180.1132 (1) (a) 2.,
10 180.1140 (11), 180.1150 (2), 180.1302 (4), 181.1101 (1), 181.1101 (2) (a),
11 181.1101 (2) (d), 181.1103 (6), 181.1104 (1), 181.1104 (2) (b), 181.1104 (3),
12 181.1104 (4), 181.1105 (intro.), 181.1105 (2), 181.1106 (1), 181.1106 (2),
13 181.1106 (4), 181.1107 (1) (intro.), 181.1107 (1) (a), 181.1107 (1) (b), 181.1107
14 (2), 181.1108, 183.1201 (2), 183.1201 (3), 183.1202 (3), 183.1202 (4), 183.1202

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1 (5), 183.1203 (1), 183.1203 (2) (a), 183.1203 (2) (c) and 183.1206; to repeal and
2 recreate 180.0825 (5), 180.1101 (3) (a), 180.1106 (1) (e), 181.1101 (3) (a),
3 181.1106 (3), 181.1106 (5), 183.1201 (1), 183.1203 (2) (d), 183.1204 (1) and
4 183.1205; and to create 180.0602 (3) (d), 180.0708, 180.1100, 180.1105 (1) (c),
5 180.1105 (1) (d), 180.1105 (1) (e), 181.1100, 181.1105 (3) (c), 181.1105 (5) and
6 181.1106 (6) of the statutes; relating to: general measures affecting the
7 governance and operations of business associations.

Analysis by the Legislative Reference Bureau

This bill makes numerous changes to the laws that affect the governance and operations of business associations. The changes include all of the following:

1. Under current law, the fee for filing articles of incorporation with the department of financial institutions is one cent for each authorized share of capital stock, except that the minimum fee is \$90, and the maximum fee may not exceed \$10,000. This bill changes the fee to \$130 plus an additional one cent for each authorized share of capital stock over one million shares, except that the maximum fee may not exceed \$10,000.

2. This bill authorizes the board of directors of a business corporation to increase or decrease the number of shares of any class or series of stock. In addition, the bill provides that any shares of stock that are eliminated from a series resume the status that the shares had prior to the adoption of any resolution by the board of directors that changed their status.

3. The bill establishes a procedure for the conduct of shareholder meetings. Under the bill, unless otherwise provided in the articles of incorporation or bylaws, at each shareholder meeting a chairperson is required to preside. The chairperson is to be appointed as provided in the bylaws or, if the bylaws do not provide for his or her appointment, by the board of directors of the corporation. The chairperson is required to determine the order of business and may establish rules for the conduct of the meeting. Under the bill, the chairperson must announce at the meeting when the polls have closed for each matter at the meeting on which there is a vote. If there is no announcement, the polls shall be considered closed on final adjournment of the meeting. After the polls are closed, no ballot, proxy, vote, or any revocation or change to any ballot, proxy, or vote may be accepted.

4. Under current law, unless otherwise provided in the articles of incorporation or bylaws, the board of directors may create any number of committees, appoint members of the board to serve on the committees, and designate other members of the board of directors to serve as alternates. Currently, each committee must have two or more members. This bill provides that each committee must have one or more members.

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5. Under current law, to the extent provided in the articles of incorporation or bylaws, any committee created by the board of directors may exercise the authority of the board of directors with certain exceptions. This bill provides that no committee may approve, adopt, or recommend to shareholders any action or matter that is expressly required by this chapter to be submitted to shareholders for approval, or adopt, amend, or repeal any bylaw.

6. Under current laws affecting business combinations, one of the conditions that may be met to permit a resident domestic corporation to engage in a business combination with an interested shareholder is that the board of directors of the resident domestic corporation has approved, before the interested stockholder's stock acquisition date, the purchase of stock made by the interested stockholder on that stock acquisition date. Currently, "stock acquisition date," with respect to any person, is defined as "the date that that person first becomes an interested stockholder of that resident domestic corporation." This bill changes the definition to mean "the time that the person first becomes an interested stockholder of that resident domestic corporation." The result of this change is that the board may approve the purchase of stock on the same day that the person first becomes an interested stockholder of that resident domestic corporation.

7. Under current laws affecting business combinations, a shareholder may dissent from certain corporate actions and obtain "fair value" for his or her shares in the corporation. This bill provides that where a corporation's shares are traded on a national securities exchange or quoted on the National Association of Securities Dealers, Inc., automated quotations system, the mechanism for determining "fair value" is the public market.

8. Under current laws affecting the merger of corporations, shareholders must generally approve the plan of merger. An exception under current law, however, provides that a parent corporation owning at least 90% of the outstanding shares of each class of a subsidiary corporation may merge the subsidiary into itself without approval of the shareholders of the parent or subsidiary corporation. This bill permits such a parent corporation to merge itself into a subsidiary corporation without approval of the shareholders of the parent or subsidiary corporation.

9. Under current law, *unless otherwise provided in the articles of incorporation of a resident domestic corporation*, the voting power of shares of a resident domestic corporation held by any person in excess of 20% of the voting power in the election of directors is limited to 10% of the full voting power of those shares. This bill provides also that *unless otherwise approved by the board of directors of a resident domestic corporation*, the voting power of shares of a resident domestic corporation held by any person in excess of 20% of the voting power in the election of directors is limited to 10% of the full voting power of those shares.

10. Current law affecting business corporations authorizes mergers between business corporations but not between business corporations and other kinds of organizations. This bill permits mergers among domestic and foreign business corporations, domestic and foreign nonstock corporations, domestic and foreign limited liability companies, and domestic and foreign limited partnerships.

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11. Finally, the bill reduces the maximum amount of filing fees paid by any person, other than an investment company, for articles of incorporation, amended articles of incorporation, restated articles of incorporation, articles of merger, and articles of share exchange from \$10,000 to \$5,000.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 SECTION 1. 77.21 (1e) of the statutes is amended to read:

2 ~~77.21 (1e)~~ "Mergers of corporations" means the ~~merger or~~ combination ^{OR CONVERSION} of ~~or~~
3 more corporations, ~~not~~ ~~block~~ corporations, limited liability companies, or limited
4 partnerships, or any combination thereof, under a plan of merger, ~~or~~ a plan of
5 consolidation ^{OR A PLAN OF CONVERSION} ~~or the combination of 2 or more limited liability companies under a~~
6 plan of merger permitted by the laws that govern the entities.

