

amount, so fixed for an outlet charge for any proposed public ditch or ditch system shall be deemed a part of the cost of such proposed ditch or ditch system to be paid by assessment against the lands and properties benefited by the proposed ditch or ditch system, as provided by section 106.341, and credited to the fund of the existing ditch. The order shall also describe the property to be benefited by the ditch or ditch system and shall fix the amount of benefits to such property for the outlet. The property so benefited shall be liable for assessments thereafter levied in such ditch system, on the basis of the benefits so found, the same as though such benefits had been determined in the original order establishing the ditch.

**Sec. 3. EFFECTIVE DATE.**

Section 1 is effective the day following final enactment.

Approved April 25, 1984

**CHAPTER 488 — H.F.No. 1422**

*An act relating to corporations; regulating corporate take-overs; requiring certain disclosures; providing certain limitations on offerors; prescribing suspension powers of the commissioner; providing a hearing; regulating control share acquisitions of Minnesota business corporations; defining terms; prescribing penalties; amending Minnesota Statutes 1982, sections 80B.01; 80B.03, subdivisions 1, 2, and 5, and by adding subdivisions; 80B.05; 80B.06; 80B.07; 80B.08; 80B.10; 302A.011, by adding subdivisions; 302A.449, by adding a subdivision; 302A.461, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 302A; repealing Minnesota Statutes 1982, sections 80B.02; 80B.03, subdivisions 3 and 4; and 80B.12, subdivisions 1 and 3.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

**Section 1. LEGISLATIVE INTENT.**

Subdivision 1. FINDINGS. The legislature finds that take-overs, particularly hostile take-overs:

(1) exaggerate the tendency of many businesses to focus on short-term performance to the detriment of such long-term societal interests, as increased research and development, improved productivity, and the modernization of physical plant and employee capabilities;

(2) are often inconsistent with the economic interests of shareholders;

(3) in many instances threaten the jobs and careers of Minnesota citizens and undermine the ethical foundations of companies, as when jobs are eliminated and career commitments to employees are breached or ignored;

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(4) often result in plant closings or consolidations that damage communities dependent on the jobs and taxes provided by these plants;

(5) not infrequently wipe out long-standing customer/supplier relationships and the stability and continuity which these relationships provide throughout society;

(6) frequently tie up billions of dollars of scarce capital that could be more effectively applied;

(7) all too often stifle, and ultimately destroy, the entrepreneurial, innovative spirit of creative individuals in independent firms; and

(8) are usually conducted in an atmosphere and pursuant to laws that do not provide a reasonable opportunity for affected parties to make informed decisions.

Subd. 2. PURPOSES. The purposes of sections 1 to 18 are to:

(1) assure that the impacts of take-overs on all affected constituencies are identified and disclosed prior to the consummation of these transactions;

(2) provide to shareholders both necessary information and the opportunity to thus cast fully informed votes on any take-over transactions;

(3) encourage reasoned decision-making by assuring equal financial treatment of all shareholders similarly situated at the time any take-over attempt is initiated; and

(4) amend Minnesota Statutes, chapters 80B and 302A to conform with requirements suggested by decisions of the Supreme Court of the United States.

Sec. 2. Minnesota Statutes 1982, section 80B.01, is amended to read:

**80B.01 DEFINITIONS.**

Subdivision 1. When used in sections 80B.01 to 80B.13, unless the context otherwise requires, the following words shall have the meanings herein ascribed to them.

Subd. 2. "Affiliate" of a person means any person controlling, controlled by, or under common control with such person.

Subd. 3. "Associate" of a person means any person acting jointly or in concert with such person for the purpose of acquiring, holding or disposing of, or exercising any voting rights attached to the equity securities of an issuer.

Subd. 4. "Commissioner" means the commissioner of ~~securities and~~ real estate commerce.

