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Miller, Mitchell, Oelslager, Otterman, Patton, T., Sayre, Seaver, Webster,
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A B I L L

To amend sections 111.16, 1701.01, 1701.10, 1701.11, 1
1701.17, 1701.18, 1701.19, 1701.40, 1701.41, 2
1701.44, 1701.51, 1701.54, 1701.57, 1701.58, 3
1701.62, 1701.63, 1701.73, 1701.75, 1701.76, 4
1701.81, 1701.831, 1701.84, 1701.85, 1701.92, 5
1704.02, 1704.03, 1705.09, 1705.19, 1705.40, 6
1705.41, 1705.42, 1707.01, 1707.041, 1707.20, 7
1707.44, 1775.01, 1775.05, 1775.14, 1775.45 to 8
1775.52, 1782.435, 1782.436, and 1782.437 and to 9
enact sections 1701.782, 1701.792, 1701.802, 10
1701.811, 1701.821, 1701.921, 1705.361, 1705.371, 11
1705.381, 1705.391, 1705.61, 1707.142, 1775.53 to 12
1775.56, 1782.438, 1782.439, 1782.4310, 1782.4311, 13
and 1782.65 of the Revised Code to authorize and 14
specify applicable provisions to conversions of 15
business entities by corporations, limited 16
liability companies, and general, limited 17
liability, and limited partnerships; to expand the 18
limited liability of registered limited liability 19

partnerships; to limit liability to limited 20
partnerships; to modify the Corporation Law 21
relating to regulations or articles, shareholder 22
rights, delegation authority, acceptable payments 23
for shares, director meetings, executive 24
committees, actions authorized after bankruptcy, 25
distributions to shareholders when the issuing 26
corporation "spins off" a subsidiary corporation, 27
reorganization and restructuring of holding 28
company corporations, and control share 29
acquisitions; to modify the Limited Liability 30
Company Law to specify acceptable forms of 31
contributions; and to modify the Securities Law 32
relating to dealer recordkeeping and filing 33
requirements, tender offers, and incorporation in 34
Ohio law of future amendments to federal 35
securities laws. 36

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 111.16, 1701.01, 1701.10, 1701.11, 37
1701.17, 1701.18, 1701.19, 1701.40, 1701.41, 1701.44, 1701.51, 38
1701.54, 1701.57, 1701.58, 1701.62, 1701.63, 1701.73, 1701.75, 39
1701.76, 1701.81, 1701.831, 1701.84, 1701.85, 1701.92, 1704.02, 40
1704.03, 1705.09, 1705.19, 1705.40, 1705.41, 1705.42, 1707.01, 41
1707.041, 1707.20, 1707.44, 1775.01, 1775.05, 1775.14, 1775.45, 42
1775.46, 1775.47, 1775.48, 1775.49, 1775.50, 1775.51, 1775.52, 43
1782.435, 1782.436, and 1782.437 be amended and sections 1701.782, 44
1701.792, 1701.802, 1701.811, 1701.821, 1701.921, 1705.361, 45
1705.371, 1705.381, 1705.391, 1705.61, 1707.142, 1775.53, 1775.54, 46
1775.55, 1775.56, 1782.438, 1782.439, 1782.4310, 1782.4311, and 47
1782.65 of the Revised Code be enacted to read as follows: 48

Sec. 111.16. The secretary of state shall charge and collect,	49
for the benefit of the state, the following fees:	50
(A) For filing and recording articles of incorporation of a	51
domestic corporation, including designation of agent:	52
(1) Wherein the corporation shall not be authorized to issue	53
any shares of capital stock, one hundred twenty-five dollars;	54
(2) Wherein the corporation shall be authorized to issue	55
shares of capital stock, with or without par value:	56
(a) Ten cents for each share authorized up to and including	57
one thousand shares;	58
(b) Five cents for each share authorized in excess of one	59
thousand shares up to and including ten thousand shares;	60
(c) Two cents for each share authorized in excess of ten	61
thousand shares up to and including fifty thousand shares;	62
(d) One cent for each share authorized in excess of fifty	63
thousand shares up to and including one hundred thousand shares;	64
(e) One-half cent for each share authorized in excess of one	65
hundred thousand shares up to and including five hundred thousand	66
shares;	67
(f) One-quarter cent for each share authorized in excess of	68
five hundred thousand shares; provided no fee shall be less than	69
one hundred twenty-five dollars or greater than one hundred	70
thousand dollars.	71
(B) For filing and recording a certificate of amendment to or	72
amended articles of incorporation of a domestic corporation, or	73
for filing and recording a certificate of reorganization, a	74
certificate of dissolution, or an amendment to a foreign license	75
application:	76
(1) If the domestic corporation is not authorized to issue	77

any shares of capital stock, fifty dollars;	78
(2) If the domestic corporation is authorized to issue shares	79
of capital stock, fifty dollars, and in case of any increase in	80
the number of shares authorized to be issued, a further sum	81
computed in accordance with the schedule set forth in division	82
(A)(2) of this section less a credit computed in the same manner	83
for the number of shares previously authorized to be issued by the	84
corporation; provided no fee under division (B)(2) of this section	85
shall be greater than one hundred thousand dollars;	86
(3) If the foreign corporation is not authorized to issue any	87
shares of capital stock, fifty dollars;	88
(4) If the foreign corporation is authorized to issue shares	89
of capital stock, fifty dollars.	90
(C) For filing and recording articles of incorporation of a	91
savings and loan association, one hundred twenty-five dollars; and	92
for filing and recording a certificate of amendment to or amended	93
articles of incorporation of a savings and loan association, fifty	94
dollars;	95
(D) For filing and recording <u>a certificate of conversion,</u>	96
<u>including a designation of agent,</u> a certificate of merger, <u>or a</u>	97
<u>certificate of consolidation,</u> one hundred twenty-five dollars and,	98
in the case of any new corporation resulting from a consolidation	99
or any surviving corporation that has an increased number of	100
shares authorized to be issued resulting from a merger, an	101
additional sum computed in accordance with the schedule set forth	102
in division (A)(2) of this section less a credit computed in the	103
same manner for the number of shares previously authorized to be	104
issued or represented in this state by each of the corporations	105
for which a consolidation or merger is effected by the	106
certificate;	107
(E) For filing and recording articles of incorporation of a	108

credit union or the American credit union guaranty association, 109
one hundred twenty-five dollars, and for filing and recording a 110
certificate of increase in capital stock or any other amendment of 111
the articles of incorporation of a credit union or the 112
association, fifty dollars; 113

(F) For filing and recording articles of organization of a 114
limited liability company, for filing and recording an application 115
to become a registered foreign limited liability company, for 116
filing and recording a registration application to become a 117
domestic limited liability partnership, or for filing and 118
recording an application to become a registered foreign limited 119
liability partnership, one hundred twenty-five dollars; 120

(G) For filing and recording a certificate of limited 121
partnership or an application for registration as a foreign 122
limited partnership, one hundred twenty-five dollars. 123

(H) For filing a copy of papers evidencing the incorporation 124
of a municipal corporation or of annexation of territory by a 125
municipal corporation, five dollars, to be paid by the municipal 126
corporation, the petitioners therefor, or their agent; 127

(I) For filing and recording any of the following: 128

(1) A license to transact business in this state by a foreign 129
corporation for profit pursuant to section 1703.04 of the Revised 130
Code or a foreign nonprofit corporation pursuant to section 131
1703.27 of the Revised Code, one hundred twenty-five dollars; 132

(2) A biennial report or biennial statement pursuant to 133
section 1775.63 or 1785.06 of the Revised Code, twenty-five 134
dollars; 135

(3) Except as otherwise provided in this section or any other 136
section of the Revised Code, any other certificate or paper that 137
is required to be filed and recorded or is permitted to be filed 138

and recorded by any provision of the Revised Code with the	139
secretary of state, twenty-five dollars.	140
(J) For filing any certificate or paper not required to be	141
recorded, five dollars;	142
(K)(1) For making copies of any certificate or other paper	143
filed in the office of the secretary of state, a fee not to exceed	144
one dollar per page, except as otherwise provided in the Revised	145
Code, and for creating and affixing the seal of the office of the	146
secretary of state to any good standing or other certificate, five	147
dollars. For copies of certificates or papers required by state	148
officers for official purpose, no charge shall be made.	149
(2) For creating and affixing the seal of the office of the	150
secretary of state to the certificates described in division (E)	151
of section 1701.81, division (E) of section 1705.38, division (D)	152
of section 1702.43, division (E) of section 1775.47, or division	153
(E) of section 1782.433 of the Revised Code, twenty-five dollars.	154
(L) For a minister's license to solemnize marriages, ten	155
dollars;	156
(M) For examining documents to be filed at a later date for	157
the purpose of advising as to the acceptability of the proposed	158
filing, fifty dollars;	159
(N) Fifty dollars for filing and recording any of the	160
following:	161
(1) A certificate of dissolution and accompanying documents,	162
or a certificate of cancellation, under section 1701.86, 1702.47,	163
1705.43, or 1782.10 of the Revised Code;	164
(2) A notice of dissolution of a foreign licensed corporation	165
or a certificate of surrender of license by a foreign licensed	166
corporation under section 1703.17 of the Revised Code;	167
(3) The withdrawal of registration of a foreign or domestic	168

limited liability partnership under section 1775.61 or 1775.64 of	169
the Revised Code, or the certificate of cancellation of	170
registration of a foreign limited liability company under section	171
1705.57 of the Revised Code;	172
(4) The filing of a cancellation of disclaimer of general	173
partner status under Chapter 1782. of the Revised Code.	174
(O) For filing a statement of continued existence by a	175
nonprofit corporation, twenty-five dollars;	176
(P) For filing a restatement under section 1705.08 or 1782.09	177
of the Revised Code, an amendment to a certificate of cancellation	178
under section 1782.10 of the Revised Code, an amendment under	179
section 1705.08 or 1782.09 of the Revised Code, or a correction	180
under section 1705.55, 1775.61, 1775.64, or 1782.52 of the Revised	181
Code, fifty dollars;	182
(Q) For filing for reinstatement of an entity cancelled by	183
operation of law, by the secretary of state, by order of the	184
department of taxation, or by order of a court, twenty-five	185
dollars;	186
(R) For filing a change of agent, resignation of agent, or	187
change of agent's address under section 1701.07, 1702.06,	188
1703.041, 1703.27, 1705.06, 1705.55, 1746.04, 1747.03, or 1782.04	189
of the Revised Code, twenty-five dollars;	190
(S) For filing and recording any of the following:	191
(1) An application for the exclusive right to use a name or	192
an application to reserve a name for future use under section	193
1701.05, 1702.05, 1703.31, 1705.05, or 1746.06 of the Revised	194
Code, fifty dollars;	195
(2) A trade name or fictitious name registration or report,	196
fifty dollars;	197
(3) An application to renew any item covered by division	198

