

SENATE FILE NO. SF0074

Corporations and limited liability companies.

Sponsored by: Senator(s) Hanes and Representative(s)
Petersen

A BILL

for

1 AN ACT relating to corporations, partnerships and
2 associations; authorizing conversion of limited liability
3 companies, corporations and other entities, as specified;
4 providing the effect of conversion; and providing for an
5 effective date.

6

7 *Be It Enacted by the Legislature of the State of Wyoming:*

8

9 **Section 1.** W.S. 17-15-146, 17-15-147, 17-16-1115,
10 17-16-1116 and 17-26-101 are created to read:

11

12 **17-15-146. Conversion of limited liability company to**
13 **corporation.**

14

1 (a) A domestic limited liability company may be
2 converted to a domestic corporation pursuant to this
3 section.

4
5 (b) A foreign limited liability company may be
6 converted to a domestic corporation pursuant to this
7 section.

8
9 (c) The terms and conditions of a conversion of a
10 limited liability company to a corporation shall be
11 approved by all the members or by a number or percentage
12 specified in the articles of organization or the operating
13 agreement, provided that any member who will be liable to a
14 greater extent after conversion, solely by reason of being
15 an owner, shall approve the terms and conditions of the
16 conversion.

17
18 (d) After the conversion is approved by the members,
19 the limited liability company shall file articles of
20 incorporation which satisfy the requirements of W.S.
21 17-16-202 and include:

22
23 (i) A statement that the limited liability
24 company was converted to a corporation;

1

2 (ii) Its former name;

3

4 (iii) The state of formation and the date of
5 organization; and

6

7 (iv) A statement of the number of votes cast by
8 the members for and against conversion and if the vote is
9 less than unanimous, the number or percentage required to
10 approve the conversion under the articles of organization
11 or the operating agreement.

12

13 (e) The conversion takes effect when the articles of
14 incorporation are filed or at any later date specified in
15 the articles.

16

17 **17-15-147. Effect of conversion.**

18

19 (a) Upon conversion:

20

21 (i) All property owned by the limited liability
22 company remains in the corporation;

23

1 (ii) All obligations of the converting limited
2 liability company continue as obligations of the resulting
3 corporation; and

4
5 (iii) An action or proceeding pending against
6 the converting limited liability company may be continued
7 as if the conversion had not occurred.

8

9

ARTICLE 11

10 MERGER, SHARE EXCHANGE, CONSOLIDATION AND CONVERSION

11

12

C. Conversion

13

14 **17-16-1115. Conversion of corporation to limited**
15 **liability company.**

16

17 (a) A domestic corporation may be converted to a
18 domestic limited liability company pursuant to this
19 section.

20

21 (b) A foreign corporation may be converted to a
22 domestic limited liability company pursuant to this
23 section.

24

1 (c) The terms and conditions of a conversion of a
2 corporation to a limited liability company shall be
3 approved by all the shareholders or by a number or
4 percentage specified in the articles of incorporation or
5 bylaws, provided that any shareholders who will be liable
6 to a greater extent after conversion, solely by reason of
7 being an owner, shall approve the terms and conditions of
8 the conversion.

9

10 (d) After the conversion is approved by the
11 shareholders, the limited liability company shall file
12 articles of organization which satisfy the requirements of
13 W.S. 17-15-107 and include:

14

15 (i) A statement that the corporation was
16 converted to a limited liability company;

17

18 (ii) Its former name;

19

20 (iii) The state of formation and the date of
21 organization; and

22

23 (iv) A statement of the number of votes cast by
24 the shareholders for and against conversion and if the vote

1 is less than unanimous, the number or percentage required
2 to approve the conversion under the articles of
3 incorporation or bylaws.

4

5 (e) The conversion takes effect when the articles of
6 organization are filed or at any later date specified in
7 the articles.

8

9 **17-16-1116. Effect of conversion.**

10

11 (a) Upon conversion:

12

13 (i) All property owned by the corporation
14 remains in the limited liability company;

15

16 (ii) All obligations of the converting
17 corporation continue as obligations of the resulting
18 limited liability company; and

19

20 (iii) An action or proceeding pending against
21 the converting corporation may be continued as if the
22 conversion had not occurred.

23

24

CHAPTER 26

1

2 (d) The converting domestic or foreign entity shall
3 approve the terms and conditions of the conversion in
4 accord with the documents enumerated in subsection (c) of
5 this section.

6

7 (e) After the conversion is approved, the newly
8 converted domestic entity shall file the appropriate
9 document of organization as enumerated in subsection (c) of
10 this section and include:

11

12 (i) Information that clearly names and
13 identifies the converting entity and the newly converted
14 entity;

15

16 (ii) The state of original formation and the
17 date of original organization; and

18

19 (iii) Proof that conversion is approved by the
20 owners or members of the converting entity in accordance
21 with the authority given the converting entity.

22

23 (f) The conversion takes effect when the appropriate
24 document of organization enumerated in subsection (c) of

1 this section is filed or at any later date specified in the
2 document.

3

4 (g) Upon conversion, all property owned by the
5 converting entity remains in the newly converted entity.
6 All obligations of the converting entity continue as
7 obligations of the newly converted entity. Any action or
8 proceeding pending against the converting entity may be
9 continued as if the conversion had not occurred.

10

11 **Section 2.** This act is effective July 1, 2003.

12

13

(END)