Subd. 5. "Equity security" means any stock or similar security; or any security convertible, with or without consideration, into such a security; or

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carrying any warrant or right to subscribe to or purchase such a security; or any such warrant or right; or any other security which the commissioner shall deem to be of similar nature and consider necessary or appropriate, by such rules as he may prescribe in the public interest and for the protection of investors, to treat as an equity security.

Subd. 6. "Offeror" means a person who makes or in any way participates in making a take-over offer. Offeror does not include any bank or broker-dealer loaning funds to an offeror in the ordinary course of its business, or any bank, broker-dealer, attorney, accountant, consultant, employee, or other person furnishing information or advice to or performing ministerial duties for an offeror, and not otherwise participating in the take-over offer.

Subd. 7. "Offeree" means the beneficial owner, residing in Minnesota, of equity securities which an offeror offers to acquire in connection with a take-over offer.

Subd. 8. "Take-over offer" means the offer to acquire any equity securities of a target company from a resident of this state pursuant to a tender offer or request or invitation for tenders, if after the acquisition of all securities acquired pursuant to the offer either (1) the offeror would be directly or indirectly a beneficial owner of more than ten percent of any class of the outstanding equity securities of the target company; or (2) the beneficial ownership by the offeror of any class of the outstanding equity securities of the target company would be increased by more than five percent. Clause (2) does not apply if after the acquisition of all securities acquired pursuant to the offer, the offeror would not be directly or indirectly a beneficial owner of more than ten percent of any class of the outstanding equity securities of the target company. Take-over offer does not include:

(a) An offer to purchase securities which are currently publicly traded from or through a broker-dealer at the current market price;

(b) An offer to exchange the securities of one issuer for the securities of another issuer, if the offer is registered or exempt from registration under chapter 80A and registered or exempt from registration under the Securities Act of 1933;

(c) An offer as to which the target company, acting through its board of directors, recommends acceptance to its stockholders, if the offer is made to all stockholders on substantially equal terms;

(d) (b) An offer which, if accepted by all offerees, will not result in the offeror having acquired more than two percent of the same class of equity securities of the issuer within the preceding 12 month period in connection with the acquisition of a security which, together with all other acquisitions by the offeror of securities of the same class of equity securities of the issuer, would not result in the offeror having acquired more than two percent of this class during the preceding 12-month period;

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(e) (c) An offer by the issuer to acquire its own equity securities;

(f) Any offer which the commissioner, by rule or order, shall exempt from the definition of "take-over offer" as not being entered into for the purpose of, and not having the effect of, changing or influencing the control of the issuer or otherwise as not comprehended within the purposes of sections 80B.01 to 80B.13.

(d) An offer in which the target company is an insurance company subject to regulation by the commissioner, a financial institution regulated by the commissioner, or a public service utility subject to regulation by the public utilities commission.

Subd. 9. "Target company" means an issuer of publicly traded equity securities (a) which is organized under the laws of this state or has its principal office in this state; (b) which has a substantial portion of its assets located in this state; (c) whose equity securities of any class are, or within the past two year period have been, registered under chapter 80A; and (d) whose equity securities are the subject of a take-over offer at least 20 percent of its equity securities beneficially held by residents of this state and has substantial assets in this state. For the purposes of this chapter, an equity security is publicly traded if a trading market exists for the security at the time the offeror makes a take-over offer for the security. A trading market exists if the security is traded on a national securities exchange, whether or not registered pursuant to the Securities Exchange Act of 1934, or the over-the-counter market.

Subd. 10. "Beneficial owner" includes, but is not limited to, any person who directly or indirectly through any contract, arrangement, understanding, relationship, or otherwise has or shares the power to vote or direct the voting of a security and/or the power to dispose of, or direct the disposition of, the security. "Beneficial ownership" includes, but is not limited to, the right, exercisable within 60 days, to acquire securities through the exercise of options, warrants, or rights or the conversion of convertible securities, or otherwise. The securities subject to these options, warrants, rights, or conversion privileges held by a person shall be deemed to be outstanding for the purpose of computing the percentage of outstanding securities of the class owned by this person, but shall not be deemed to be outstanding for the purpose of computing the percentage of the class owned by any other person. A person shall be deemed the beneficial owner of securities beneficially owned by any relative or spouse or relative of the spouse residing in the home of this person, any trust or estate in which this person owns ten percent or more of the total beneficial interest or serves as trustee or executor, any corporation or entity in which this person owns ten percent or more of the equity, and any affiliate or associate of this person.

