CHAPTER 300

GENERAL PROVISIONS

300.14 CERTAIN CORPORATIONS.

Subdivision 1. **Consolidation.** Two or more corporations, except corporations organized for the purpose of carrying on the business of a railroad, bank, savings bank, trust company, savings association, or insurance company, or a nonprofit corporation subject to the Minnesota Nonprofit Corporation Act or any part of it, may consolidate into a single corporation. The resulting corporation may be either one of the consolidating corporations or a new corporation created by the consolidation. If at least a majority of the directors of each of the corporations desire to consolidate, they may enter into an agreement setting forth:

(1) the terms and conditions of the consolidation;

(2) the mode of carrying the consolidation into effect;

(3) applicable facts which are necessary to be set out in a certificate of incorporation, as provided in section 300.025;

(4) the manner and basis of converting the shares of stock of each of the constituent corporations into the shares of the consolidated corporation, whether into the same or a different number of shares of the consolidated corporation and whether par value or no par value stock and;

(5) other details and provisions which are necessary or desirable.

The agreement must be signed by these directors under the corporate seals of those corporations. The agreement must state the amount of capital stock with which the consolidated corporation will begin business, which may be any amount not less than the aggregate par value of shares of stock having par value to be distributed in place of previously issued and outstanding shares of stock of the constituent corporations. The agreement may provide for the distribution of cash, notes, or bonds in whole or in part in lieu of stock to stockholders of the constituent corporations, or any of them.

[For text of subd 2, see M.S.1994]

History: *1995 c 202 art 1 s 25*

300.20 BOARD OF DIRECTORS.

Subdivision 1. **Election.** The business of savings banks must be managed by a board of at least seven directors, all residents of this state, each of whom, before being authorized to act, must file a written acceptance of the position. The business of other corporations must be managed by a board of at least five directors, unless a greater number is otherwise required by law, elected by ballot by the stockholders or members. A board of directors of a financial institution referred to in section 47.12 which has less than five members on August 1, 1995, is not subject to this requirement but may be increased to not more than five members by order of the commissioner of commerce.

Subd. 2. **Vacancies.** If the certificate of incorporation or the bylaws so provides, a vacancy in the board of directors may be filled by the remaining directors. Not more than one–third of the members of the board may be so filled in any one year except any number may be appointed to provide for at least three directors until any subsequent meeting of the stockholders.

Subd. 3. **Quorum to do business.** A majority of the directors constitutes a quorum for the transaction of business.

Subd. 4. **Action without meeting.** Any action which might be taken at a meeting of the board of directors, trustees, or managers may be taken without a meeting if done in writing signed by all of the directors, trustees, or managers.

History: *1995 c 171 s 68; 1995 c 202 art 2 s 27*

300.33 CORPORATE STOCK WITHOUT NOMINAL OR PAR VALUE; CLASSES OF; PREFERRED STOCK.

A corporation of this state, except banks, savings banks, trust companies, savings associations, and insurance companies, may create one or more classes of stock without nominal or par value, with any preferences, voting powers, restrictions, and qualifications consistent with law that are expressed in its certificate of incorporation or amendment to it. Stock without par value which is preferred as to dividends or as to its distributive share of the assets of the corporation upon dissolution may be made subject to redemption at the times and prices determined in the certificate of incorporation or amendment to it. In the case of stock without par value which is preferred as to its distributive share of the assets of the corporation upon dissolution, the amount of the preference must be stated in the certificate of incorporation or amendment to it.

History: *1995 c 202 art 1 s 25*

300.45 CERTIFICATES OF INCORPORATION, AMENDMENT; EXCEPTIONS.

Except for a nonprofit corporation subject to the Minnesota Nonprofit Corporation Act, the certificate of incorporation of a corporation organized and existing under the laws of this state may be amended to change its name, to increase or decrease its capital stock, to change the number and par value of the shares of its capital stock, to eliminate or limit a director's personal liability, or in respect to another matter which an original certificate of a corporation of the same kind might lawfully have contained. The change must be accomplished by the adoption of a resolution specifying the proposed amendment at a regular meeting or at a special meeting called for that expressly stated purpose, in either of the following ways:

(1) by a majority vote of all its shares, if a stock corporation; or

(2) by a majority vote of its members; or, in either case,

(3) by a majority vote of its entire board of directors, trustees, or other managers within one year after authorization by specific resolution duly adopted at a meeting of stockholders or members. The resolution must be included in a certificate duly executed by its president and secretary, or other presiding and recording officers, under its corporate seal, and approved and filed in the manner prescribed for the execution, approval, and filing of a like original certificate.

As to a local savings association and corporations organized for the establishing, maintaining, and operating of hospitals not for profit, the resolution to amend may be adopted as provided in this section or by a two–thirds vote of the stockholders or members of the association attending the meeting in person or by proxy.

History: *1995 c 202 art 1 s 25*