(S)(1) or (2) of this section that is permitted to be renewed,	199
twenty-five dollars;	200
(4) An assignment of rights for use of a name covered by	201
division (S)(1), (2), or (3) of this section, the cancellation of	202
a name registration or name reservation that is so covered, or	203
notice of a change of address of the registrant of a name that is	204
so covered, twenty-five dollars.	205
(T) For filing and recording a report to operate a business	206
trust or a real estate investment trust, either foreign or	207
domestic, one hundred twenty-five dollars; and for filing and	208
recording an amendment to a report or associated trust instrument,	209
or a surrender of authority, to operate a business trust or real	210
estate investment trust, fifty dollars;	211
(U)(1) For filing and recording the registration of a	212
trademark, service mark, or mark of ownership, one hundred	213
twenty-five dollars;	214
(2) For filing and recording the change of address of a	215
registrant, the assignment of rights to a registration, a renewal	216
of a registration, or the cancellation of a registration	217
associated with a trademark, service mark, or mark of ownership,	218
twenty-five dollars.	219
(V) For filing a service of process with the secretary of	220
state, five dollars, except as otherwise provided in any section	221
of the Revised Code.	222
Fees specified in this section may be paid by cash, check, or	223
money order, by credit card in accordance with section 113.40 of	224
the Revised Code, or by an alternative payment program in	225
accordance with division (B) of section 111.18 of the Revised	226
Code. Any credit card number or the expiration date of any credit	227
card is not subject to disclosure under Chapter 149. of the	228
Revised Code.	229

Sec. 1701.01. As used in sections 1701.01 to 1701.98 of the Revised Code, unless the context otherwise requires:	230
(A) "Corporation" or "domestic corporation" means a corporation for profit formed under the laws of this state.	231
(B) "Foreign corporation" means a corporation for profit formed under the laws of another state, and "foreign entity" means an entity formed under the laws of another state.	232
(C) "State" means the United States; any state, territory, insular possession, or other political subdivision of the United States, including the District of Columbia; any foreign country or nation; and any province, territory, or other political subdivision of such foreign country or nation.	233
(D) "Articles" includes original articles of incorporation, certificates of reorganization, amended articles, and amendments to any of these, and, in the case of a corporation created before September 1, 1851, the special charter and any amendments to it made by special act of the general assembly or pursuant to general law.	234
(E) "Incorporator" means a person who signed the original articles of incorporation.	235
(F) "Shareholder" means a person whose name appears on the books of the corporation as the owner of shares of such the corporation. Unless the articles, the regulations <u>adopted by the shareholders, the regulations adopted by the directors pursuant to division (A)(1) of section 1701.10 of the Revised Code</u> , or the contract of subscription otherwise provides, "shareholder" includes a subscriber to shares, whether the subscription is received by the incorporators or pursuant to authorization by the directors, and such shares shall be deemed to be outstanding shares.	236

(G) "Person" includes, without limitation, a natural person, 260
a corporation, whether nonprofit or for profit, a partnership, a 261
limited liability company, an unincorporated society or 262
association, and two or more persons having a joint or common 263
interest. 264

(H) The location of the "principal office" of a corporation 265
is the place named as the principal office in its articles. 266

(I) The "express terms" of shares of a class are the 267
statements expressed in the articles with respect to such shares. 268

(J) Shares of a class are "junior" to shares of another class 269
when any of their dividend or distribution rights are subordinate 270
to, or dependent or contingent upon, any right of, or dividend on, 271
or distribution to, shares of such other class. 272

(K) "Treasury shares" means shares belonging to the 273
corporation and not retired that have been either issued and 274
thereafter acquired by the corporation or paid as a dividend or 275
distribution in shares of the corporation on treasury shares of 276
the same class; such shares shall be deemed to be issued, but they 277
shall not be considered as an asset or a liability of the 278
corporation, or as outstanding for dividend or distribution, 279
quorum, voting, or other purposes, except, when authorized by the 280
directors, for dividends or distributions in authorized but 281
unissued shares of the corporation of the same class. 282

(L) To "retire" a share means to restore it to the status of 283
an authorized but unissued share. 284

(M) "Redemption price of shares" means the amount required by 285
the articles to be paid on redemption of shares. 286

(N) "Liquidation price" means the amount or portion of assets 287
required by the articles to be distributed to the holders of 288
shares of any class upon dissolution, liquidation, merger, or 289

consolidation of the corporation, or upon sale of all or 290
substantially all of its assets. 291

(O) "Insolvent" means that the corporation is unable to pay 292
its obligations as they become due in the usual course of its 293
affairs. 294

(P) "Parent corporation" or "parent" means a domestic or 295
foreign corporation that owns and holds of record shares of 296
another corporation, domestic or foreign, entitling the holder of 297
the shares at the time to exercise a majority of the voting power 298
in the election of the directors of the other corporation without 299
regard to voting power that may thereafter exist upon a default, 300
failure, or other contingency; "subsidiary corporation" or 301
"subsidiary" means a domestic or foreign corporation of which 302
another corporation, domestic or foreign, is the parent. 303

(Q) "Combination" means a transaction, other than a merger or 304
consolidation, wherein either of the following applies: 305

(1) Voting shares of a domestic corporation are issued or 306
transferred in consideration in whole or in part for the transfer 307
to itself or to one or more of its subsidiaries, domestic or 308
foreign, of all or substantially all the assets of one or more 309
corporations, domestic or foreign, with or without good will or 310
the assumption of liabilities; 311

(2) Voting shares of a foreign parent corporation are issued 312
or transferred in consideration in whole or in part for the 313
transfer of such assets to one or more of its domestic 314
subsidiaries. 315

"Transferee corporation" in a combination means the 316
corporation, domestic or foreign, to which the assets are 317
transferred, and "transferor corporation" in a combination means 318
the corporation, domestic or foreign, transferring such assets and 319
to which, or to the shareholders of which, the voting shares of 320

the domestic or foreign corporation are issued or transferred. 321

(R) "Majority share acquisition" means the acquisition of 322
shares of a corporation, domestic or foreign, entitling the holder 323
of the shares to exercise a majority of the voting power in the 324
election of directors of such corporation without regard to voting 325
power that may thereafter exist upon a default, failure, or other 326
contingency, by either of the following: 327

(1) A domestic corporation in consideration in whole or in 328
part, for the issuance or transfer of its voting shares; 329

(2) A domestic or foreign subsidiary in consideration in 330
whole or in part for the issuance or transfer of voting shares of 331
its domestic parent. 332

(S) "Acquiring corporation" in a combination means the 333
domestic corporation whose voting shares are issued or transferred 334
by it or its subsidiary or subsidiaries to the transferor 335
corporation or corporations or the shareholders of the transferor 336
corporation or corporations; and "acquiring corporation" in a 337
majority share acquisition means the domestic corporation whose 338
voting shares are issued or transferred by it or its subsidiary in 339
consideration for shares of a domestic or foreign corporation 340
entitling the holder of the shares to exercise a majority of the 341
voting power in the election of directors of such corporation. 342

(T) When used in connection with a combination or a majority 343
share acquisition, "voting shares" means shares of a corporation, 344
domestic or foreign, entitling the holder of the shares to vote at 345
the time in the election of directors of such corporation without 346
regard to voting power which may thereafter exist upon a default, 347
failure, or other contingency. 348

(U) "An emergency" exists when the governor, or any other 349
person lawfully exercising the power and discharging the duties of 350
the office of governor, proclaims that an attack on the United 351

States or any nuclear, atomic, or other disaster has caused an 352
emergency for corporations, and such an emergency shall continue 353
until terminated by proclamation of the governor or any other 354
person lawfully exercising the powers and discharging the duties 355
of the office of governor. 356

(V) "Constituent corporation" means an existing corporation 357
merging into or into which is being merged one or more other 358
entities in a merger or an existing corporation being consolidated 359
with one or more other entities into a new entity in a 360
consolidation, whether any of the entities is domestic or foreign, 361
and "constituent entity" means any entity merging into or into 362
which is being merged one or more other entities in a merger, or 363
an existing entity being consolidated with one or more other 364
entities into a new entity in a consolidation, whether any of the 365
entities is domestic or foreign. 366

(W) "Surviving corporation" means the constituent domestic or 367
foreign corporation that is specified as the corporation into 368
which one or more other constituent entities are to be or have 369
been merged, and "surviving entity" means the constituent domestic 370
or foreign entity that is specified as the entity into which one 371
or more other constituent entities are to be or have been merged. 372

(X) "Close corporation agreement" means an agreement that 373
satisfies the three requirements of division (A) of section 374
1701.591 of the Revised Code. 375

(Y) "Issuing public corporation" means a domestic corporation 376
with fifty or more shareholders that has its principal place of 377
business, its principal executive offices, assets having 378
substantial value, or a substantial percentage of its assets 379
within this state, and as to which no valid close corporation 380
agreement exists under division (H) of section 1701.591 of the 381
Revised Code. 382

(Z)(1) "Control share acquisition" means the acquisition, 383
directly or indirectly, by any person of shares of an issuing 384
public corporation that, when added to all other shares of the 385
issuing public corporation in respect of which ~~such~~ the person may 386
exercise or direct the exercise of voting power as provided in 387
this division, would entitle ~~such~~ the person, immediately after 388
~~such~~ the acquisition, directly or indirectly, alone or with 389
others, to exercise or direct the exercise of the voting power of 390
the issuing public corporation in the election of directors within 391
any of the following ranges of such voting power: 392

(a) One-fifth or more but less than one-third of such voting 393
power; 394

(b) One-third or more but less than a majority of such voting 395
power; 396

(c) A majority or more of such voting power. 397

A bank, broker, nominee, trustee, or other person ~~who~~ that 398
acquires shares in the ordinary course of business for the benefit 399
of others in good faith and not for the purpose of circumventing 400
section 1701.831 of the Revised Code shall, however, be deemed to 401
have voting power only of shares in respect of which such person 402
would be able, without further instructions from others, to 403
exercise or direct the exercise of votes on a proposed control 404
share acquisition at a meeting of shareholders called under 405
section 1701.831 of the Revised Code. 406

(2) The acquisition by any person of any shares of an issuing 407
public corporation does not constitute a control share acquisition 408
for the purpose of section 1701.831 of the Revised Code if the 409
acquisition was or is consummated in, results from, or is the 410
consequence of any of the following circumstances: 411

(a) Prior to November 19, 1982; 412

(b) Pursuant to a contract existing prior to November 19, 413
1982; 414

(c) By bequest or inheritance, by operation of law upon the 415
death of an individual, or by any other transfer without valuable 416
consideration, including a gift, that is made in good faith and 417
not for the purpose of circumventing section 1701.831 of the 418
Revised Code; 419

(d) Pursuant to the satisfaction of a pledge or other 420
security interest created in good faith and not for the purpose of 421
circumventing section 1701.831 of the Revised Code; 422

(e) Pursuant to a merger or consolidation adopted, or a 423
combination or majority share acquisition authorized, by vote of 424
the shareholders of the issuing public corporation in compliance 425
with section 1701.78, 1701.781, 1701.79, 1701.791, or 1701.83 of 426
the Revised Code, or pursuant to a merger adopted in compliance 427
with section 1701.802 of the Revised Code; 428

(f) The person's being entitled, immediately thereafter, to 429
exercise or direct the exercise of voting power of the issuing 430
public corporation in the election of directors within the same 431
range theretofore attained by that person either in compliance 432
with the provisions of section 1701.831 of the Revised Code or as 433
a result solely of the issuing public corporation's purchase of 434
shares issued by it. 435

The acquisition by any person of shares of an issuing public 436
corporation in a manner described under division (Z)(2) of this 437
section shall be deemed a control share acquisition authorized 438
pursuant to section 1701.831 of the Revised Code within the range 439
of voting power under division (Z)(1)(a), (b), or (c) of this 440
section that such person is entitled to exercise after ~~such~~ the 441
acquisition, provided, in the case of an acquisition in a manner 442
described under division (Z)(2)(c) or (d) of this section, the 443

transferor of shares to such person had previously obtained any 444
authorization of shareholders required under section 1701.831 of 445
the Revised Code in connection with ~~such~~ the transferor's 446
acquisition of shares of the issuing public corporation. 447