Sec. 3. Minnesota Statutes 1982, section 80B.03, subdivision 1, is amended to read:

Changes or additions are indicated by underline, deletions by strikeout.

Subdivision 1. It is unlawful for any person to make a take-over offer involving a target company in this state, or to acquire any equity securities of the target company pursuant to the offer, unless the offer is effective under sections 80B.01 to 80B.13 or is exempted by rule or order of the commissioner. Before a take-over offer becomes effective under sections ~~80B.01 to 80B.13,~~ A take-over offer is effective when the offeror files with the commissioner a registration statement containing the information prescribed in section 80B.03, subdivision 6. The offeror shall file with the commissioner a registration statement containing the information prescribed in section ~~80B.02,~~ and shall send ~~deliver~~ a copy of the registration statement by certified mail to the target company at its principal office and publicly disclose the material terms of the proposed offer, not later than the date of filing of the registration statement. Public disclosure shall require, at a minimum, that a copy of the registration statement be supplied to all broker-dealers maintaining an office in this state currently quoting the security.

Sec. 4. Minnesota Statutes 1982, section 80B.03, subdivision 2, is amended to read:

Subd. 2. The registration statement shall be filed on forms prescribed by the commissioner, and shall be accompanied by a consent by the offeror to service of process and the filing fee specified in section 80B.08, and shall contain the following information and such additional information as the commissioner by rule prescribes.

(a) All of the information specified in section ~~80B.02~~ 80B.03, subdivision 2 ~~6;~~

(b) Two copies of all solicitation materials intended to be used in the take-over offer in the form proposed to be published or sent or delivered to offerees;

(c) If the offeror is other than a natural person, information concerning its organization and operations, including the year, form and jurisdiction of its organization, a description of each class of equity security and long term debt, a description of the business conducted by the offeror and its subsidiaries and any material changes therein during the past three years, a description of the location and character of the principal properties of the offeror and its subsidiaries, a description of any material pending legal or administrative proceedings in which the offeror or any of its subsidiaries is a party, the names of all directors and executive officers of the offeror and their material business activities and affiliations during the past three years, and financial statements of the offeror in such form and for such period of time as the commissioner may by rule prescribe;

(d) If the offeror is a natural person, information concerning his identity and background, including his business activities and affiliations during the past three years, and a description of any material pending legal or administrative proceedings in which the offeror is a party.

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Sec. 5. Minnesota Statutes 1982, section 80B.03, is amended by adding a subdivision to read:

Subd. 3a. Registration is not deemed approval by the commissioner and any representation to the contrary is unlawful.

Sec. 6. Minnesota Statutes 1982, section 80B.03, is amended by adding a subdivision to read:

Subd. 4a. Within three calendar days of the date of filing of the registration statement, the commissioner may by order summarily suspend the effectiveness of the take-over offer if the commissioner determines that the registration statement does not contain all of the information specified in subdivision 6 or that the take-over offer materials provided to offerees do not provide full disclosure to offerees of all material information concerning the take-over offer. The suspension shall remain in effect only until the determination following a hearing held pursuant to subdivision 5.