7 SECTION 2. 180.0122 (1) (a) of the statutes is amended to read:

8 180.0122 (1) (a) Articles of incorporation, \$130 plus an additional 1 cent for
9 each authorized share ~~over 1 million shares, except the minimum fee is \$90 and that~~
10 the maximum fee is ~~\$10,000~~ \$5,000 and except that the fee for investment companies
11 is determined under sub. (1m).

12 SECTION 3. 180.0122 (1) (m) of the statutes is amended to read:

13 180.0122 (1) (m) Amendment of articles of incorporation; \$40; plus 1 cent for
14 each authorized share after the amendment, less a credit of 1 cent for each
15 authorized share immediately before the amendment; except the maximum fee
16 under this paragraph is ~~\$10,000~~ \$5,000 and except that the fee for investment
17 companies is determined under sub. (1m).

18 SECTION 4. 180.0122 (1) (n) of the statutes is amended to read:

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1 180.0122 (1) (n) Restatement of articles of incorporation with or without
2 amendment of articles, \$40; plus 1 cent for each authorized share after the
3 restatement and any amendment, less a credit of 1 cent for each authorized share
4 immediately before the restatement and any amendment; except the maximum fee
5 under this paragraph is ~~\$10,000~~ \$5,000 and except that the fee for investment
6 companies is determined under sub. (1m).

7 **SECTION 5.** 180.0122 (1) (o) of the statutes is amended to read:

8 180.0122 (1) (o) Articles of merger, \$50 for each domestic corporation and each
9 foreign corporation authorized to transact business in this state that is a party to the
10 merger; plus 1 cent for each authorized share of the surviving domestic corporation
11 after the merger, less a credit of 1 cent for each share that is authorized immediately
12 before the merger by each domestic corporation that is a party to the merger, except
13 the maximum fee under this paragraph is ~~\$10,000~~ \$5,000 and except that the fee for
14 investment companies is determined under sub. (1m).

15 **SECTION 6.** 180.0122 (1) (om) of the statutes is amended to read:

16 180.0122 (1) (om) Articles of share exchange, \$50 for each domestic corporation
17 and each foreign corporation authorized to transact business in this state that is a
18 party to the share exchange; plus 1 cent for each authorized share of the acquiring
19 domestic corporation after the share exchange, less a credit of 1 cent for each share
20 that is authorized immediately before the share exchange by the acquiring domestic
21 corporation; except the maximum fee under this paragraph is ~~\$10,000~~ \$5,000.

22 **SECTION 7.** 180.0602 (3) of the statutes is amended to read:

23 180.0602 (3) (a) After the articles of amendment are filed under sub. (2) and
24 before the corporation issues any shares of the class or series that is the subject of
25 the articles of amendment, the board of directors may increase or decrease the

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1 number of shares of the series, may alter the distinguishing designation, and may
2 alter or revoke any preferences, limitations, or relative rights, in whole or part,
3 described in the articles of amendment, by adopting another resolution appropriate
4 for that purpose.

5 (b) The corporation shall file with the department revised articles of
6 amendment that comply with sub. (2).

7 (c) A preference, limitation, or relative right may not be altered or revoked after
8 the issuance of any shares of the class or series that are subject to the preference,
9 limitation, or relative right, except by amendment of the articles of incorporation
10 under s. 180.1003 and except as provided in par. (d).

11 SECTION 8. 180.0602 (3) (d) of the statutes is created to read:

12 180.0602 (3) (d) 1. Unless otherwise provided in a resolution adopted by the
13 board of directors, the board of directors, by adoption of a subsequent resolution, may
14 increase the number of shares of the class or series up to an amount that does not
15 exceed the total number of authorized shares of the class or series or may decrease
16 the number of shares of the class or series to an amount that is not less than the
17 number of outstanding shares of the class or series.

18 2. If the board of directors decreases the number of shares, the shares specified
19 in the resolution shall resume the status that they had prior to the adoption of the
20 first resolution or resolutions.

21 3. When no shares of any class or series specified in subd. 1. are outstanding,
22 either because no shares were issued or because no issued shares of the class or series
23 are outstanding, the board of directors may execute, acknowledge, and file with the
24 department a certificate setting forth any resolution adopted by the board that none
25 of the authorized shares of the class or series are outstanding and that no shares will

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1 be issued subject to any articles of amendment previously filed with respect to the
2 class or series. Upon acceptance of the certificate by the department, all matters set
3 forth in the articles of amendment with respect to the class or series shall be
4 considered to be eliminated from the articles of incorporation.

5 **SECTION 9.** 180.0708 of the statutes is created to read:

6 **180.0708 Conduct of shareholder meeting.** Unless the articles of
7 incorporation or bylaws provide otherwise, all of the following shall apply:

8 (1) At each meeting of shareholders, a chairperson shall preside. The
9 chairperson shall be appointed as provided in the bylaws or, if the bylaws do not
10 provide for his or her appointment, by the board of directors.

11 (2) The chairperson shall determine the order of business and may establish
12 rules for the conduct of the meeting. If the chairperson establishes rules for the
13 conduct of the meeting, the chairperson shall establish rules that he or she considers
14 fair to the interests of all shareholders.

15 (3) The chairperson shall announce at the meeting when the polls have closed
16 for each matter at the meeting on which there is a vote. If there is no announcement,
17 the polls shall be considered closed on final adjournment of the meeting. After the
18 polls are closed, no ballot, proxy, vote, or any revocation or change to any ballot, proxy,
19 or vote may be accepted.

20 **SECTION 10.** 180.0825 (1) of the statutes is amended to read:

21 **180.0825 (1)** Unless the articles of incorporation or bylaws provide otherwise,
22 a board of directors may create one or more committees, appoint members of the
23 board of directors to serve on the committees, and designate other members of the
24 board of directors to serve as alternates. Each committee shall have ~~2~~ one or more

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1 members. Unless otherwise provided by the board of directors, members of the
2 committee shall serve at the pleasure of the board of directors.

3 SECTION 11. 180.0825 (2) (a) of the statutes is amended to read:

4 180.0825 (2) (a) A majority of all a quorum of the board of directors in office
5 when the action is taken.

6 SECTION 12. 180.0825 (5) of the statutes is repealed and recreated to read:

7 180.0825 (5) (a) To the extent specified by the board of directors or in the
8 articles of incorporation or bylaws, but subject to par. (b), each committee may
9 exercise the authority of the board of directors.

10 (b) No committee may approve, adopt, or recommend to shareholders any
11 action or matter that is expressly required by this chapter to be submitted to
12 shareholders for approval, or adopt, amend, or repeal any bylaw.