(3) The acquisition of shares of an issuing public 448
corporation in good faith and not for the purpose of circumventing 449
section 1701.831 of the Revised Code from any person whose control 450
share acquisition previously had been authorized by shareholders 451
in compliance with section 1701.831 of the Revised Code, or from 452
any person whose previous acquisition of shares of an issuing 453
public corporation would have constituted a control share 454
acquisition but for division (Z)(2) or (3) of this section, does 455
not constitute a control share acquisition for the purpose of 456
section 1701.831 of the Revised Code unless such acquisition 457
entitles the person making the acquisition, directly or 458
indirectly, alone or with others, to exercise or direct the 459
exercise of voting power of the corporation in the election of 460
directors in excess of the range of ~~such~~ voting power authorized 461
pursuant to section 1701.831 of the Revised Code, or deemed to be 462
so authorized under division (Z)(2) of this section. 463

(AA) "Acquiring person" means any person who has delivered an 464
acquiring person statement to an issuing public corporation 465
pursuant to section 1701.831 of the Revised Code. 466

(BB) "Acquiring person statement" means a written statement 467
that complies with division (B) of section 1701.831 of the Revised 468
Code. 469

(CC)(1) "Interested shares" means the shares of an issuing 470
public corporation in respect of which any of the following 471
persons may exercise or direct the exercise of the voting power of 472
the corporation in the election of directors: 473

(a) An acquiring person; 474

(b) Any officer of the issuing public corporation elected or 475
appointed by the directors of the issuing public corporation; 476

(c) Any employee of the issuing public corporation who is 477
also a director of such corporation; 478

(d) Any person that acquires such shares for valuable 479
consideration during the period beginning with the date of the 480
first public disclosure of a proposal for, or expression of 481
interest in, a control share acquisition of the issuing public 482
corporation; a transaction pursuant to section 1701.76, 1701.78, 483
1701.781, 1701.79, 1701.791, 1701.83, or 1701.86 of the Revised 484
Code that involves the issuing public corporation or its assets; 485
or any action that would directly or indirectly result in a change 486
in control of the issuing public corporation or its assets, and 487
ending on the record date established by the directors pursuant to 488
section 1701.45 and division (D) of section 1701.831 of the 489
Revised Code, if either of the following applies: 490

(i) The aggregate consideration paid or given by the person 491
who acquired the shares, and any other persons acting in concert 492
with the person, for all such shares exceeds two hundred fifty 493
thousand dollars; 494

(ii) The number of shares acquired by the person who acquired 495
the shares, and any other persons acting in concert with the 496
person, exceeds one-half of one per cent of the outstanding shares 497
of the corporation entitled to vote in the election of directors. 498

(e) Any person that transfers such shares for valuable 499
consideration after the record date described in division 500
(CC)(1)(d) of this section as to shares so transferred, if 501
accompanied by the voting power in the form of a blank proxy, an 502
agreement to vote as instructed by the transferee, or otherwise. 503

(2) If any part of this division is held to be illegal or 504
invalid in application, the illegality or invalidity does not 505

affect any legal and valid application thereof or any other 506
provision or application of this division or section 1701.831 of 507
the Revised Code that can be given effect without the invalid or 508
illegal provision, and the parts and applications of this division 509
are severable. 510

(DD) "Certificated security" and "uncertificated security" 511
have the same meanings as in section 1308.01 of the Revised Code. 512

(EE) "Entity" means any of the following: 513

(1) A for profit corporation existing under the laws of this 514
state or any other state; 515

(2) Any of the following organizations existing under the 516
laws of this state, the United States, or any other state: 517

(a) A business trust or association; 518

(b) A real estate investment trust; 519

(c) A common law trust; 520

(d) An unincorporated business or for profit organization, 521
including a general or limited partnership; 522

(e) A limited liability company; 523

(f) A nonprofit corporation. 524

Sec. 1701.10. (A) After incorporation, all of the following 525
apply: 526

(1) If the initial directors are named in the articles, the 527
initial directors shall hold an organizational meeting, at the 528
call of a majority of the directors, to complete the organization 529
of the corporation by receiving subscriptions, appointing 530
officers, adopting regulations, and carrying on any other business 531
brought before the meeting. 532

(2) If the initial directors are not named in the articles, 533

the incorporator or incorporators either shall receive
subscriptions as provided in division (A) of section 1701.09 of
the Revised Code or shall hold an organizational meeting at the
call of a majority of the incorporators to elect directors who
shall complete the organization of the corporation as provided in
division (A)(1) of this section. If subscriptions for shares are
received by the incorporators, the incorporators, or a majority of
them, shall give not less than seven days' written notice to the
shareholders, unless written notice is waived by the shareholders,
to meet at a specified time and place for the purposes of adopting
regulations, electing directors, and transacting any other
business. The shareholders shall meet for those purposes at the
time and place specified.

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(3) Notwithstanding divisions (A)(1) and (2) of this section,
if regulations have not been adopted within ninety days after the
formation of the corporation, regulations may be adopted only ~~by~~
~~the shareholders in either of the following ways:~~

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~~(a) At a meeting of shareholders called for that purpose by
the directors or, if no directors have been named in the articles
or elected, at a meeting of shareholders called for that purpose
by at least a majority of the incorporators. The directors or
incorporators shall give not less than seven days' written notice
to the shareholders, unless written notice is waived by the
shareholders, to meet at a specified time and place for the
purposes of adopting regulations and transacting any other
business;~~

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~~(b) Without a meeting, by the written consent of the holders
of shares entitling them to exercise two thirds of the voting
power on the proposal.~~

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~~(4) In no event may the directors take any action to adopt or
amend regulations after the shareholders have adopted regulations~~

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as provided in section 1701.11 of the Revised Code. 565

(B) Action required or permitted by this chapter to be taken 566
by the incorporators at an organizational meeting may be taken 567
without a meeting if the action taken is evidenced by one or more 568
written consents describing the action taken and signed by each 569
incorporator. 570

(C) An organizational meeting may be held in or out of this 571
state. 572

Sec. 1701.11. (A)(1) Regulations for the government of a 573
corporation, the conduct of its affairs, and the management of its 574
property, consistent with law and the articles, may be adopted, 575
amended, or repealed in any of the following ways: 576

(a) Within ninety days after the corporation is formed, by 577
the directors in accordance with division (A)(1) of section 578
1701.10 of the Revised Code; 579

(b) By the shareholders at a meeting held for that purpose, 580
by the affirmative vote of the holders of shares entitling them to 581
exercise a majority of the voting power of the corporation on the 582
proposal, or if the articles or regulations that have been adopted 583
so provide, by the affirmative vote of the holders entitling them 584
to exercise a greater proportion than a majority of the voting 585
power of the corporation on the proposal; 586

(c) Without a meeting, by the written consent of the holders 587
of shares entitling them to exercise two-thirds of the voting 588
power of the corporation on the proposal. 589

~~(2) Except as otherwise provided in division (A)(4) of this 590
section, the regulations may be amended, or new regulations may be 591
adopted, in either of the following ways:~~ 592

~~(a) By the shareholders at a meeting held for that purpose, 593
by the affirmative vote of the holders of shares entitling them to 594~~

~~exercise a majority of the voting power of the corporation on the
proposal;~~ 595
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~~(b) Without a meeting, by the written consent of the holders
of shares entitling them to exercise two thirds of the voting
power of the corporation on the proposal.~~ 597
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~~(3) Except as otherwise provided in division (A)(4) of this
section, or if the articles or regulations that have been adopted
so provide or permit, regulations may be adopted or amended or new
regulations may be adopted by the affirmative vote or written
consent of the holders of shares entitling them to exercise a
greater or lesser proportion but not less than a majority of the
voting power of the corporation on the proposal;~~ 600
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~~(d) If and to the extent that the articles or regulations so
provide or permit and unless a provision of the Revised Code
reserves such authority to shareholders, by the directors,
provided that no provision or permission in the articles or
regulations may divest shareholders of the power, or limit the
shareholders' power, to adopt, amend, or repeal regulations.~~ 607
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~~(4)(2) Any amendment of regulations and any amended or new
regulations adopted by shareholders of an issuing public
corporation whose directors are classified pursuant to section
1701.57 of the Revised Code that would change or eliminate the
classification of directors shall be adopted only by the
shareholders ~~only~~ at a meeting held for that purpose, by the
affirmative vote of holders of shares entitling them to exercise
the voting power of the corporation that is required for
shareholders at a meeting under division ~~(A)(2)(a) or (3)(A)(1)(b)~~
of this section, and also by the affirmative vote of the holders
of a majority of disinterested shares voted on the proposal
determined as specified in division (C)(9) of section 1704.01 of
the Revised Code.~~ 613
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(B) Without limiting the generality of the authority	626
described in division (A) of this section, the regulations may	627
include provisions with respect to all of the following:	628
(1) The place, if any, and time for holding, the manner of	629
and authority for calling, giving notice of, and conducting, and	630
the requirements of a quorum for, meetings of shareholders;	631
(2) The taking of a record of shareholders or the temporary	632
closing of books against transfers of shares;	633
(3) The number, classification, manner of fixing or changing	634
the number, qualifications, term of office, and compensation or	635
manner of fixing compensation, of directors;	636
(4) The place, if any, and time for holding, the manner of	637
and authority for calling, giving notice of, and conducting, and	638
the requirements of a quorum for, meetings of the directors;	639
(5) The appointment of an executive and other committees of	640
the directors, and their authority;	641
(6) The titles, qualifications, duties, term of office,	642
compensation or manner of fixing compensation, and the removal, of	643
officers;	644
(7) The terms on which new certificates for shares may be	645
issued in the place of lost, stolen, or destroyed certificates;	646
(8) The manner in which and conditions upon which a	647
certificated security, and the conditions upon which an	648
uncertificated security, and the shares represented by a	649
certificated or uncertificated security, may be transferred,	650
restrictions on the right to transfer the shares, and reservations	651
of liens on the shares;	652
(9)(a) Restrictions on the transfer and the right to transfer	653
shares of either of the following:	654
(i) An issuing public corporation to any person in a control	655

share acquisition;

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(ii) A corporation with fifty or more shareholders to any person in an acquisition that would be a control share acquisition if the corporation were an issuing public corporation.

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(b) The restrictions on the transfer and the right to transfer shares described in division (B)(9)(a)(i) and (ii) of this section may include requirements and procedures for consent to an acquisition of the shares by directors based on a determination by the directors of the best interests of the corporation and its shareholders, consent to an acquisition of the shares by shareholders, and reasonable sanctions for a violation of those requirements, including the right of the corporation to refuse to transfer, to redeem, or to deny voting or other shareholder rights appurtenant to shares acquired in an acquisition of the shares.

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(10) Defining, limiting, or regulating the exercise of the authority of the corporation, the directors, or the officers, ~~or~~ ~~all the shareholders;~~

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(11) Defining, limiting, or regulating the exercise of the authority of the shareholders; provided, that any amendment of the regulations that would change or eliminate any such provision shall be adopted only by the shareholders.