Sec. 7. Minnesota Statutes 1982, section 80B.03, subdivision 5, is amended to read:

Subd. 5. Any A hearing shall be scheduled by the commissioner with respect to each suspension under this section and shall be held within 20 ten calendar days of the date of filing of the registration statement under subdivision 4, and any the suspension. Chapter 14 does not apply to the hearing. The commissioner's determination made following the hearing shall be made within 20 three calendar days after such hearing has been closed, unless extended by order of the commissioner with the consent of all interested parties completed but not more than 16 calendar days after the date of the suspension. The commissioner may prescribe different time limits than those specified in this subdivision by rule or order. If, based upon the hearing, the commissioner finds that the take-over offer fails to provide for full and fair disclosure to offerees of all material information concerning the offer, or that the take-over offer is unfair or inequitable to offerees or will not be made to all stockholders on substantially equal terms or is in material violation of chapter 80A or any provision of sections 80B.01 to 80B.13, he shall by order deny registration of the offer the commissioner shall permanently suspend the effectiveness of the take-over offer, subject to the right of the offeror to correct disclosure and other deficiencies identified by the commissioner and to reinstitute the take-over offer by filing a new or amended registration statement pursuant to section 80B.03.

Sec. 8. Minnesota Statutes 1982, section 80B.03, is amended by adding a subdivision to read:

Subd. 6. The form required to be filed by subdivision 2, clause (a), shall contain the following information and additional information the commissioner may by rule prescribe:

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(a) the identity and background of all persons on whose behalf the acquisition of any equity security of the issuer has been or is to be affected;

(b) the source and amount of funds or other consideration used or to be used in acquiring any equity security, including, if applicable, a statement describing any securities which are being offered in exchange for the equity securities of the issuer, and if any part of the acquisition price is or will be represented by borrowed funds or other consideration, a description of the material terms of any financing arrangements and the names of the parties from whom the funds were borrowed;

(c) if the purpose of the acquisition is to gain control of the target company, a statement of any plans or proposals which the person has, upon gaining control, to liquidate the issuer, sell its assets, effect its merger or consolidation, to change the location of its principal executive office or of a material portion of its business activities, to change its management or policies of employment, to materially alter its relationship with suppliers or customers or the communities in which it operates, or make any other major change in its business, corporate structure, management or personnel, and other information which would affect the shareholders' evaluation of the acquisition;

(d) the number of shares or units of any equity security of the issuer owned beneficially by the person and any affiliate or associate of the person, together with the name and address of each affiliate or associate;

(e) the material terms of any contract, arrangement, or understanding with any other person with respect to the equity securities of the issuer whereby the person filing the statement has or will acquire any interest in additional equity securities of the issuer, or is or will be obligated to transfer any interest in the equity securities to another.

Sec. 9. Minnesota Statutes 1982, section 80B.05, is amended to read:

**80B.05 FRAUDULENT AND DECEPTIVE PRACTICES.**

It is unlawful for any offeror or target company or any controlling person of an offeror or target company or any broker-dealer acting on behalf of an offeror or target company to engage in any fraudulent, deceptive or manipulative acts or practices in connection with a take-over offer. Fraudulent, deceptive and manipulative acts or practices include, without limitation:

(1) The publication or use in connection with the offer of any false statement of a material fact or the omission to state a material fact necessary to make the statements made not misleading;

(2) The sale by any controlling shareholders of a target company of any or their equity securities to the offeror for a consideration greater than that to be paid other stockholders pursuant to the offer or the purchase of any of the securities of a controlling shareholder of the target company by the offeror for a

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consideration greater than that to be paid other shareholders, pursuant to an agreement not disclosed to the other shareholders;

(3) The refusal by a target company to permit an offeror who is a stockholder of record to examine its list of stockholders, and to make extracts therefrom, pursuant to the applicable corporation statutes, for the purpose of making a take-over offer in compliance with sections 80B.01 to 80B.13, or in lieu thereof, to mail any solicitation materials published by the offeror to its security holders with reasonable promptness after receipt from the offeror of such materials together with the reasonable expenses of postage and handling;

(4) The solicitation of any offeree for acceptance or rejection of a take-over offer or acquisition of any equity security pursuant to a take-over offer before the take-over offer is effective under sections 80B.01 to 80B.13 or while the offer is suspended under sections 80B.01 to 80B.13.