13 SECTION 13. 180.1100 of the statutes is created to read:

14 180.1100 Definitions. In this subchapter: *Already included in bill*

15 (1) "Business entity" means a domestic business entity and a foreign business
16 entity.

17 (2) "Domestic business entity" includes a limited liability company, as defined
18 in s. 183.0102 (10), a limited partnership, as defined in s. 179.01 (7), a corporation,
19 and a nonstock corporation, as defined in s. 181.0103 (18).

20 (3) "Foreign business entity" includes a foreign limited liability company, as
21 defined in s. 183.0102 (8), a foreign limited partnership, as defined in s. 179.01 (4),
22 a foreign corporation, as defined in s. 180.0103 (9), and a foreign corporation, as
23 defined in s. 181.0103 (13).

24 SECTION 14. 180.1101 (1) of the statutes is amended to read:

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→ and each such business entity

180.1101 (1) One or more corporations may merge into another corporation with or into ^{one or more} any other business entity if the board of directors of ^{each} each the corporation; by resolution adopted by ^{each} the board, approves a plan of merger and, if required by s. 180.1103, its shareholders also approve the plan of merger, and if each other business entity that is a party to the merger approves ^{plan of} the merger in the manner and ^{the merger is permitted under the applicable law of the jurisdiction that governs} by the vote required by the laws applicable to the business entity.

These may not be crossed

SECTION 15. 180.1101 (2) (a) of the statutes is amended to read:

180.1101 (2) (a) The name of each corporation and type of organization of each business entity planning to merge and the name and type of organization of the surviving corporation business entity into which each other corporation business entity plans to merge.

→ born of business entity, and the identity of the jurisdiction governing the jurisdiction governing
→ born of business entity, and the identity of the jurisdiction governing

These changes are made to conform language to § 180.1101

SECTION 16. 180.1101 (2) (c) of the statutes is amended to read:

180.1101 (2) (c) The manner and basis of converting the ^{shares or other} shares of each corporation into share interests in each business entity that is a party to the merger into interests, obligations, or other securities of the surviving corporation business entity or any other corporation business entity or into cash or other property in whole or part.

SECTION 17. 180.1101 (3) (a) of the statutes is repealed and recreated to read:

180.1101 (3) (a) ~~X~~ ~~X~~ (the surviving business entity) is a corporation, or other similar governing document or.

Amendments to the articles of incorporation

2. If the surviving business entity is a nonstock corporation, as defined in s. 181.0103 (18), amendments to the articles of incorporation or bylaws.

3. If the surviving business entity is a limited partnership, as defined in s. 179.01 (7), amendments to the certificate of limited partnership.

Any list is bound to be incomplete and file on professional terms & nonstock corporation could be added

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1 4. If the surviving business entity is a limited liability company, as defined in
2 s. 188.0102 (10), amendments to the articles of organization.

3 SECTION 18. 180.1103 (1) of the statutes is amended to read:

*I'm not sure
this does any thing*

4 180.1103 (1) ~~SUBMIT TO SHAREHOLDERS. After adopting and approving a plan of
5 merger or share exchange, the board of directors of each any corporation that is party
6 to the merger, and the board of directors of the corporation whose shares will be
7 acquired in the share exchange, shall submit the plan of merger, except as provided
8 in sub. (5), or share exchange for approval by its shareholders.~~

9 SECTION 19. 180.1103 (6) of the statutes is amended to read:

10 180.1103 (6) ~~MERGER OR SHARE EXCHANGE ABANDONED. After a merger or share
11 exchange is authorized, and at any time before articles of merger or share exchange
12 are filed, the planned merger or share exchange may be abandoned, subject to any
13 contractual rights, without further ^{action on the part of} ~~shareholder~~ ^{the} ~~action~~ ^{or other owners}, in accordance with the
14 procedure set forth in the plan of merger or share exchange or, if none is set forth,
15 in the manner determined by the board of directors ^{or other similar governing body of any} ~~of the~~ ^{or other business entity that}
16 ~~is a party to the merger shall have all rights to abandon the merger that are provided~~
17 ~~for in the plan of merger or in the laws applicable to the business entity.~~~~

18 SECTION 20. 180.1104 (title) of the statutes is amended to read:

19 180.1104 (title) ~~Merger of subsidiary or parent.~~

20 SECTION 21. 180.1104 (1) of the statutes is amended to read:

21 180.1104 (1) ~~A parent corporation owning at least 90% of the outstanding
22 shares of each class of a subsidiary corporation or at least 90% of the outstanding
23 interests of each class of any other subsidiary business entity may merge the
24 subsidiary into itself the parent or the parent into the subsidiary without approval~~

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1 of the shareholders of the parent or ~~the shareholders, partners, or other owners of~~
2 the subsidiary.

*↑ This is just so that we
don't have to add
partners in other
places*

3 SECTION 22. 180.1104 (2) (b) of the statutes is amended to read:

4 **180.1104 (2) (b)** The manner and basis of converting the shares or other
5 interests of the subsidiary or parent into shares, interests, obligations, or other
6 securities of the parent surviving business entity or any other corporation business
7 entity or into cash or other property in whole or part.

8 SECTION 23. 180.1104 (3) of the statutes is amended to read:

9 **180.1104 (3)** The parent shall mail a copy or summary of the plan of merger to
10 each shareholder, ~~partner~~ or other owner of the subsidiary merging business entity
11 who does not waive the mailing requirement in writing.

12 SECTION 24. 180.1104 (4) of the statutes is amended to read:

13 **180.1104 (4)** The parent may not deliver articles of merger to the department
14 for filing until at least 30 ~~10~~ days after the date on which it mailed a copy of the plan
15 of merger to each shareholder, ~~partner~~ or other owner of the subsidiary merging
16 business entity who did not waive the mailing requirement.

17 SECTION 25. 180.1104 (5) of the statutes is amended to read:

18 **180.1104 (5)** Articles of merger under this section may not contain
19 amendments to the articles of incorporation of the parent surviving ^{business entity} corporation,
20 except for amendments enumerated in s. 180.1002 ^{or otherwise not requiring the}
approval of the shareholders or other owners of such entity.

21 SECTION 26. 180.1105 (1) (intro.) of the statutes is amended to read:

22 **180.1105 (1) (intro.)** Except as provided in s. 180.1104 (4), after a plan of merger
23 or share exchange is approved by the shareholders of the corporation, or adopted by
24 the board of directors if shareholder approval is not required, and ~~by each other~~
25 business entity that is a party to the merger in the manner and by the vote required

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1 by the laws applicable to the business entity, the surviving or acquiring corporation.
2 business entity shall deliver to the department for filing articles of merger or share
3 exchange setting forth all of the following:

4 SECTION 27. 180.1105 (1) (b) of the statutes is amended to read:

5 **180.1105 (1) (b)** A statement that the plan was approved by each domestic
6 corporation that is a party to the merger in accordance with s. 180.1103 or 180.1104,
7 whichever is applicable, and by each other business entity that is a party to the
8 merger in the manner and by the vote required by the laws applicable to the business
9 entity.