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(C) The shareholders of a corporation may adopt and may authorize the directors to adopt, either before or during an emergency, as that term is defined in division (U) of section 1701.01 of the Revised Code, emergency regulations that shall be operative only during an emergency. The emergency regulations may include any provisions that are authorized to be included in regulations by divisions (A) and (B) of this section. In addition, unless expressly prohibited by the articles or the regulations, the emergency regulations may make any provision, notwithstanding

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any different provisions in this chapter and notwithstanding any 687
different provisions in the articles or the regulations that are 688
not expressly stated to be operative during an emergency, that may 689
be practical or necessary with respect to the following: 690

(1) The place, if any, and time for holding, the manner of 691
and authority for calling, giving notice of, and conducting, and 692
the requirements of a quorum for, meetings of the directors; 693

(2) The creation and appointment of an executive and other 694
committees of the directors and the delegation of authority to the 695
committees by the board; 696

(3) The creation, existence, and filling of vacancies, 697
including temporary vacancies, in the office of director; 698

(4) The selection, by appointment, election, or otherwise, of 699
officers and other persons to serve as directors for a meeting of 700
the board in the absence from the meeting of one or more of the 701
directors; 702

(5) The creation, existence, and filling of vacancies, 703
including temporary vacancies, in any office; 704

(6) The order of rank and the succession to the duties and 705
authority of officers. 706

(D) ~~If (1) Unless the corporation complies with division~~ 707
~~(D)(2) of this section, if~~ the regulations are amended or new 708
regulations are adopted, ~~without a meeting of the shareholders~~ 709
~~other than by the shareholders at a meeting held for that purpose,~~ 710
the secretary of the corporation shall send a copy of the 711
amendment or the new regulations by mail, overnight delivery 712
service, or any other means of communication authorized by the 713
shareholder to whom a copy of the amendment or new regulations ~~are~~ 714
is sent, to each shareholder ~~who would have been entitled to vote~~ 715
~~on the adoption of the amendment or the new regulations and did~~ 716

~~not participate in~~ of record as of the date of the adoption of the 717
amendment or the new regulations. 718

(2) Any corporation that files periodic reports with the 719
United States securities and exchange commission pursuant to 720
section 13 of the "Securities Exchange Act of 1934," 48 Stat. 881, 721
15 U.S.C. 78m, as amended, or section 15(d) of the "Securities 722
Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78o(d), as amended, 723
may satisfy the notice to shareholders of record requirement of 724
division (D)(1) of this section by including a copy of the 725
amendment or the new regulations in a report filed in accordance 726
with those sections within twenty days after the adoption of the 727
amendment or the new regulations. 728

(E) No person dealing with the corporation shall be charged 729
with constructive notice of the regulations. 730

(F) Unless expressly prohibited by the articles or the 731
regulations or unless otherwise provided by the emergency 732
regulations, the following special rules shall be applicable 733
during an emergency notwithstanding any different provision 734
elsewhere in this chapter: 735

(1) Meetings of the directors may be called by any officer or 736
director. 737

(2) Notice of the time and place of each meeting of the 738
directors shall be given to such of the directors as it may be 739
feasible to reach at the time and by the means of communication, 740
written or oral, personal or mass, as may be practicable at the 741
time. 742

(3) The director or directors present at any meeting of the 743
directors that has been duly called and notice of which has been 744
duly given shall constitute a quorum for the meeting, and, in the 745
absence of one or more of the directors, the director or directors 746
present may appoint one or more of the officers of the corporation 747

directors for the meeting.

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(4) If none of the directors attends a meeting of the directors that has been duly called and notice of which has been duly given, the officers of the corporation who are present, not exceeding three, in order of rank, shall be directors for the meeting, shall constitute a quorum for the meeting, and may appoint one or more of the other officers of the corporation directors for the meeting.

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(5) If the chief executive officer dies, is missing, or for any other reason is temporarily or permanently incapable of discharging the duties of the office, the next ranking officer who is available shall assume the duties and authority of the office of the deceased, missing, or incapacitated chief executive officer until such time as the directors ~~shall~~ otherwise order.

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(6) The offices of secretary and treasurer shall be deemed to be of equal rank, and, within the same office and as between the offices of secretary and treasurer, rank shall be determined by priority in time of the first election to the office or, if two or more persons have been first elected to the office at the same time, by seniority in age.

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Sec. 1701.17. (A) A corporation by its directors, upon ~~such~~ terms as it may impose, may provide and carry out plans for the issuance, offering, or sale, or for the grant of options, to employees of the corporation or of subsidiary corporations, or to a trustee on their behalf, during the period of their employment or other period, of, or with respect to, any unissued shares, treasury shares, or shares to be purchased, which plans may provide for the payment for such shares at one time or in installments, or for the establishment of special funds in which employees may participate. Shares otherwise subject to pre-emptive rights may be offered or sold under ~~such~~ these plans only when

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released from pre-emptive rights. 779

(B)(1) The directors, or a committee of the directors, may 780
delegate the authority described in division (A) of this section 781
to one or more officers if the resolution authorizing the 782
delegation specifies the total number of shares or options that 783
the officer or officers may award and the terms on which any 784
shares may be issued, offered, or sold or the terms of any 785
options. 786

(2) The directors may not authorize any officer described in 787
division (B)(1) of this section to designate that officer as a 788
recipient of any shares or options with respect to shares. 789

Sec. 1701.18. (A) Except as provided in the case of change of 790
shares, share dividends or distributions, reorganization, merger, 791
consolidation, combination, or conversion of shares or obligations 792
into shares, the following apply: 793

(1) ~~Payment Consideration~~ for shares shall be made with money 794
~~or other property of any description, or any interest in property,~~ 795
~~actually transferred to the corporation, or labor or services~~ 796
~~actually rendered to the corporation may include cash, property,~~ 797
~~services rendered, a promissory note, or any other binding~~ 798
~~obligation to contribute cash or property or to perform services;~~ 799
~~the provision of any other benefit to the corporation; or any~~ 800
~~combination of these.~~ 801

(2) In the case of shares with par value, other than treasury 802
shares, the consideration shall be not less than the par value of 803
the shares, provided that the shares may be ~~sold and~~ paid for at 804
such a discount from the par value of the shares that would amount 805
to or not exceed reasonable compensation for the sale, 806
underwriting, or purchase of the shares, and, regardless of the 807
discount, the shares shall be deemed to be fully paid. 808

(3) In the case of treasury shares with par value, the 809
consideration may be less than the par value of the shares. 810

(B) Promissory notes, drafts, or other obligations of a 811
subscriber or purchaser do not constitute payment for shares. 812

(C) An agreement by a person to perform services as the 813
consideration for shares does not, of itself, constitute ~~the~~ 814
~~person a shareholder and does not, of itself, constitute~~ payment 815
for such shares prior to the performance of the services. 816

(D) Except in the case of convertible shares or obligations, 817
shares with par value shall not be issued or disposed of upon 818
change of shares, share dividends or distributions, 819
reorganization, merger, consolidation, exchange of shares for 820
other shares or securities, or otherwise, if as a result the 821
aggregate liabilities of the corporation plus its stated capital 822
would exceed its aggregate assets or any existing excess would be 823
increased. 824

(E) When shares have been issued as provided in this chapter, 825
in the case of change of shares, share dividends or distributions, 826
reorganization, merger, consolidation, or conversion of shares or 827
obligations into shares, or when shares have been paid for in 828
conformity with this section, such shares shall be deemed fully 829
paid and nonassessable. 830

(F) Every person who subscribes for or purchases shares of a 831
corporation is liable to the corporation to pay or deliver to the 832
corporation the consideration agreed upon, and, except as provided 833
in division (A) of this section, if the shares are with par value, 834
the person is obligated to pay to the corporation ~~for the shares~~ 835
~~in money or other property or services~~ consideration not less than 836
the ~~full~~ par value of the shares. The person is not liable to the 837
corporation or its creditors in any other amount. 838

(G) Every holder, whether the original or a transferee, of 839

shares not paid for as provided in this section, who has acquired 840
them with actual knowledge of that fact, is personally liable to 841
the corporation for the amount unpaid on the shares, and the 842
holder's liability shall continue notwithstanding any transfer of 843
the shares, until the shares are paid in full; but no holder who 844
has acquired the shares without actual knowledge of the fact that 845
the shares are not paid for is under any liability in respect of 846
the shares. 847

(H) No pledgee or other holder of shares as collateral 848
security is personally liable as a shareholder. 849

(I) No person who in fact, whether disclosed on the records 850
of the corporation or otherwise, holds shares as executor, 851
administrator, guardian, trustee, trustee of a voting trust, 852
receiver, or in any other fiduciary capacity is personally liable 853
as a shareholder, but the estate or property in the hands of such 854
fiduciary is liable or the real or beneficial owner is liable 855
under this section as equity may require. This section does not 856
relieve a fiduciary from liability for a breach of trust. 857

(J) Except as set forth in any provision in Title LVII of the 858
Revised Code, neither a shareholder of a corporation nor a 859
subscriber to its shares is personally liable for any debts, 860
obligations, or liabilities of the corporation in the absence of a 861
written, enforceable agreement that is signed by the shareholder 862
or subscriber and that specifically undertakes liability for such 863
debts, obligations, or liabilities. 864

Sec. 1701.19. (A) When a determination of the fair value to a 865
corporation ~~of property other than money or of services~~ is made by 866
the incorporators, directors, or shareholders with respect to 867
~~property transferred or to be transferred, or services rendered or~~ 868
~~to be rendered,~~ consideration, other than cash, paid or to be paid 869
to the corporation ~~as consideration~~ for shares; or made by the 870

directors with respect to property voluntarily contributed to the 871
corporation; or made by the directors with respect to physical 872
assets of the corporation ~~which~~ that are reckoned by the directors 873
to have a fair value to the corporation in excess of the amount at 874
which they are carried on its books; or provided for in a ~~plan of~~ 875
~~reorganization confirmed~~ decree or order as provided in section 876
1701.75 of the Revised Code or set forth in an agreement of merger 877
or consolidation adopted as provided in section 1701.78, 1701.79, 878
1701.80, or 1701.801 of the Revised Code, then ~~such~~ the 879
determination shall be conclusive in any action or proceeding in 880
which it is claimed that the fair value to the corporation of such 881
consideration or property ~~or of such services~~ is or was less than 882
the value so determined, unless the party asserting ~~such~~ a claim 883
affirmatively proves by clear and convincing evidence, and 884
otherwise than by proving the difference between the value of such 885
consideration or property, ~~or of such services,~~ and the fair value 886
so determined, that ~~such~~ the determination was knowingly and 887
intentionally made, by the persons making the determination, at a 888
value greater than the fair value of such consideration or 889
property ~~or of such services~~ to the corporation. 890

(B) The making of an agreement to issue or dispose of shares 891
for property or consideration other than ~~money or for services~~ 892
cash or the issuance or disposition of shares in consummation of 893
any agreement or transaction referred to in division (A) of this 894
section shall be held to be a determination that the property or 895
~~the services~~ other consideration involved ~~have~~ has a fair value to 896
the corporation not less than the value required to justify the 897
issuance or disposition of such shares. 898

Sec. 1701.40. (A) Meetings of shareholders may be called by 899
any of the following: 900

(1) The chairperson of the board, the president, or, in case 901

of the president's absence, death, or disability, the 902
vice-president authorized to exercise the authority of the 903
president; 904

