

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 and corporations, as specified; providing the
4 effect of conversion; and providing for an effective date.

5

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

7

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

10

11 **17-15-146. Conversion of limited liability company to**
12 **corporation.**

13

14 (a) A domestic limited liability company may be
15 converted to a domestic corporation pursuant to this
16 section.

1

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

5

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

14

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

19

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

22

23 (ii) Its former name;

24

1 (iii) The state of formation and the date of
2 organization; and

3

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

9

10 (e) The conversion takes effect when the articles of
11 incorporation are filed or at any later date specified in
12 the articles.

13

14 **17-15-147. Effect of conversion.**

15

16 (a) Upon conversion:

17

18 (i) All property owned by the limited liability
19 company remains in the corporation;

20

21 (ii) All obligations of the converting limited
22 liability company continue as obligations of the resulting
23 corporation; and

24

1 (iii) An action or proceeding pending against
2 the converting limited liability company may be continued
3 as if the conversion had not occurred.

4

5

ARTICLE 11

6

MERGER, SHARE EXCHANGE, CONSOLIDATION AND CONVERSION

7

8

C. Conversion

9

10 **17-16-1115. Conversion of corporation to limited**
11 **liability company.**

12

13 (a) A domestic corporation may be converted to a
14 domestic limited liability company pursuant to this
15 section.

16

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

20

21 (c) The terms and conditions of a conversion of a
22 corporation to a limited liability company shall be
23 approved by all the shareholders or by a number or
24 percentage specified in the articles of incorporation or

1 bylaws, provided that any shareholders who will be liable
2 to a greater extent after conversion, solely by reason of
3 being an owner, shall approve the terms and conditions of
4 the conversion.

5

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

10

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

13

14 (ii) Its former name;

15

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

18

19 (iv) A statement of the number of votes cast by
20 the shareholders for and against conversion and if the vote
21 is less than unanimous, the number or percentage required
22 to approve the conversion under the articles of
23 incorporation or bylaws.

24

1 (e) The conversion takes effect when the articles of
2 organization are filed or at any later date specified in
3 the articles.

4
5 **17-16-1116. Effect of conversion.**

6
7 (a) Upon conversion:

8
9 (i) All property owned by the corporation
10 remains in the limited liability company;

11
12 (ii) All obligations of the converting
13 corporation continue as obligations of the resulting
14 limited liability company; and

15
16 (iii) An action or proceeding pending against
17 the converting corporation may be continued as if the
18 conversion had not occurred.

19
20 **Section 2.** This act is effective July 1, 2003.

21
22 (END)