10 SECTION 28. 180.1105 (1) (c) of the statutes is created to read:

11 ~~180.1105 (1) (c) If the surviving business entity is a limited liability company,~~
12 ~~as defined in s. 183.0102 (10), or a foreign limited liability company, as defined in s.~~
13 ~~183.0102 (8), a statement as to whether the management of the surviving limited~~
14 ~~liability company or foreign limited liability company will be reserved to its members~~
15 ~~or vested in one or more managers.~~

16 SECTION 29. 180.1105 (1) (d) of the statutes is created to read:

17 **180.1105 (1) (d)** ^{and time} The delayed effective date of the merger or share exchange
18 under s. 180.0128, if applicable, on the date of filing the articles of merger,
is to be effective at a time other than the close of business as provided

19 SECTION 30. 180.1105 (1) (e) of the statutes is created to read:

20 **180.1105 (1) (e)** ^{Other provision relating to the merger, as determined} Any other matter that is required by the laws of this state to
21 be included in any articles of merger applicable to any other business entity that is
22 a party to the merger. *by the surviving business entity.*

This is also just to conform to the conversion language

23 SECTION 31. 180.1106 (1) (a) of the statutes is amended to read:

24 **180.1106 (1) (a)** Every other corporation business entity that is party to the
25 merger merges into the surviving corporation business entity, and the separate

I don't think this is necessary; besides, there are no companies that are not listed and would be in violation of the articles of merger.

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1 existence of every corporation business entity that is a party to the merger, except
2 the surviving corporation business entity ceases. → Insert No. 2

3 **SECTION 32.** 180.1106 (1) (b) of the statutes is amended to read:

4 180.1106 (1) (b) The title to all property owned by each corporation business
5 entity that is party to the merger is vested in the surviving corporation business
6 entity without reversion or impairment.

7 **SECTION 33.** 180.1106 (1) (c) of the statutes is amended to read:

8 180.1106 (1) (c) The surviving corporation business entity has all liabilities of
9 each corporation business entity that is party to the merger.

10 **SECTION 34.** 180.1106 (1) (d) of the statutes is amended to read:

11 180.1106 (1) (d) A civil, criminal, administrative, or investigatory proceeding
12 pending against any corporation business entity that is party to the merger may be
13 continued as if the merger did not occur, or the surviving corporation business entity
14 may be substituted in the proceeding for the corporation business entity whose
15 existence ceased.

*See proposed
§ 140.121 (6)*

16 **SECTION 35.** 180.1106 (1) (e) of the statutes is repealed and recreated to read:

17 180.1106 (1) (e) ~~If the surviving business entity is a corporation, the articles
18 of incorporation are amended to the extent provided in the plan of merger.~~

19 2. If the surviving business entity is a nonstock corporation, as defined in s.
20 181.0103 (18), the articles of incorporation or bylaws are amended to the extent
21 provided in the plan of merger.

22 3. If the surviving business entity is a limited partnership, as defined in s.
23 179.01 (7), the certificate of limited partnership is amended to the extent provided
24 in the plan of merger.

The articles of incorporation, articles of organization, certificate of limited partnership or other similar governing document, whichever is applicable, of the surviving business entity shall...

See note at bottom of page 9

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1 ~~4. If the surviving business entity is a limited liability company, as defined in~~
2 ~~s. 183.0102 (10), or a foreign limited liability company, as defined in s. 183.0102 (8),~~
3 ~~the articles of organization are amended to the extent provided in the plan of merger.~~

4 SECTION 36. 180.1106 (1) (f) of the statutes is amended to read:

5 **180.1106 (1) (f)** ~~The shares or other interests of each corporation business~~
6 ~~entity that is party to the merger that are to be converted into shares, interests,~~
7 ~~obligations, or other securities of the surviving corporation business entity or any~~
8 ~~other corporation business entity or into cash or other property are converted, and~~
9 ~~the former holders of the shares or interests are entitled only to the rights provided~~
10 ~~in the articles of merger or to their rights under ss. 180.1301 to 180.1331 or under~~
11 ~~any law applicable to any other business entity that is party to the merger.~~
the law applicable to each business entity that is party to the merger

12 SECTION 37. 180.1107 (title) of the statutes is amended to read:

I think most of § 180.1107 is superseded by the prior language and should be removed

13 **180.1107 (title)** Merger or share exchange with foreign corporation
14 **business entity.**

15 SECTION 38. 180.1107 (1) (intro.) of the statutes is amended to read:

16 180.1107 (1) (intro.) One or more foreign corporations business entities may
17 merge, or one or more foreign corporations may enter into a share exchange, with one
18 or more domestic corporations if all of the following are satisfied:

19 SECTION 39. 180.1107 (1) (a) of the statutes is amended to read:

20 180.1107 (1) (a) In a merger, the merger is permitted by the law of the state or
21 country jurisdiction under whose law each foreign corporation ~~is incorporated~~
22 business entity is formed or organized and each foreign corporation business entity
23 complies with that law in effecting the merger.

24 SECTION 40. 180.1107 (1) (c) of the statutes is amended to read:

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1 180.1107 (1) (c) ~~If the foreign business entity is the surviving business entity~~
2 ~~of the merger or if the foreign corporation is the surviving corporation of the merger~~
3 ~~or acquiring corporation of the share exchange, the foreign corporation business~~
4 ~~entity complies with s. 180.1105 to the extent that a domestic corporation must~~
5 ~~comply with that section.~~

6 SECTION 41. 180.1107 (1) (d) of the statutes is amended to read:

7 180.1107 (1) (d) In a merger, each domestic corporation complies with ss.
8 180.1101 and 180.1103, except as provided in sub. (2), or with s. 180.1104 if the
9 merger merges a subsidiary into its parent as described in that section, and, if the
10 domestic corporation is the surviving corporation ~~business entity~~, with s. 180.1105.

