

317A.753 PROCEDURE IN INVOLUNTARY OR SUPERVISED VOLUNTARY DISSOLUTION.

Subdivision 1. **Action before hearing.** In dissolution proceedings the court may issue injunctions, appoint receivers with powers and duties the court directs, take other actions required to preserve the corporate assets wherever located, and carry on the business of the corporation until a full hearing can be held.

Subd. 2. **Notice to attorney general; intervention.** When a proceeding involving a corporation described in section 317A.811, subdivision 1, is begun, the court shall order that a copy of the petition be served on the attorney general. In all proceedings under this section, the attorney general has a right to participate as a party.

Subd. 3. **Action after hearing.** After a full hearing has been held, upon whatever notice the court directs to be given to the parties to the proceedings and to other parties in interest designated by the court, the court may appoint a receiver to collect the corporate assets. A receiver has authority, subject to the order of the court, to continue the business of the corporation and to sell, lease, transfer, or otherwise dispose of all or any of the assets of the corporation at a public or private sale.

Subd. 4. **Discharge of obligations.** The assets of the corporation or the proceeds resulting from a sale, lease, transfer, or other disposition must be applied in the following order of priority to the payment and discharge of:

(1) the costs and expenses of the dissolution proceedings, including attorneys fees and disbursements;

(2) debts, taxes, and assessments due the United States, the state of Minnesota and their subdivisions, and other states and their subdivisions, in that order;

(3) claims duly proved and allowed to employees under the Workers' Compensation Act, provided that claims under this clause are not allowed if the corporation carried workers' compensation insurance, as provided by law, at the time the injury was sustained;

(4) claims, including the value of compensation paid in a medium other than money, duly proved and allowed to employees for services performed within three months preceding the appointment of the receiver, if any; and

(5) other claims duly proved and allowed.

Subd. 5. **Remainder.** After payment of the expenses of receivership and claims of creditors duly proved, the remaining assets, if any, must be distributed as provided in section 317A.735.

History: 1989 c 304 s 107