Sec. 10. Minnesota Statutes 1982, section 80B.06, is amended to read:

#### 80B.06 LIMITATIONS ON OFFERORS.

Subdivision 1. No offeror may make a take-over offer involving a target company which is not made to stockholders in this state on substantially the same terms as the offer is made to stockholders outside this state.

Subd. 2. An offeror shall provide that any equity securities of a target company deposited or tendered pursuant to a take-over offer may be withdrawn by or on behalf of any offeree at any time within seven days from the date the offer has become effective under sections 80B.01 to 80B.13 and after 60 days from the date the offer has become effective under sections 80B.01 to 80B.13, except as the commissioner may otherwise prescribe by rule or order for the protection of investors.

Subd. 3. If an offeror makes a take-over offer for less than all the outstanding equity securities of any class, and if the number of securities deposited or tendered pursuant thereto within ten days after the offer has become effective under sections 80B.01 to 80B.13 and copies of the offer, or notice of any increase in the consideration offered, are first published or sent or given to security holders is greater than the number the offeror has offered to accept and pay for, the securities shall be accepted pro rata, disregarding fractions, according to the number of securities deposited or tendered by each offeree.

Subd. 4. If an offeror varies the terms of a take-over offer before its expiration date by increasing the consideration offered to security holders, the offeror shall pay the increased consideration for all equity securities accepted, whether such securities have been accepted by the offeror before or after the variation in the terms of the offer.

Subd. 5. No offeror may make a take-over offer involving a target company in this state, or acquire any equity securities of a target company in this

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state pursuant to the take-over offer, at any time when an administrative or injunctive proceeding is pending on behalf of the commissioner against the offeror alleging a violation of sections 80B.01 to 80B.13 or any proceeding by the commissioner is pending against the offeror alleging a violation of any provision of sections 80B.01 to 80B.13 or chapter 80A.

Subd. 6. No offeror may acquire, remove or exercise control, directly or indirectly, over any assets of a target company assets located in this state unless the take-over offer is effective or exempt under sections 80B.01 to 80B.13, except as permitted by order of the commissioner pursuant to a take-over offer at any time when any proceeding by the commissioner is pending against the offeror alleging a violation of any provision of this chapter or chapter 80A.

Subd. 7. No offeror may acquire from any resident of this state in any manner any equity securities of any class of a target company at any time within two years following the last purchase of securities pursuant to a take-over offer with respect to that class, including, but not limited to, acquisitions made by purchase, exchange, merger, consolidation, partial or complete liquidation, redemption, reverse stock split, recapitalization, reorganization or any other similar transaction, unless the holders of the equity securities are afforded, at the time of the acquisition, a reasonable opportunity to dispose of the securities to the offeror upon substantially equivalent terms as those provided in the earlier take-over offer.

Sec. 11. Minnesota Statutes 1982, section 80B.07, is amended to read:

**80B.07 ADMINISTRATION, RULES AND ORDERS.**

Subdivision 1. Sections 80B.01 to 80B.13 shall be administered by In administering the provisions of sections 80B.01 to 80B.13, the commissioner of securities and real estate, who may exercise all powers granted to him under chapter 80A, which are not inconsistent with sections 80B.01 to 80B.13.

Subd. 2. The commissioner may make and adopt such rules and forms as are necessary to carry out the purposes of sections 80B.01 to 80B.13, including, without limitation, rules defining terms used in sections 80B.01 to 80B.13.

Subd. 3. The commissioner may by rule or order exempt from any provisions of sections 80B.01 to 80B.13 any proposed take-over offers offer or any category or type of take-over offer which he the commissioner determines are does not made for have the purpose and do not have the or effect of changing or influencing the control of a target company or where he determines that compliance with sections 80B.01 to 80B.13 is not necessary for the protection of the offerees, and he the commissioner may similarly exempt any persons from the requirement of filing statements under sections 80B.01 to 80B.13.