11 SECTION 42. 180.1107 (2) (a) (intro.) of the statutes is amended to read:

12 180.1107 (2) (a) (intro.) Notwithstanding s. 180.1101 (2), if a domestic
13 corporation plans to merge with one or more foreign corporations ~~business entities~~,
14 its plan of merger shall set forth all of the following:

15 SECTION 43. 180.1107 (2) (a) 1. of the statutes is amended to read:

16 180.1107 (2) (a) 1. ~~The name of each domestic corporation or foreign~~
17 ~~corporation, state or jurisdiction of formation or organization, and type of~~
18 ~~organization of each domestic or foreign business entity planning to merge and the~~
19 ~~name, state or jurisdiction of formation or organization, and type of organization of~~
20 ~~the surviving domestic corporation or foreign corporation business entity into which~~
21 ~~each other domestic corporation or foreign corporation business entity plans to~~
22 ~~merge.~~

23 SECTION 44. 180.1107 (2) (a) 3. of the statutes is amended to read:

24 180.1107 (2) (a) 3. ~~The manner and basis of converting the shares of each~~
25 ~~domestic corporation or foreign corporation into shares interests in each business~~

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

4 SECTION 45. 180.1107 (3) (a) of the statutes is amended to read:

5 **180.1107 (3) (a)** When a merger or share exchange under this section takes
6 effect, the department is the agent of ^{any} the surviving foreign corporation business
7 entity of a merger, or the ^{any} acquiring foreign ^{business entity} corporation in a share exchange, for
8 service of process in a proceeding to enforce any obligation or the rights of dissenting
9 shareholders, ~~partners~~ or other owners of each domestic corporation business entity
10 that is ^{any} party to the merger or share exchange.

11 SECTION 46. 180.1107 (3) (b) of the statutes is amended to read:

12 **180.1107 (3) (b)** When a merger or share exchange under this section takes
13 effect, ^{any} the surviving foreign corporation business entity of a merger or ^{any} the acquiring
14 foreign ^{business entity} corporation in a share exchange shall promptly pay to the dissenting
15 shareholders of each domestic corporation or dissenting owners of each other
16 domestic business entity that is ^{any} party to the merger or share exchange the amount,
17 if any, to which they are entitled under ss. 180.1301 to 180.1331 ~~or under any law~~
18 applicable to ^{such} any other domestic business entity ~~that is party to the merger~~

19 SECTION 47. 180.1130 (14) of the statutes is repealed.

20 SECTION 48. 180.1132 (1) (a) (intro.) of the statutes is amended to read:

21 180.1132 (1) (a) (intro.) The aggregate amount of the cash and the market value
22 as of the valuation ~~determination~~ date of consideration other than cash to be received
23 per share by shareholders of the resident domestic corporation in the business
24 combination is at least equal to the highest of the following:

25 SECTION 49. 180.1132 (1) (a) 2. of the statutes is amended to read:

Is this still appropriate to the surviving entity (merger) since to do business is not possible and has a negative impact?

Not a comment

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1 180.1132 (1) (a) 2. The market value per share of the same class or series on
2 the date of commencement of a tender offer initiated by the person who becomes the
3 significant shareholder, on the determination date or on the date of the first public
4 announcement of the proposed business combination, whichever is highest.

5 **SECTION 50.** 180.1140 (11) of the statutes is amended to read:

6 180.1140 (11) "Stock acquisition date", with respect to any person, means the
7 date ~~that time~~ that the person first becomes an interested stockholder of that
8 resident domestic corporation.

9 **SECTION 51.** 180.1150 (2) of the statutes is amended to read:

10 180.1150 (2) Unless otherwise provided in the articles of incorporation of a
11 resident domestic corporation or approved by the board of directors of a resident
12 domestic corporation and except as provided in sub. (3) or as restored under sub. (5),
13 the voting power of shares of a resident domestic corporation held by any person,
14 including shares issuable upon conversion of convertible securities or upon exercise
15 of options or warrants, in excess of 20% of the voting power in the election of directors
16 shall be limited to 10% of the full voting power of those shares.

17 **SECTION 52.** 180.1302 (4) of the statutes is amended to read:

18 180.1302 (4) ~~Except in a business combination or unless~~ Unless the articles of
19 incorporation provide otherwise, subs. (1) and (2) do not apply to the holders of shares
20 of any class or series if the shares of the class or series are registered on a national
21 securities exchange or quoted on the National Association of Securities Dealers, Inc.,
22 automated quotations system on the record date fixed to determine the shareholders
23 entitled to notice of a shareholders meeting at which shareholders are to vote on the
24 proposed corporate action.

25 **SECTION 53.** 181.1100 of the statutes is created to read:

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See notes to corresponding changes to Chapter 170

181.1100 Definitions. In this subchapter:

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

(2) "Domestic business entity" includes a limited liability company, as defined in s. 183.0102 (10), a limited partnership, as defined in s. 179.01 (7), a corporation, as defined in s. 180.0103 (5), and a domestic corporation.

(3) "Foreign business entity" includes a foreign limited liability company, as defined in s. 183.0102 (8), a foreign limited partnership, as defined in s. 179.01 (4), a foreign corporation, as defined in s. 180.0103 (9), and a foreign corporation, as defined in s. 181.0103 (13).

SECTION 54. 181.1101 (1) of the statutes is amended to read:

181.1101 (1) IN GENERAL. One or more corporations may merge into a corporation or a stock corporation, with or into ^{one or more} other business entity if the plan of merger is approved as provided in s. 181.1103 and if each other business entity that is a party to the merger ^{and each business entity} approves the merger in the manner and by the vote required by the laws applicable to the business entity.

SECTION 55. 181.1101 (2) (a) of the statutes is amended to read:

181.1101 (2) (a) The name of each corporation and type of organization of each business entity planning to merge and the name ^{and type of organization} of the surviving corporation business entity into which each plans to merge.

SECTION 56. 181.1101 (2) (d) of the statutes is amended to read:

181.1101 (2) (d) The manner and basis, if any, of converting memberships of each merging corporation into memberships, obligations or the ^{shares or other} interests in each business entity that is a party to the merger into ^{shares} interests, obligations, or other

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1 securities of the surviving business entity or any other corporation business entity
2 or into cash or other property in whole or part.