(2) The directors by action at a meeting, or a majority of 905
the directors acting without a meeting; 906

(3) Persons who hold twenty-five per cent of all shares 907
outstanding and entitled to vote at the meeting, unless the 908
articles ~~or~~, the regulations adopted by the shareholders, or the 909
regulations adopted by the directors pursuant to division (A)(1) 910
of section 1701.10 of the Revised Code specify for that purpose a 911
smaller or larger proportion but not in excess of fifty per cent; 912

(4) Such other officers or persons as the articles or the 913
regulations authorize to call the meetings. 914

(B) Meetings of shareholders may be held either within or 915
without this state if so provided in the articles or the 916
regulations. The articles or regulations may authorize the 917
directors to determine that the meeting shall not be held at any 918
physical place, but instead may be held solely by means of 919
communications equipment as authorized by division (C) of this 920
section. If the corporation is an issuing public corporation and 921
the articles or regulations do not require that a meeting be held 922
at a particular physical place and also authorize the directors to 923
fix the place of the meeting, the directors may determine that the 924
meeting shall not be held at any physical place, but instead may 925
be held solely by means of communications equipment as authorized 926
by division (C) of this section. In the absence of any such 927
provision, all meetings shall be held at the principal office of 928
the corporation in this state. 929

(C) If authorized by the directors, the shareholders and 930
proxyholders who are not physically present at a meeting of 931
shareholders may attend a meeting of shareholders by use of 932

communications equipment that enables the shareholder or 933
proxyholder an opportunity to participate in the meeting and to 934
vote on matters submitted to the shareholders, including an 935
opportunity to read or hear the proceedings of the meeting and to 936
speak or otherwise participate in the proceedings 937
contemporaneously with those physically present. Any shareholder 938
using communications equipment will be deemed present in person at 939
the meeting whether the meeting is to be held at a designated 940
place or solely by means of communications equipment. The 941
directors may adopt guidelines and procedures for the use of 942
communications equipment in connection with a meeting of 943
shareholders to permit the corporation to verify that a person is 944
a shareholder or proxyholder and to maintain a record of any vote 945
or other action. 946

Sec. 1701.41. (A) Written notice stating the time, place, if 947
any, and purposes of a meeting of the shareholders, and the means, 948
if any, by which shareholders can be present and vote at the 949
meeting through the use of communications equipment shall be given 950
either by personal delivery or by mail, overnight delivery 951
service, or any other means of communication authorized by the 952
shareholder to whom the notice is given, not less than seven nor 953
more than sixty days before the date of the meeting unless the 954
articles ~~or~~, the regulations adopted by the shareholders, or the 955
regulations adopted by the directors pursuant to division (A)(1) 956
of section 1701.10 of the Revised Code specify a longer period: 957
(1) to every shareholder of record entitled to notice of the 958
meeting; (2) by or at the direction of the president or the 959
secretary or any other person required or permitted by the 960
regulations to give that notice. If mailed or sent by overnight 961
delivery service, the notice shall be sent to the shareholder at 962
the shareholder's address as it appears on the records of the 963
corporation. If sent by another means of communication authorized 964

by the shareholder, the notice shall be sent to the address 965
furnished by the shareholder for those transmissions. Notice of 966
adjournment of a meeting need not be given if the time and place, 967
if any, to which it is adjourned and the means, if any, by which 968
shareholders can be present and vote at the adjourned meeting 969
through the use of communications equipment are fixed and 970
announced at the meeting. 971

(B) Upon request in writing delivered either in person or by 972
registered mail to the president or the secretary by any persons 973
entitled to call a meeting of shareholders, that officer shall 974
forthwith cause to be given to the shareholders entitled to notice 975
of a meeting to be held on a date not less than seven nor more 976
than sixty days after the receipt of the request, as the officer 977
may fix, unless the articles ~~or~~, the regulations adopted by the 978
shareholders, or the regulations adopted by the directors pursuant 979
to division (A)(1) of section 1701.10 of the Revised Code specify 980
a longer period for this purpose. If the notice is not given 981
within fifteen days after the delivery or mailing of the request, 982
or that shorter or longer period as the articles ~~or~~, the 983
regulations adopted by the shareholders, or the regulations 984
adopted by the directors pursuant to division (A)(1) of section 985
1701.10 of the Revised Code specify for this purpose, the persons 986
calling the meeting may fix the time of meeting and give notice of 987
the time of meeting as provided in division (A) of this section, 988
or cause the notice to be given by any designated representative. 989

(C) Any authorization by a shareholder to send notices given 990
pursuant to this chapter by any means other than in person or by 991
mail or overnight delivery service is revocable by written notice 992
to the corporation either by personal delivery or by mail, 993
overnight delivery service, or any other means of communication 994
authorized by the corporation. If sent by another means of 995
communication authorized by the corporation, the notice shall be 996

sent to the address furnished by the corporation for those 997
transmissions. Any authorization by a shareholder to send notices 998
given pursuant to this chapter by any means other than in person 999
or by mail or overnight delivery service will be deemed to have 1000
been revoked by the shareholder if (1) the corporation has 1001
attempted to make delivery of two consecutive notices in 1002
accordance with that authorization, and (2) the secretary or an 1003
assistant secretary of the corporation, or other person 1004
responsible for giving of notice, has received notice that, or 1005
otherwise believes that, delivery has not occurred. However, an 1006
inadvertent failure to treat the inability to deliver notice as a 1007
revocation will not invalidate any meeting of shareholders or 1008
other action. 1009

Sec. 1701.44. (A) Except to the extent that the voting rights 1010
of the shares of any class are increased, limited, or denied by 1011
the express terms of such shares, and except as provided in scrip 1012
issued in lieu of a certificate for a fraction of a share, each 1013
outstanding share regardless of class shall entitle the holder 1014
thereof to one vote on each matter properly submitted to the 1015
shareholders for their vote, consent, waiver, release, or other 1016
action, subject to the provisions with respect to cumulative 1017
voting in section 1701.55 of the Revised Code. 1018

(B) Unless the articles, the regulations adopted by the 1019
shareholders, the regulations adopted by the directors pursuant to 1020
division (A)(1) of section 1701.10 of the Revised Code, or the 1021
contract of subscription for shares otherwise provides, a 1022
shareholder shall be entitled to vote even though ~~his~~ the 1023
shareholder's shares have not been fully paid, but shares upon 1024
which an installment of the consideration for such shares is 1025
overdue and unpaid shall not be voted. 1026

Sec. 1701.51. (A) Unless the articles ~~or~~, the regulations 1027
adopted by the shareholders, or the regulations adopted by the 1028
directors pursuant to division (A)(1) of section 1701.10 of the 1029
Revised Code otherwise provide 1030

~~(A) The~~, the shareholders present in person, by proxy, or by 1031
the use of communications equipment at any meeting of shareholders 1032
shall constitute a quorum for such meeting, but no action required 1033
by law, the articles, or the regulations to be authorized or taken 1034
by the holders of a designated proportion of the shares of any 1035
particular class or of each class, may be authorized or taken by a 1036
lesser proportion. 1037

(B) ~~The~~ Unless the articles or the regulations otherwise 1038
provide, the holders of a majority of the voting shares 1039
represented at a meeting, whether or not a quorum is present, may 1040
adjourn such meeting from time to time. 1041

Sec. 1701.54. (A) Unless the articles ~~or~~, the regulations 1042
adopted by the shareholders, or the regulations adopted by the 1043
directors pursuant to division (A)(1) of section 1701.10 of the 1044
Revised Code prohibit the authorization or taking of any action of 1045
the shareholders or of the directors without a meeting, any action 1046
that may be authorized or taken at a meeting of the shareholders 1047
or of the directors, as the case may be, may be authorized or 1048
taken without a meeting with the affirmative vote or approval of, 1049
and in a writing or writings signed by all the shareholders who 1050
would be entitled to notice of a meeting of the shareholders held 1051
for such purpose, or all the directors, respectively, which 1052
writing or writings shall be filed with or entered upon the 1053
records of the corporation. Any certificate with respect to the 1054
authorization or taking of any such action that is required to be 1055
filed in the office of the secretary of state shall recite that 1056
the authorization or taking of such action was in a writing or 1057

writings approved and signed as specified in this section. 1058

(B) A telegram, cablegram, electronic mail, or an electronic 1059
or other transmission capable of authentication that appears to 1060
have been sent by a person described in division (A) of this 1061
section and that contains an affirmative vote or approval of that 1062
person is a signed writing for the purposes of this section. The 1063
date on which that telegram, cablegram, electronic mail, or 1064
electronic or other transmission is sent is the date on which the 1065
writing is signed. 1066

Sec. 1701.57. (A) Unless the articles ~~of~~, the regulations 1067
adopted by the shareholders, or the regulations adopted by the 1068
directors pursuant to division (A)(1) of section 1701.10 of the 1069
Revised Code provide for a different term (which may not exceed 1070
three years from the date of ~~his~~ election and until ~~his~~ a 1071
successor is elected), each director shall hold office until the 1072
next annual meeting of the shareholders and until ~~his~~ a successor 1073
is elected, or until ~~his~~ the director's earlier resignation, 1074
removal from office, or death. 1075

(B) The articles ~~of~~, the regulations adopted by the 1076
shareholders, or the regulations adopted by the directors pursuant 1077
to division (A)(1) of section 1701.10 of the Revised Code may 1078
provide: 1079

(1) For the classification of directors into either two or 1080
three classes consisting of not less than three directors each, 1081
provided that where all shares of a corporation entitled to elect 1082
a class of directors are owned of record by one or two 1083
shareholders, the number of directors of each class may be less 1084
than three, but not less than the number of shareholders entitled 1085
to elect directors of such class; 1086

(2) That the terms of office of the several classes need not 1087
be uniform, except that no term shall exceed the maximum period 1088

specified in division (A) of this section.

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Sec. 1701.58. (A) The office of a director becomes vacant if the director dies or resigns. A resignation shall take effect immediately or at such other time as the director may specify.

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(B) The directors may remove any director and thereby create a vacancy in the board:

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(1) If by order of court the director has been found to be of unsound mind, or if the director is adjudicated a bankrupt;

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(2) If within sixty days, or within ~~such~~ any other period of time as is prescribed in the articles or the regulations, from the date of the director's election the director does not qualify by accepting in writing the director's election to ~~such~~ that office or by acting at a meeting of the directors, and by acquiring the qualifications specified in the articles or the regulations; or if, for such period as is prescribed in the articles or the regulations, the director ceases to hold the required qualifications.