Sec. 12. Minnesota Statutes 1982, section 80B.08, is amended to read:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

**80B.08 FEES AND EXPENSES.**

The commissioner shall charge a filing fee of \$100 \$250 for a registration statement filed by an offeror and \$100 for a request for hearing filed by a target company or its shareholders. The expenses reasonably attributable to any hearing scheduled at the request of the target company or its shareholders shall be charged ratably to the offeror and the person requesting the hearing, but the total amount charged shall not exceed \$500.

Sec. 13. Minnesota Statutes 1982, section 80B.10, is amended to read:

**80B.10 PENALTIES.**

Subdivision 1. Any person, including a controlling person of an offeror or target company, who violates sections 80B.03 to 80B.06 any provision of sections 80B.01 to 80B.13 or any rule thereunder, or any order of the commissioner of which he this person has notice, or who willfully violates section 80B.02 or any rule or order thereunder, may be fined not more than \$5,000 \$25,000 or imprisoned not more than five years or both. Each of the acts specified shall constitute a separate offense and a prosecution or conviction for any one of such offenses shall not bar prosecution or conviction for any other offense. No indictment or information may be returned under sections 80B.01 to 80B.13 more than six years after the alleged violation.

Subd. 2. The commissioner may refer such evidence as is available concerning violations of sections 80B.01 to 80B.13 or of any rule or order hereunder to the attorney general or the county attorney of the appropriate county who may, with or without any reference, institute the appropriate criminal proceedings under sections 80B.01 to 80B.13. If referred to a county attorney, he shall within 90 days file with the commissioner a statement concerning any action taken or, if no action has been taken, the reasons therefor.

Subd. 3. Nothing in sections 80B.01 to 80B.13 limits the power of the state to punish any person for any conduct which constitutes a crime under any other statute.

Subd. 4. All shares acquired from a Minnesota resident in violation of any provision of this chapter or any rule hereunder, or any order of the commissioner of which the person has notice, shall be denied voting rights for one year after acquisition, the shares shall be nontransferable on the books of the target company for one year after acquisition and the target company shall, during this one-year period, have the option to call the shares for redemption either at the price at which the shares were acquired or at book value per share as of the last day of the fiscal quarter ended prior to the date of the call for redemption. Such a redemption shall occur on the date set in the call notice but not later than 60 days after the call notice is given.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 14. Minnesota Statutes 1982, section 302A.011, is amended by adding a subdivision to read:

Subd. 37. ACQUIRING PERSON. "Acquiring person" means a person that is required to deliver an information statement under section 18.

Sec. 15. Minnesota Statutes 1982, section 302A.011, is amended by adding a subdivision to read:

Subd. 38. CONTROL SHARE ACQUISITION. "Control share acquisition" means an acquisition of shares of an issuing public corporation resulting in beneficial ownership by an acquiring person of a new range of voting power specified in section 18, subdivision 2, paragraph (d), but does not include any of the following:

(1) an acquisition before, or pursuant to an agreement entered into before, the effective date of this section;

(2) an acquisition by a donee pursuant to an inter vivos gift not made to avoid section 18 or by a distributee as defined in section 524.1-201, clause (10);

(3) an acquisition pursuant to a security agreement not created to avoid section 18;

(4) an acquisition under sections 302A.601 to 302A.661, if the issuing public corporation is a party to the transaction; or

(5) an acquisition from the issuing public corporation.

Sec. 16. Minnesota Statutes 1982, section 302A.011, is amended by adding a subdivision to read:

Subd. 39. ISSUING PUBLIC CORPORATION. "Issuing public corporation" means a corporation with at least 50 shareholders and having its principal place of business or substantial assets located in this state.

Sec. 17. Minnesota Statutes 1982, section 302A.449, is amended by adding a subdivision to read:

Subd. 7. PROXY IN CONTROL SHARE ACQUISITION. Notwithstanding any contrary provision of this chapter, a proxy relating to a meeting of shareholders required under section 18, subdivision 3, must be solicited separately from the offer to purchase or solicitation of an offer to sell shares of the issuing public corporation and must not be solicited sooner than 30 days before the meeting unless otherwise agreed in writing by the acquiring person and the issuing public corporation.