3 SECTION 57. 181.1101 (3) (a) of the statutes is repealed and recreated to read:

4 **181.1101 (3) (a)** ~~If the surviving business entity is a domestic corporation,~~
5 ~~Amendments to the articles of incorporation or bylaws,~~ *on other similar governing document*

6 ~~2. If the surviving business entity is a corporation, as defined in s. 180.0103 (5),~~
7 ~~amendments to the articles of incorporation.~~

8 ~~3. If the surviving business entity is a limited partnership, as defined in s.~~
9 ~~179.01 (7), amendments to the certificate of limited partnership.~~

10 ~~4. If the surviving business entity is a limited liability company, as defined in~~
11 ~~s. 183.0102 (10), amendments to the articles of organization.~~

12 SECTION 58. 181.1103 (6) of the statutes is amended to read:

13 **181.1103 (6) ABANDONMENT OF PLANNED MERGER.** After a merger is adopted, and
14 at any time before articles of merger are filed, the planned merger may be
15 abandoned, subject to any contractual rights, without further action by members or
16 other persons who approved the plan, in accordance with the procedure set forth in
17 the plan of merger or, if none is set forth, in the manner determined by the board,
18 *or other similar governing body of any* ~~Each other business entity that is a party to the merger shall have all rights to~~
19 ~~abandon the merger that are provided for in the plan of merger or in the laws~~
20 ~~applicable to the business entity.~~ *(181.1104 (1) Merge of subsidiary or parent. Add)*

21 SECTION 59. 181.1104 (1) of the statutes is amended to read:

22 **181.1104 (1) MEMBER APPROVAL NOT REQUIRED.** A parent corporation that is a
23 member with at least 90% of the voting rights in a subsidiary corporation or that is
24 an owner with at least 90% of the outstanding interests of each class of any other
25 subsidiary business entity may merge the subsidiary into itself without approval of

the parent or the parent into the subsidiary

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1 the members of the parent or ~~the members, shareholders, partners, or other owners~~
2 of the subsidiary.

3 SECTION 60. 181.1104 (2) (b) of the statutes is amended to read:

4 **181.1104 (2) (b)** The manner and basis of converting the memberships of the
5 subsidiary into memberships ^{or parent} or other interests of the parent or any other ^{business entity} corporation
6 or into cash or other property in whole or part. ^{surviving business entity}

7 SECTION 61. 181.1104 (3) of the statutes is amended to read:

8 **181.1104 (3)** NOTICE REQUIREMENT. The parent shall mail a copy or summary
9 of the plan of merger to each member, ~~shareholder, partner, or other owner~~ of the
10 ^{merging business entity} subsidiary who does not waive the mailing requirement in writing.

11 SECTION 62. 181.1104 (4) of the statutes is amended to read:

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

16 SECTION 63. 181.1105 (intro.) of the statutes is amended to read:

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

23 SECTION 64. 181.1105 (2) of the statutes is amended to read:

24 **181.1105 (2)** IF MEMBER APPROVAL NOT REQUIRED. If approval of members was
25 not required, a statement to that effect and a statement that the plan was approved

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1 by a sufficient vote of the board and by each other business entity that is a party to
2 the merger in the manner and by the vote required by the laws applicable to the
3 business entity.

4 SECTION 65. 181.1105 (3) (c) of the statutes is created to read:

5 181.1105 (3) (c) A statement that the plan was approved by each other business
6 entity that is a party to the merger in the manner and by the vote required by the
7 laws applicable to the business entity.

8 SECTION 66. 181.1105 (5) of the statutes is created to read:

9 ~~181.1105 (5) OTHER MATTERS. (a) If the surviving business entity is a limited
10 liability company, as defined in s. 183.0102 (10), or a foreign limited liability
11 company, as defined in s. 183.0102 (8), a statement as to whether the management
12 of the surviving limited liability company or foreign limited liability company will be
13 reserved to its members or vested in one or more managers.~~

14 181.1105 (5) The delayed effective date ^{and time} of the merger or share exchange under s.
15 181.0123, if applicable, ^{is the merger is to be effective at a time other than the} close of business on the ^{→ N/A to Chap. 181}
^{date of filing the articles of merger, as provided}

16 181.1105 (5) Any other matter that is required by the laws of this state to be included in
17 any articles of merger applicable to any domestic business entity that is a party to
18 the merger, ^{by other provisions relating to the merger, as determined by the surviving business entity.}

19 SECTION 67. 181.1106 (1) of the statutes is amended to read:

20 181.1106 (1) TERMINATION OF SEPARATE EXISTENCE. Every other corporation
21 business entity that is a party to the merger merges into the surviving corporation
22 business entity, and the separate existence of every corporation business entity,
23 except the surviving corporation business entity, ceases. ^{→ Insert No. 3}

24 SECTION 68. 181.1106 (2) of the statutes is amended to read:

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1 **181.1106 (2) TITLE: 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.

5 SECTION 69. 181.1106 (3) of the statutes is repealed and recreated to read:

6 **181.1106 (3) LIABILITIES.** The surviving business entity has all liabilities of
 7 each business entity ^{that is a} party to the merger.

8 SECTION 70. 181.1106 (4) of the statutes is amended to read:

9 **181.1106 (4) PENDING PROCEEDINGS.** A civil, criminal, administrative, or
 10 investigatory proceeding pending ^{by or} against any corporation business entity that is a
 11 party to the merger may be continued as if the merger did not occur or the surviving
 12 corporation business entity may be substituted in the proceeding for the corporation
 13 business entity whose existence ceased.

14 SECTION 71. 181.1106 (5) of the statutes is repealed and recreated to read:

OR OTHER GOVERNING DOCUMENT.

15 **181.1106 (5) ARTICLES OF INCORPORATION/ BYLAWS, CERTIFICATES OF LIMITED**
The articles of incorporation, articles of organization, certificate of limited partnership, or
other similar governing document shall be
 16 **PARTNERSHIP, AND ARTICLES OF ORGANIZATION.** (a) If the surviving business entity is a

17 domestic corporation, the articles of incorporation or bylaws are amended to the
 18 extent provided in the plan of merger.

19 (b) If the surviving business entity is a corporation, as defined in s. 180.0103
 20 (5), the articles of incorporation are amended to the extent provided in the plan of
 21 merger.

22 (c) If the surviving business entity is a limited partnership, as defined in s.
 23 179.01 (7), the certificate of limited partnership is amended to the extent provided
 24 in the plan of merger.

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1 (d) If the surviving business entity is a limited liability company, as defined in
2 s. 183.0102 (10), the articles of organization are amended to the extent provided in
3 the plan of merger.

4 SECTION 72. 181.1106 (6) of the statutes is created to read:

5 **181.1106 (6) OWNERSHIP INTERESTS.** The shares or other interests of each
6 business entity that is party to the merger that are to be converted into shares,
7 interests, obligations, or other securities of the surviving business entity or any other
8 business entity or into cash or other property are converted, and the former holders
9 of the shares or interests are entitled only to the rights provided in the articles of
10 merger or under laws applicable to ^{each} the business entity that is party to the merger.