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(C) Except as otherwise provided in this division, if the shareholders have a right to vote cumulatively in the election of directors, then, unless the articles ~~or~~, the regulations adopted by the shareholders, or the regulations adopted by the directors pursuant to division (A)(1) of section 1701.10 of the Revised Code expressly provide that no director may be removed from office or that removal of directors requires a greater vote than that specified in this division, all the directors, all the directors of a particular class, or any individual director may be removed from office, without assigning any cause, by the vote of the holders of a majority of the voting power entitling them to elect directors in place of those to be removed, except that, unless all the directors, or all the directors of a particular class, are

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removed, no individual director shall be removed if the votes of a 1119
sufficient number of shares are cast against the director's 1120
removal that, if cumulatively voted at an election of all the 1121
directors, or all the directors of a particular class, as the case 1122
may be, would be sufficient to elect at least one director. In the 1123
case of an issuing public corporation whose directors are 1124
classified pursuant to section 1701.57 of the Revised Code, the 1125
shareholders may effect a removal under this division only for 1126
cause. 1127

(D) If the shareholders do not have the right to vote 1128
cumulatively as a result of an amendment to the articles permitted 1129
by division (B)(10) of section 1701.69 of the Revised Code, then, 1130
unless the articles ~~or~~, the regulations adopted by the 1131
shareholders, or the regulations adopted by the directors pursuant 1132
to division (A)(1) of section 1701.10 of the Revised Code 1133
expressly provide that no director may be removed from office or 1134
that removal of directors requires a greater vote than that 1135
specified in this division, all the directors, all the directors 1136
of a particular class, or any individual director may be removed 1137
from office, without assigning any cause, by the vote of the 1138
holders of a majority of the voting power entitling them to elect 1139
directors in place of those to be removed; except that in the case 1140
of an issuing public corporation whose directors are classified 1141
pursuant to section 1701.57 of the Revised Code, the shareholders 1142
may effect that removal only for cause. 1143

(E) In case of any removal pursuant to division (C) or (D) of 1144
this section, a new director may be elected at the same meeting 1145
for the unexpired term of each director removed. Failure to elect 1146
a director to fill the unexpired term of any director removed is 1147
deemed to create a vacancy in the board. 1148

(F) Unless the articles or the regulations otherwise provide, 1149
the remaining directors, though less than a majority of the whole 1150

authorized number of directors, may, by the vote of a majority of 1151
their number, fill any vacancy in the board for the unexpired 1152
term. Under this section, a vacancy exists if the shareholders 1153
increase the authorized number of directors but fail at the 1154
meeting at which such increase is authorized, or an adjournment of 1155
that meeting, to elect the additional directors provided for, or 1156
if the shareholders fail at any time to elect the whole authorized 1157
number of directors. 1158

Sec. 1701.62. Unless the articles ~~or~~, the regulations adopted 1159
by the shareholders, or the regulations adopted by the directors 1160
pursuant to division (A)(1) of section 1701.10 of the Revised Code 1161
otherwise provide, and subject to the exceptions, applicable 1162
during an emergency, as that term is defined in section 1701.01 of 1163
the Revised Code, for which provision is made in division (F) of 1164
section 1701.11 of the Revised Code, a majority of the whole 1165
authorized number of directors is necessary to constitute a quorum 1166
for a meeting of the directors, except that a majority of the 1167
directors in office constitutes a quorum for filling a vacancy in 1168
the board. The act of a majority of the directors present at a 1169
meeting at which a quorum is present is the act of the board, 1170
unless the act of a greater number is required by the articles, 1171
the regulations adopted by the shareholders, the regulations 1172
adopted by the directors pursuant to division (A)(1) of section 1173
1701.10 of the Revised Code, or the bylaws. 1174

Sec. 1701.63. (A) The regulations may provide for the 1175
creation by the directors of an executive committee or any other 1176
committee of the directors, to consist of one or more directors, 1177
and may authorize the delegation to any such committee of any of 1178
the authority of the directors, however conferred, other than the 1179
authority of filling vacancies among the directors or in any 1180
committee of the directors and other than the authority to adopt, 1181

amend, or repeal regulations. 1182

(B) The directors may appoint one or more directors as 1183
alternate members of any committee described in division (A) of 1184
this section, who may take the place of any absent member or 1185
members at any meeting of the particular committee. 1186

(C) Each committee described in division (A) of this section 1187
shall serve at the pleasure of the directors, shall act only in 1188
the intervals between meetings of the directors, and shall be 1189
subject to the control and direction of the directors. 1190

(D) Unless otherwise provided in the regulations or ordered 1191
by the directors, any committee described in division (A) of this 1192
section may act by a majority of its members at a meeting or by a 1193
writing or writings signed by all of its members. 1194

(E) Unless participation by members of any committee 1195
described in division (A) of this section at a meeting by means of 1196
communications equipment is prohibited by the articles, the 1197
regulations, or an order of the directors, meetings of the 1198
particular committee may be held through any communications 1199
equipment if all persons participating can hear each other. 1200
Participation in a meeting pursuant to this division constitutes 1201
presence at the meeting. 1202

(F) An act or authorization of an act by any committee 1203
described in division (A) of this section within the authority 1204
delegated to it shall be as effective for all purposes as the act 1205
or authorization of the directors. 1206

(G) Unless otherwise provided in the articles, the 1207
regulations, or the resolution of the directors creating a 1208
committee described in division (A) of this section, a committee 1209
described in division (A) of this section may create one or more 1210
subcommittees, each subcommittee to consist of one or more members 1211
of the committee, and may delegate to a subcommittee any or all of 1212

the powers and authority of the committee.

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Sec. 1701.73. (A)(1) Upon the adoption of any amendment or amended articles, a certificate containing a copy of the resolution adopting the amendment or amended articles, a statement of the manner of its adoption, and, in the case of adoption of the resolution by the incorporators or directors, a statement of the basis for such adoption, shall be filed with the secretary of state, and thereupon the articles shall be amended accordingly, any change of shares provided for in the amendment or amended articles shall become effective, and the amended articles shall supersede the existing articles. ~~When~~

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(2) Except as provided in division (A)(3) of this section, ~~when~~ an amendment or amended articles are adopted by the directors pursuant to section 1701.70 of the Revised Code, the corporation shall send notice of the amendment or amended articles, and a copy or summary thereof, by mail, overnight delivery service, or any other means of communication authorized by the shareholder to whom the notice and copy or summary are sent, to each shareholder of the corporation of record as of the date on which the directors approved the amendment or amended articles. The notice shall be sent to the shareholders within twenty days after the filing of the certificate required by ~~this~~ division (A)(1) of this section.

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(3) Any corporation that files periodic reports with the United States securities and exchange commission pursuant to section 13 of the "Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78m, as amended, or section 15(d) of the "Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78o(d), as amended, may satisfy the notice to shareholders of record requirement of division (A)(2) of this section by including a copy or summary of the amendment or amended articles in a report filed in accordance with those provisions within twenty days after the filing of the

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certificate required by division (A)(1) of this section.

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(B) When an amendment or amended articles are adopted by the incorporators, the certificate described in division (A)(1) of this section shall be signed by each of them.

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(C) When an amendment or amended articles are adopted by the directors or by the shareholders, the certificate described in division (A)(1) of this section shall be signed by any authorized officer.

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(D) A copy of an amendment or amended articles changing the name of a corporation or its principal office in this state, certified by the secretary of state, may be filed for record in the office of the county recorder of any county in this state, and for such recording, the county recorder shall charge and collect the same fee as provided for in division (A) of section 317.32 of the Revised Code. ~~Such~~ The copy shall be recorded in the records of deeds.

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Sec. 1701.75. (A) ~~A corporation,~~ If an order of relief has been entered pursuant to the federal Bankruptcy Code, 11 U.S.C. 101, as amended, or if a plan of reorganization of which shall have has been confirmed by the decree or order of a court of competent jurisdiction pursuant to the provisions of any other applicable statute of the United States relating to reorganization of corporations, a corporation may put into effect and carry out the plan and the any decrees and orders of the court ~~relative thereto,~~ in the bankruptcy or reorganization proceeding and may take any ~~proceeding and do any act~~ corporate action provided ~~in the plan~~ or directed by such decrees and orders, without further action by its directors or shareholders. ~~Such authority~~ Authority may be exercised, and ~~such proceedings and acts~~ corporate actions may be taken ~~or done,~~ as directed by such decrees or orders, by the trustee or trustees of ~~such~~ the corporation appointed or

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elected in the bankruptcy or reorganization proceedings (or a 1275
majority thereof), or if none ~~shall~~ have been appointed or elected 1276
and acting, by designated officers of the corporation, or by a 1277
~~master or other~~ representative appointed by the court, with like 1278
effect as if exercised and taken by unanimous action of the 1279
directors and shareholders of the corporation. 1280

(B) ~~A corporation~~, if authorized in the manner provided in 1281
division (A) of this section, but without limiting the generality 1282
thereof, a corporation may: amend its articles in any respect; 1283
amend or repeal its regulations or adopt new regulations; name, 1284
constitute, reconstitute, classify, or reclassify its directors 1285
and appoint directors and officers in place of or in addition to 1286
some or all of the directors or officers then in office; make any 1287
lawful change in its stated capital; make a determination of the 1288
fair value to the corporation of its assets; transfer all or a 1289
part of its assets; merge; consolidate; remove or appoint a 1290
statutory agent; authorize the granting of option rights in 1291
respect of shares and other securities; authorize the issuing of 1292
notes, bonds, and other evidences of indebtedness, whether or not 1293
convertible into shares or other securities; lease its property to 1294
any corporation; dissolve; or effect any other change authorized 1295
by this chapter. 1296

(C) If ~~a plan of reorganization provides for or effects~~ an 1297
amendment to the articles is adopted or the merger, consolidation, 1298
or dissolution of a corporation is authorized in the manner 1299
provided in division (A)(1) of this section, or if a ~~plan~~ decree 1300
or order having such a result is modified in respect of ~~such an~~ 1301
amendment, merger, consolidation, or dissolution, then a 1302
certificate of reorganization or an amended certificate of 1303
reorganization, as the case may be, setting forth such portions of 1304
the ~~plan of reorganization~~ decree or order or modification thereof 1305
as would otherwise be required to be set forth in a certificate of 1306

amendment, an agreement of merger or consolidation, or a 1307
certificate of dissolution (and, if desired, any other portions 1308
thereof) shall be filed in the office of the secretary of state 1309
and shall operate to effect ~~such the~~ amendment, merger, 1310
consolidation, or dissolution. ~~Such The~~ certificate shall be made, 1311
subscribed, and filed as may be directed by ~~such the~~ decrees or 1312
orders, or, in the absence of such direction, by the president or 1313
a vice-president and the secretary or an assistant secretary. The 1314
certificate shall contain a statement that ~~the plan of~~ 1315
~~reorganization~~ provision for making the certificate has been 1316
~~confirmed~~ authorized by the decree or order of the court 1317
designated in the certificate or that the ~~plan so confirmed~~ decree 1318
or order has been modified by order of ~~such the~~ court, as the case 1319
may be. 1320

(D) If a decree or order by the court in a bankruptcy or 1321
reorganization proceeding provides for or effects an amendment to 1322
the articles or the merger, consolidation, or dissolution of a 1323
corporation, or if after the filing in the office of the secretary 1324
of state of a certificate of reorganization, or an amended 1325
certificate, a decree or order of court is entered ~~which that~~ has 1326
the effect of vacating ~~said the~~ plan, a certified copy of ~~said the~~ 1327
decree or order shall be filed by the corporation in the office of 1328
the secretary of state. 1329

(E) Nonassenting or dissenting shareholders ~~shall~~ have only 1330
such rights as ~~are~~ provided ~~for~~ in the ~~plan of reorganization~~ 1331
decree or order. 1332

Sec. 1701.76. (A)(1) Provided the provisions of Chapter 1704. 1333
of the Revised Code do not prevent the transaction from being 1334
effected, a lease, sale, exchange, transfer, or other disposition 1335
of all, or substantially all, of the assets, with or without the 1336
good will, of a corporation, if not made in the usual and regular 1337

course of its business, may be made upon the terms and conditions 1338
and for the consideration, that may consist, in whole or in part, 1339
of money or other property of any description, including shares or 1340
other securities or promissory obligations of any other 1341
corporation, domestic or foreign, that may be authorized as 1342
follows: 1343