Sec. 18. [302A.671] CONTROL SHARE ACQUISITIONS.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subdivision 1. AUTHORIZATION IN ARTICLES. (a) Unless otherwise expressly provided in the articles of an issuing public corporation, this section applies to a control share acquisition.

(b) All shares acquired by an acquiring person in violation of subdivision 4 shall be denied voting rights for one year after acquisition, the shares shall be nontransferable on the books of the corporation for one year after acquisition and the corporation shall, during the one-year period, have the option to call the shares for redemption either at the price at which the shares were acquired or at book value per share as of the last day of the fiscal quarter ended prior to the date of the call for redemption. Such a redemption shall occur on the date set in the call notice but not later than 60 days after the call notice is given.

Subd. 2. INFORMATION STATEMENT. A person proposing to make a control share acquisition shall deliver to the issuing public corporation at its principal executive office an information statement containing all of the following:

(a) the identity of the person;

(b) a reference that the statement is made under this section;

(c) the number of shares of the issuing public corporation beneficially owned by the person;

(d) a specification of which of the following ranges of voting power in the election of directors would result from consummation of the control share acquisition:

(1) at least ten percent but less than 20 percent;

(2) at least 20 percent but less than 30 percent;

(3) at least 30 percent but less than 40 percent;

(4) at least 40 percent but less than a majority;

(5) at least a majority; and

(e) the terms of the proposed control share acquisition, including, but not limited to, the source of funds or other consideration and the material terms of the financial arrangements for the control share acquisition, any plans or proposals of the acquiring person to liquidate the issuing public corporation, to sell all or substantially all of its assets, or merge it or exchange its shares with any other person, to change the location of its principal executive office or of a material portion of its business activities, to change materially its management or policies of employment, to alter materially its relationship with suppliers or customers or the communities in which it operates, or make any other material change in its business, corporate structure, management or personnel, and such other information which would affect the decision of a shareholder with respect to voting on the proposed control share acquisition.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 3. MEETING OF SHAREHOLDERS. Within five days after receipt of an information statement pursuant to subdivision 2, a special meeting of the shareholders of the issuing public corporation shall be called pursuant to section 302A.433, subdivision 1, to vote on the proposed control share acquisition. The meeting shall be held no later than 55 days after receipt of the information statement, unless the acquiring person agrees to a later date, and no sooner than 30 days after receipt of the information statement, if the acquiring person so requests in writing when delivering the information statement. The notice of the meeting shall at a minimum be accompanied by a copy of the information statement and a statement disclosing that the issuing public company recommends acceptance of, expresses no opinion and is remaining neutral toward, or is unable to take a position with respect to the proposed control share acquisition. The notice of meeting shall be given within 25 days after receipt of the information statement.

Subd. 4. CONSUMMATION OF CONTROL SHARE ACQUISITION. (a) The acquiring person may consummate the proposed control share acquisition if and only if both of the following occur:

(1) the proposed control share acquisition is approved by the affirmative vote of the holders of a majority of the voting power of all shares entitled to vote which are not beneficially owned by the acquiring person. A class or series of shares of the corporation is entitled to vote as a class or series if any provision of the control share acquisition would, if contained in a proposed amendment to the articles, entitle the class or series to vote as a class or series; and

(2) the proposed control share acquisition is consummated within 180 days after shareholder approval.

**Sec. 19. REPEALER.**

Minnesota Statutes 1982, sections 80B.02; 80B.03, subdivisions 3 and 4; and 80B.12, subdivisions 1 and 3, are repealed.

Approved April 25, 1984

**CHAPTER 489 — H.F.No. 1509**

*An act relating to motor vehicles; prohibiting fees for the return of number plates; amending Minnesota Statutes 1982, section 168.15.*

Changes or additions are indicated by underline, deletions by ~~strikeout~~.