11 SECTION 73. 181.1107 (1) (intro.) of the statutes is amended to read:

12 181.1107 (1) **WHEN PERMITTED.** (intro.) One or more foreign corporations or
13 ~~foreign stock corporations~~ business entities may merge with one or more domestic
14 corporations if all of the following conditions are met:

15 SECTION 74. 181.1107 (1) (a) of the statutes is amended to read:

16 181.1107 (1) (a) The merger is permitted by the law of the state or country
17 under whose law each foreign corporation or stock corporation is incorporated
18 business entity is formed or organized and each foreign corporation or stock
19 corporation business entity complies with that law in effecting the merger.

20 SECTION 75. 181.1107 (1) (b) of the statutes is amended to read:

21 181.1107 (1) (b) The foreign corporation or stock corporation business entity
22 complies with s. 181.1105 if it is the surviving corporation business entity of the
23 merger.

24 SECTION 76. 181.1107 (2) of the statutes is amended to read:

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1 **181.1107 (2)** **EFFECT OF MERGER.** Upon the merger taking effect, ^{any} the surviving
 2 ~~foreign corporation or foreign stock corporation~~ **business entity** is deemed to have
 3 irrevocably appointed the department as its agent for service of process in any
 4 proceeding brought against it.

5 SECTION 77. 181.1108 of the statutes is amended to read:

6 **181.1108** **Bequests, devises, and gifts.** Any bequest, devise, gift, grant, or
 7 promise contained in a will or other instrument of donation, subscription, or
 8 conveyance, that is made to a constituent ~~corporation~~ **business entity** and that takes
 9 effect or remains payable after the merger, inures to the surviving ~~corporation~~
 10 **business entity** unless the will or other instrument otherwise specifically provides.

11 SECTION 78. 183.1201 (1) of the statutes is repealed and recreated to read:

12 183.1201 (1) Unless the context requires otherwise, in this subchapter:

13 (a) "Business entity" means a domestic business entity and a foreign business
 14 entity.

15 (b) "Domestic business entity" includes a limited liability company, a limited
 16 partnership, as defined in s. 179.01 (7), a domestic corporation, and a nonstock
 17 corporation, as defined in s. 181.0103 (18).

18 (c) "Foreign business entity" includes a foreign limited liability company, a
 19 foreign limited partnership, as defined in s. 179.01 (4), a foreign corporation, as
 20 defined in s. 180.0103 (9), and a foreign corporation, as defined in s. 181.0103 (13).

21 SECTION 79. 183.1201 (2) of the statutes is amended to read:

22 **183.1201 (2)** Unless otherwise provided in an operating agreement, one or
 23 more limited liability companies may merge with or into one or more other limited
 24 liability companies or one or more other foreign limited liability companies **business**
 25 **entities, with the surviving limited liability company business entity being the**

↳ If the merger is permitted under the applicable law of the jurisdiction that governs each such limited liability company, partnership, or corporation, the merger shall be deemed to have occurred.

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~~limited liability company business entity provided in the plan of merger. If the business entity with or into which the limited liability company is merging is a foreign business entity, a merger is permitted under this section only if the merger is permitted by the law of the state or jurisdiction under which the foreign business entity is organized or formed.~~

SECTION 80. 183.1201 (3) of the statutes is amended to read:

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

SECTION 81. 183.1202 (3) of the statutes is amended to read:

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

SECTION 82. 183.1202 (4) of the statutes is amended to read:

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

SECTION 83. 183.1202 (5) of the statutes is amended to read:

183.1202 (5) Upon approval of a merger, the limited liability company shall notify each member of the approval and of the effective date of the merger, and each ~~other business entity that is a party to the proposed merger shall notify each of its~~ shareholders, partners, or other owners of the approval and of the effective date of

I don't think this change is necessary. Requirements to the other jurisdictions already.

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1 (4) A civil, criminal, administrative, or investigatory proceeding pending
 2 ^{by or} 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) (a) ~~If the surviving business entity is a domestic corporation, the articles of~~
 6 ~~incorporation~~ ^{articles of organization, certificate of limited partnership or} ~~are~~ amended to the extent provided in the plan of merger. ^{or a similar governing document, whichever is applicable, of the surviving business entity shall be}

7 ~~(b) If the surviving business entity is a nonstock corporation, as defined in s.~~
 8 ~~181.0103 (18), the articles of incorporation or bylaws are amended to the extent~~
 9 ~~provided in the plan of merger.~~

10 ~~(c) If the surviving business entity is a limited partnership, as defined in s.~~
 11 ~~179.01 (7), the certificate of limited partnership is amended to the extent provided~~
 12 ~~in the plan of merger.~~

13 ~~(d) If the surviving business entity is a limited liability company, the articles~~
 14 ~~of organization are amended to the extent provided in the plan of merger.~~

15 (6) The shares or other interests of each business entity that is party to the
 16 merger that are to be converted into shares, interests, obligations, or other securities
 17 of the surviving business entity or any other business entity or into cash or other
 18 property are converted, and the former holders of the shares or interests are entitled
 19 only to the rights provided in the articles of merger or to their rights under laws
 20 applicable to ^{each} the business entities ^{is a} that are parties to the merger.

21 (7) If the surviving business entity is a foreign business entity, the department
 22 is the agent of the surviving foreign business entity for service of process in a
 23 proceeding to enforce any obligation of any business entity that is a party to the
 24 merger, or the rights of the dissenting members, shareholders, partners or other
 25 owners of each business entity that is a party to the merger.

→ (Insert No. 6)

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1 **SECTION 90. 183.1206 of the statutes is amended to read:**

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

10

(END)



INSERT NO. 1

180.1102

180.1102 Share exchange

the share exchange is permitted under the applicable law of the jurisdiction that governs such other business entity and such

180.1102(1)

(1) A corporation may acquire all of the outstanding shares of one or more classes or series of another corporation if the board of directors of each corporation, by resolution adopted by each board, approves a plan of share exchange and, if required by s. 180.1103, its shareholders also approve the plan of share exchange, and *is*

business entity

other business entity approves the plan of share exchange in the manner required by the laws of the jurisdiction that governs the business entity.

180.1102(2)

(2) The plan of share exchange shall set forth all of the following:

180.1102(2)(a)

(a) The name of the corporation whose shares will be acquired and the name of the acquiring corporation

form of business entity, and the identity of the jurisdiction governing the business entity

business entity.

180.1102(2)(b)

(b) The terms and conditions of the exchange.