(a) By the directors, either before or after authorization by 1344
the shareholders as required in this section; and 1345

(b) At a meeting of the shareholders held for that purpose, 1346
by the affirmative vote of the holders of shares entitling them to 1347
exercise two-thirds of the voting power of the corporation on the 1348
proposal, or, if the articles so provide or permit, by the 1349
affirmative vote of a greater or lesser proportion, but not less 1350
than a majority, of the voting power, and by the affirmative vote 1351
of the holders of shares of any particular class that is required 1352
by the articles. 1353

(2) At the shareholder meeting described in division 1354
(A)(1)(b) of this section or at any subsequent shareholder 1355
meeting, shareholders, by the same vote that is required to 1356
authorize the lease, sale, exchange, transfer, or other 1357
disposition of all, or substantially all, of the assets, with or 1358
without the good will, of the corporation, may grant authority to 1359
the directors to establish or amend any of the terms and 1360
conditions of the transaction, except that the shareholders shall 1361
not authorize the directors to do any of the following: 1362

(a) Alter or change the amount or kind of shares, securities, 1363
money, property, or rights to be received in exchange for the 1364
assets; 1365

(b) Alter or change to any material extent the amount or kind 1366
of liabilities to be assumed in exchange for the assets; 1367

(c) Alter or change any other terms and conditions of the 1368

transaction if any of the alterations or changes, alone or in the 1369
aggregate, would materially adversely affect the shareholders or 1370
the corporation. 1371

(3) Notice of the meeting of the shareholders described in 1372
division (A)(1)(b) of this section shall be given to all 1373
shareholders whether or not entitled to vote at the meeting and 1374
shall be accompanied by a copy or summary of the terms of the 1375
transaction. 1376

(B) The corporation by its directors may abandon the 1377
transaction under this section, subject to the contract rights of 1378
other persons, if the power of abandonment is conferred upon the 1379
directors either by the terms of the transaction or by the same 1380
vote of shareholders and at the same meeting of shareholders as 1381
that referred to in division (A)(1)(b) of this section or at any 1382
subsequent meeting. 1383

(C) Dissenting holders of shares of any class, whether or not 1384
entitled to vote, shall be entitled to relief under section 1385
1701.85 of the Revised Code. 1386

(D) An action to set aside a conveyance by a corporation, on 1387
the ground that any section of the Revised Code applicable to the 1388
lease, sale, exchange, transfer, or other disposition of all, or 1389
substantially all, of the assets of that corporation has not been 1390
complied with, shall be brought within ninety days after that 1391
transaction, or the action shall be forever barred. 1392

(E) If a resolution of dissolution is adopted pursuant to 1393
section 1701.86 of the Revised Code, the directors may dispose of 1394
all, or substantially all, of the corporation's assets without the 1395
necessity of a shareholders' authorization under this section. 1396

(F) The terms and conditions of any transaction under this 1397
section shall be subject to the limitations specified in section 1398
2307.97 of the Revised Code. 1399

(G) This section does not apply to the distribution, pursuant to section 1701.33 of the Revised Code, to the shareholders of an issuing public corporation of shares owned by the issuing public corporation in one or more of its domestic or foreign subsidiary corporations, unless either of the following applies: 1400
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(1) The former subsidiary is a party to one or more agreements pursuant to which it is obligated to engage in an additional transaction that, if the transaction were authorized after the time at which the distribution becomes effective, would require the approval of its shareholders. 1405
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(2) Immediately prior to the time at which the distribution becomes effective, the issuing public corporation has more than one class of shares outstanding. 1410
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Sec. 1701.782. (A) Subject to division (B)(2) of this section, pursuant to a written declaration of conversion as provided in this section, a domestic or foreign entity that is not a domestic corporation and is not a nonprofit corporation may be converted into a domestic corporation. 1413
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(B)(1) The written declaration of conversion shall set forth all of the following: 1418
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(a) The name and form of entity that is being converted, the name of the entity into which the entity will be converted, and the jurisdiction of formation of the converting entity; 1420
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(b) The articles of the converted corporation; 1423

(c) All statements and matters required to be set forth in an instrument of conversion by the laws under which the converting entity exists; 1424
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(d) The terms of the conversion; the mode of carrying them into effect; and the manner and basis of converting the interests or shares of the converting entity into, or substituting the 1427
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interests or shares in the converting entity for, interests, 1430
evidences of indebtedness, other securities, cash, rights, or any 1431
other property or any combination of interests, evidences of 1432
indebtedness, other securities, cash, rights, or any other 1433
property of the converted corporation. 1434

(2) No conversion or substitution described in this section 1435
shall be effected if there are reasonable grounds to believe that 1436
the conversion or substitution would render the converted 1437
corporation unable to pay its obligations as they become due in 1438
the usual course of its affairs. 1439

(C) The written declaration of conversion may set forth any 1440
of the following: 1441

(1) The effective date of the conversion, which date may be 1442
on or after the date of the filing of the certificate of 1443
conversion pursuant to section 1701.811 of the Revised Code; 1444

(2) A provision authorizing the converting entity to abandon 1445
the proposed conversion by action of authorized representatives of 1446
the converting entity taken prior to the filing of the certificate 1447
of conversion pursuant to section 1701.811 of the Revised Code; 1448

(3) A statement of, or a statement of the method to be used 1449
to determine, the fair value of the assets owned by the converting 1450
entity at the time of the conversion; 1451

(4) The regulations of the converted corporation; 1452

(5) The identity of the directors of the converted 1453
corporation; 1454

(6) The parties to the declaration of conversion in addition 1455
to the converting entity; 1456

(7) The stated capital, if any, of each class of shares of 1457
the converted corporation to be outstanding at the time that the 1458
conversion becomes effective; 1459

(8) Any additional provision necessary or desirable with 1460
respect to the proposed conversion or the converted entity. 1461

(D) At any time before the filing of the certificate of 1462
conversion pursuant to section 1701.811 of the Revised Code, the 1463
conversion may be abandoned by any representatives authorized to 1464
do so by the declaration of conversion, or by the same vote as was 1465
required to adopt the declaration of conversion. 1466

Sec. 1701.792. (A) Subject to division (B)(2) of this 1467
section, pursuant to a written declaration of conversion as 1468
provided in this section, a domestic corporation may be converted 1469
into a domestic or foreign entity other than a nonprofit 1470
corporation or a domestic corporation. 1471

(B)(1) The written declaration of conversion shall set forth 1472
all of the following: 1473

(a) The name and form of entity that is being converted, the 1474
name of the entity into which the entity will be converted, the 1475
form of the converted entity, and the jurisdiction of formation of 1476
the converted entity; 1477

(b) If the converted entity is a domestic entity, the 1478
complete terms of all documents required under the applicable 1479
chapter of the Revised Code to form the converted entity; 1480

(c) If the converted entity is a foreign entity, all of the 1481
following: 1482

(i) The complete terms of all documents required under the 1483
law of its formation to form the converted entity; 1484

(ii) The consent of the converted entity to be sued and 1485
served with process in this state, and the irrevocable appointment 1486
of the secretary of state as the agent of the converted entity to 1487
accept service of process in this state to enforce against the 1488
converted entity any obligation of the converting corporation or 1489

to enforce the rights of a dissenting shareholder of the 1490
converting corporation; 1491

(iii) If the converted entity desires to transact business in 1492
this state, the information required to qualify or to be licensed 1493
under the applicable chapter of the Revised Code. 1494

(d) All other statements and matters required to be set forth 1495
in the declaration of conversion by the applicable chapter of the 1496
Revised Code, if the converted entity is a domestic entity, or by 1497
the laws under which the converted entity will be formed, if the 1498
converted entity is a foreign entity; 1499

(e) The terms of the conversion; the mode of carrying them 1500
into effect; and the manner and basis of converting the interests 1501
or shares of the converting corporation into, or substituting the 1502
interests or shares in the converting corporation for, interests, 1503
evidences of indebtedness, other securities, cash, rights, or any 1504
other property or any combination of interests, evidences of 1505
indebtedness, other securities, cash, rights, or any other 1506
property of the converted entity. 1507

(2) No conversion or substitution described in this section 1508
shall be effected if there are reasonable grounds to believe that 1509
the conversion or substitution would render the converted entity 1510
unable to pay its obligations as they become due in the usual 1511
course of its affairs. 1512

(C) The written declaration of conversion may set forth any 1513
of the following: 1514

(1) The effective date of the conversion, which date may be 1515
on or after the date of the filing of the certificate of 1516
conversion; 1517

(2) A provision authorizing, prior to the filing of the 1518
certificate of conversion pursuant to section 1701.811 of the 1519

Revised Code, the converting corporation to abandon the proposed 1520
conversion by action of the directors of the converting 1521
corporation or by the same vote as was required to adopt the 1522
declaration of conversion; 1523

(3) A statement of, or a statement of the method to be used 1524
to determine, the fair value of the assets owned by the converting 1525
corporation at the time of the conversion; 1526

(4) The parties to the declaration of conversion in addition 1527
to the converting entity; 1528

(5) Any additional provision necessary or desirable with 1529
respect to the proposed conversion or the converted entity. 1530

(D) The directors of the domestic converting corporation must 1531
approve the declaration of conversion to effect the conversion, 1532
and the declaration of conversion must be adopted by the 1533
shareholders of the domestic converting corporation, at a meeting 1534
held for the purpose. 1535

(E) Notice of each meeting of shareholders of a domestic 1536
converting corporation at which a declaration of conversion is to 1537
be submitted shall be given to all shareholders of that 1538
corporation, whether or not they are entitled to vote, and shall 1539
be accompanied by a copy or a summary of the material provisions 1540
of the declaration of conversion. 1541

(F) The vote required to adopt a declaration of conversion at 1542
a meeting of the shareholders of a domestic converting corporation 1543
is the affirmative vote of the holders of shares of that 1544
corporation entitling them to exercise at least two-thirds of the 1545
voting power of the corporation on the proposal or a different 1546
proportion as provided in the articles, but not less than a 1547
majority, or, if the conversion is to a foreign corporation, a 1548
different proportion as the articles provide for a merger or 1549
consolidation, and the affirmative vote of the holders of shares 1550

of any particular class as required by the articles of the 1551
converting corporation. 1552

If the declaration of conversion would have an effect that, 1553
if accomplished through an amendment to the articles, would 1554
entitle the holders of shares of any particular class of a 1555
domestic converting corporation to vote as a class on the adoption 1556
of an amendment as provided in division (B) of section 1701.71 of 1557
the Revised Code, the declaration of conversion also must be 1558
adopted by the affirmative vote of the holders of at least 1559
two-thirds of the shares of such class, or a different proportion 1560
as the articles provide, but not less than a majority. However, if 1561
the declaration of conversion would have an effect that, if 1562
accomplished through an amendment to the articles, would entitle 1563
the holders of shares of any particular class of a domestic 1564
converting corporation to vote as a class on the adoption of an 1565
amendment pursuant to division (B)(2) or (4) of section 1701.71 of 1566
the Revised Code solely because those shares are to be converted 1567
into or substituted for the same number of shares of a class of a 1568
different corporation having express terms identical in all 1569
material respects to those of the class of shares so converted or 1570
substituted, the declaration of conversion does not need to be 1571
adopted by the affirmative vote of the holders of shares of that 1572
particular class voting as a class. 1573