180.1102(2)(c)

(c) The manner and basis of exchanging the shares to be acquired for shares, obligations or other securities of the acquiring or any other corporation or for cash or other property in whole or part.

or other ownership interests

business

180.1102(3)

(3) The plan of share exchange may set forth other provisions relating to the exchange.

180.1102(4)

(4) This section does not limit the power of a corporation to acquire all or part of the shares of one or more classes or series of another corporation through a voluntary exchange or otherwise.

180.1102 - ANNOT.

History: 1989 a. 303.

180.1103

180.1103 Action on plan of merger or share exchange.

180.1103(1)

(1) **Submit to shareholders.** After adopting and approving a plan of merger or share exchange, the board of directors of each corporation that is party to the merger, and the board of directors of the corporation whose shares will be acquired in the share exchange, shall submit the plan of merger, except as provided in sub. (5), or share exchange for approval by its shareholders.

180.1103(2)

(2) **Meeting notice.** The corporation shall notify each shareholder, whether or not entitled to vote, of the proposed shareholders' meeting in accordance with s. 180.0705, except that the notice shall be given at least 20 days before the meeting date. The notice shall also state that the purpose, or one of the purposes, of the meeting is to consider the plan of merger or share exchange and shall contain or be accompanied by a copy or summary of the plan.

INSERT NO. 2

If the merger is with or into a business entity under the laws applicable to which one or more of the owners thereof is liable for the debts and obligations of such business entity, such owner or owners shall be so liable only for debts and obligations accrued during the period or periods in which such laws are applicable.

INSERT NO. 3

If the merger is with or into a business entity under the laws applicable to which one or more of the owners thereof is liable for the debts and obligations of such business entity, such owner or owners shall be so liable only for debts and obligations accrued during the period or periods in which such laws are applicable.

INSERT NO. 4

If the merger is with or into a business entity under the laws applicable to which one or more of the owners thereof is liable for the debts and obligations of such business entity, such owner or owners shall be so liable only for debts and obligations accrued during the period or periods in which such laws are applicable.

INSERT NO. 5

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

INSERT NO. 6

180.1108(3)(b). When a merger under this section takes effect, any surviving foreign business entity of the merger shall promptly pay to the dissenting shareholders of each domestic corporation or dissenting owners of each other domestic business entity that is a party to the merger the amount, if any, to which they are entitled under ss. 180.1301 to 180.1331 or under any law applicable to such other domestic business entity.

INSERT NO. 7**SUBCHAPTER VI
MERGERS****179.101 Merger**

179.101(1). One or more domestic limited partnerships may merge with or into one or more other business entities if the merger is permitted under the applicable law of the jurisdiction that governs each other business entity that is a party to the merger and each business entity approves the plan of merger in the manner required by the laws applicable to the business entity.

179.101(2). The plan of merger shall set forth all of the following:

179.101(2)(a). The name, form of business entity, and the identity of the jurisdiction governing each business entity planning to merge and the name, form of business entity, and the identity of the jurisdiction of the surviving business entity into which each other business entity plans to merge.

179.101(2)(b). The terms and conditions of the merger.

179.101(2)(c). The manner and basis of converting the shares or other interests in each business entity that is a party to the merger into shares, interests, obligations, or other securities of the surviving business entity or any other business entity or into cash or other property in whole or part.

179.101(3). The plan of merger may set forth any of the following:

179.101(3)(a). Amendments to the certificate of limited partnership or other similar governing document of the surviving business entity.

179.101(3)(b). Other provisions relating to the merger.

179.102. **Merger Abandoned.** After a merger is authorized, and at any time before articles of merger are filed, the planned merger may be abandoned, subject to any contractual rights, without further action on the part of the partners or other owners, in accordance with the procedure set forth in the plan of merger or, if none is set forth, in the manner determined by the governing body of any business entity that is a party to the merger.

179.103. Articles of Merger

179.103(1) (intro.) After a plan of merger is approved by each business entity that is a party to the merger in the manner required by the laws applicable to the business entity, the

surviving business entity shall deliver to the department for filing articles of merger setting forth all of the following:

179.103(1)(a). The plan of merger.

179.103(1)(b). A statement that the plan was approved by each business entity that is a party to the merger in the manner required by the laws applicable to the business entity.

179.103(1)(c). The effective date and time of the merger if the merger is to be effective at a time other than the time of filing the articles of merger, as provided in s. 179.11(2) or otherwise.

179.103(1)(d). Other provisions relating to the merger, as determined by the surviving business entity.

179.103(2). A merger takes effect upon the effective date of the articles of merger.

179.104. Effect of Merger

179.104 (intro.) All of the following occur when a merger takes effect:

179.104(1). Every other business entity that is party to the merger merges into the surviving business entity, and the separate existence of every business entity that is a party to the merger, except the surviving business entity ceases. If the merger is with or into a business entity under the laws applicable to which one or more of the owners thereof is liable for the debts and obligations of such business entity, such owner or owners shall be so liable only for debts and obligations accrued during the period or periods in which such laws are applicable.

179.104(2). The title to all property owned by each business entity that is party to the merger is vested in the surviving business entity without reversion or impairment.

179.104(3). The surviving business entity has all liabilities of each business entity that is a party to the merger.

179.104(4). A civil, criminal, administrative, or investigatory proceeding pending by or against any business entity that is a party to the merger may be continued as if the merger did not occur, or the surviving business entity may be substituted in the proceeding for the business entity whose existence ceased.

179.104(5). The articles of incorporation, articles of organization, certificate of limited partnership or other similar governing document, whichever is applicable, of the surviving business entity shall be amended to the extent provided in the plan of merger.

179.104(6). The shares or other interests of each business entity that is party to the merger that are to be converted into shares, interests, obligations, or other securities of the

surviving business entity or any other business entity or into cash or other property are converted, and the former holders of the shares or interests are entitled only to the rights provided in the articles of merger or to their rights under the laws applicable to each business entity that is party to the merger.

179.104(7)(a). When a merger under this section takes effect, the department is the agent of any surviving foreign business entity of the merger for service of process in a proceeding to enforce any obligation or the rights of dissenting shareholders or other owners of each domestic business entity that is a party to the merger or share exchange.

179.104(7)(b). When a merger under this section takes effect, any surviving foreign business entity of the merger shall promptly pay to the dissenting shareholders of each domestic corporation or dissenting owners of each other domestic business entity that is a party to the merger the amount, if any, to which they are entitled under ss. 180.1301 to 180.1331 or under any law applicable to such other domestic business entity.

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