If the declaration of conversion would authorize any 1574
particular corporate action that under any applicable provision of 1575
law or the articles could be authorized only by or pursuant to a 1576
specified vote of shareholders, the declaration of conversion also 1577
must be adopted by the same affirmative vote as required for such 1578
action. 1579

(G)(1) At any time before the filing of the certificate of 1580
conversion pursuant to section 1701.811 of the Revised Code, the 1581
conversion may be abandoned by the directors of the converting 1582

corporation, if the directors are authorized to do so by the 1583
declaration of conversion, or by the same vote of the shareholders 1584
as was required to adopt the declaration of conversion. 1585

(2) The declaration of conversion may contain a provision 1586
authorizing the directors of the converting corporation to amend 1587
the declaration of conversion at any time before the filing of the 1588
certificate of conversion pursuant to section 1701.811 of the 1589
Revised Code, except that, after the adoption of the declaration 1590
of conversion by the stockholders of the converting corporation, 1591
the directors may not amend the declaration of conversion to do 1592
any of the following: 1593

(a) Alter or change the amount or kind of interests, shares, 1594
evidences of indebtedness, other securities, cash, rights, or any 1595
other property to be received by the shareholders of the 1596
converting corporation in conversion of, or substitution for, 1597
their shares; 1598

(b) Alter or change any term of the organizational documents 1599
of the converted entity except for alterations or changes that are 1600
adopted with the vote or action of the persons, the vote or action 1601
of which would be required for the alteration or change after the 1602
conversion; 1603

(c) Alter or change any other terms and conditions of the 1604
declaration of conversion if any of the alterations or changes, 1605
alone or in the aggregate, materially and adversely would affect 1606
the holders of any class or series of shares of the converting 1607
corporation. 1608

Sec. 1701.802. (A) For purposes of this section, a holding 1609
company is a domestic corporation that, from its formation until 1610
consummation of a merger governed by this section, was at all 1611
times a direct or indirect wholly owned subsidiary of the parent 1612

corporation and whose shares are issued in that merger solely to 1613
the shareholders of the parent corporation. 1614

(B) Pursuant to an agreement of merger between the 1615
constituent corporations as provided in this section and provided 1616
that the provisions of Chapter 1704. of the Revised Code do not 1617
prevent the merger from being effected, a direct or indirect 1618
wholly owned domestic subsidiary may be merged with or into a 1619
domestic parent corporation if all of the following apply: 1620

(1) The parent company and the direct or indirect wholly 1621
owned subsidiary are the only constituent entities to the merger. 1622

(2) Each share or fraction of a share of the outstanding 1623
shares of the parent corporation outstanding immediately prior to 1624
the time at which the merger becomes effective is converted in the 1625
merger into a share or fraction of a share of a holding company 1626
having express terms identical in all material respects to those 1627
that were converted in the merger. 1628

(3) The articles and regulations of the holding company 1629
immediately following the time at which the merger becomes 1630
effective contain provisions identical in all material respects to 1631
those contained in the articles and regulations of the parent 1632
corporation immediately prior to the time at which the merger 1633
becomes effective. 1634

(4) As a result of the merger, the parent corporation becomes 1635
a direct or indirect wholly owned subsidiary of the holding 1636
company. 1637

(5) The directors of the parent corporation become or remain 1638
the directors of the holding company immediately following the 1639
time at which the merger becomes effective. 1640

(C) A parent corporation, by action of its board of 1641
directors, may adopt a merger described in division (B) of this 1642

section without any vote of its shareholders. From and after the 1643
effective time of a merger adopted in this manner, all of the 1644
following apply: 1645

(1) To the extent the restrictions of Chapter 1704. of the 1646
Revised Code applied to the parent corporation and its 1647
shareholders at the effective time of the merger, such 1648
restrictions apply to the holding company and its shareholders 1649
immediately after the effective time of the merger as though it 1650
were the parent corporation. All shares of stock of the holding 1651
company acquired in the merger, for purposes of Chapter 1704. of 1652
the Revised Code, are deemed to have been acquired at the time 1653
that the shares of stock of the parent corporation converted in 1654
the merger were acquired, and any shareholder that immediately 1655
prior to the effective time of the merger was not an interested 1656
shareholder of the parent corporation within the meaning of 1657
Chapter 1704. of the Revised Code does not solely by reason of the 1658
merger become an interested shareholder of the holding company. 1659

(2) If the corporate name of the holding company immediately 1660
following the effective time of the merger is the same as the 1661
corporate name of the parent corporation immediately prior to the 1662
effective time of the merger, the shares of capital stock of the 1663
holding company into which the shares of capital stock of the 1664
parent corporation are converted in the merger shall be 1665
represented by the stock certificates that previously represented 1666
shares of capital stock of the parent corporation. 1667

(3) To the extent a shareholder of the parent corporation 1668
immediately prior to the time at which the merger became effective 1669
had standing to institute or maintain litigation by or in the 1670
right of the parent corporation, nothing in this section shall be 1671
deemed to limit or extinguish such standing. 1672

(D) If the agreement of merger is adopted pursuant to 1673

division (C) of this section, the secretary or assistant secretary 1674
of the parent corporation shall certify on the agreement that the 1675
agreement has been adopted pursuant to this section and that the 1676
conditions specified in division (B) of this section have been 1677
satisfied. 1678

(E) The agreement of merger shall set forth the designation 1679
and the number of the outstanding shares of each class of the 1680
subsidiary constituent corporation and the number of shares of 1681
each such class owned by the surviving corporation. It also shall 1682
set forth any statements and matters that are required, and may 1683
set forth any provision that is permitted, in a merger under 1684
section 1701.78 of the Revised Code. 1685

(F)(1) Except as otherwise provided in division (F)(2) of 1686
this section, within twenty days after the approval of the 1687
agreement of merger by the directors of each domestic constituent 1688
corporation, the surviving corporation shall deliver or send 1689
notice of such approval and a copy or summary of the agreement to 1690
each shareholder of each domestic constituent corporation, other 1691
than the surviving corporation, of record as of the date on which 1692
the directors of the surviving corporation approved the agreement. 1693
The notice and copy or summary shall be delivered or sent by mail, 1694
overnight delivery service, or any other means of communication 1695
authorized by the shareholder to whom the notice and copy or 1696
summary are sent. 1697

(2) Any corporation that files periodic reports with the 1698
United States securities and exchange commission pursuant to 1699
section 13 of the "Securities Exchange Act of 1934," 116 Stat. 1700
787, 15 U.S.C. 78m, as amended, or section 15(d) of the 1701
"Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78o(d), 1702
as amended, may satisfy the notice requirement of division (F)(1) 1703
of this section by including a copy of the agreement of merger in 1704
a report filed in accordance with those provisions within twenty 1705

days after the approval of the agreement of merger by the 1706
directors of the corporation. 1707

(G) The approval of the agreement of merger by the directors 1708
of a domestic constituent corporation under this section 1709
constitutes adoption by that corporation. 1710

Sec. 1701.81. (A) Upon adoption by each constituent entity of 1711
an agreement of merger or consolidation pursuant to section 1712
1701.78, 1701.781, 1701.79, 1701.791, 1701.80, ~~or~~ 1701.801, or 1713
1701.802 of the Revised Code, a certificate of merger or 1714
consolidation shall be filed with the secretary of state that is 1715
signed by any authorized representative of each constituent 1716
corporation, partnership, or other entity. The certificate shall 1717
be on a form prescribed by the secretary of state and shall set 1718
forth only the information required by this section. 1719

(B)(1) The certificate of merger or consolidation shall set 1720
forth all of the following: 1721

(a) The name and the form of entity of each constituent 1722
entity and the state under the laws of which each constituent 1723
entity exists; 1724

(b) A statement that each constituent entity has complied 1725
with all of the laws under which it exists and that the laws 1726
permit the merger or consolidation; 1727

(c) The name and mailing address of the person or entity that 1728
is to provide, in response to any written request made by a 1729
shareholder, partner, or other equity holder of a constituent 1730
entity, a copy of the agreement of merger or consolidation; 1731

(d) The effective date of the merger or consolidation, which 1732
date may be on or after the date of the filing of the certificate; 1733

(e) The signature of each representative authorized to sign 1734
the certificate on behalf of each constituent entity and the 1735

office held or the capacity in which the representative is acting; 1736

(f) A statement that the agreement of merger or consolidation 1737
is authorized on behalf of each constituent entity and that each 1738
person who signed the certificate on behalf of each entity is 1739
authorized to do so; 1740

(g) In the case of a merger, a statement that one or more 1741
specified constituent entities will be merged into a specified 1742
surviving entity or, in the case of a consolidation, a statement 1743
that the constituent entities will be consolidated into a new 1744
entity; 1745

(h) In the case of a merger, if the surviving entity is a 1746
foreign entity not licensed to transact business in this state, 1747
the name and address of the statutory agent upon whom any process, 1748
notice, or demand against any constituent entity may be served; 1749

(i) In the case of a consolidation, the name and address of 1750
the statutory agent upon whom any process, notice, or demand 1751
against any constituent entity or the new entity may be served. 1752

(2) In the case of a consolidation into a new domestic 1753
corporation, limited liability company, or limited partnership, 1754
the articles of incorporation, the articles of organization, or 1755
the certificate of limited partnership of the new domestic entity 1756
shall be filed with the certificate of merger or consolidation. 1757

(3) In the case of a merger into a domestic corporation, 1758
limited liability company, or limited partnership, any amendments 1759
to the articles of incorporation, articles of organization, or 1760
certificate of limited partnership of the surviving domestic 1761
entity shall be filed with the certificate of merger or 1762
consolidation. 1763

(4) If the surviving or new entity is a foreign entity that 1764
desires to transact business in this state as a foreign 1765

corporation, limited liability company, or limited partnership, 1766
the certificate of merger or consolidation shall be accompanied by 1767
the information required by division (B)(8), (9), or (10) of 1768
section 1701.791 of the Revised Code. 1769

(5) If a foreign or domestic corporation licensed to transact 1770
business in this state is a constituent entity and the surviving 1771
or new entity resulting from the merger or consolidation is not a 1772
foreign or domestic corporation that is to be licensed to transact 1773
business in this state, the certificate of merger or consolidation 1774
shall be accompanied by the affidavits, receipts, certificates, or 1775
other evidence required by division (H) of section 1701.86 of the 1776
Revised Code, with respect to each domestic constituent 1777
corporation, and by the affidavits, receipts, certificates, or 1778
other evidence required by division (C) or (D) of section 1703.17 1779
of the Revised Code, with respect to each foreign constituent 1780
corporation licensed to transact business in this state. 1781

(C) If any constituent entity in a merger or consolidation is 1782
organized or formed under the laws of a state other than this 1783
state or under any chapter of the Revised Code other than this 1784
chapter, there also shall be filed in the proper office all 1785
documents that are required to be filed in connection with the 1786
merger or consolidation by the laws of that state or by that 1787
chapter. 1788

(D) Upon the filing of a certificate of merger or 1789
consolidation and other filings as described in division (C) of 1790
this section or at such later date as the certificate of merger or 1791
consolidation specifies, the merger or consolidation is effective. 1792

(E) The secretary of state shall furnish, upon request and 1793
payment of the fee specified in division (D) of section 111.16 of 1794
the Revised Code, the secretary of state's certificate setting 1795
forth the name and the form of entity of each constituent entity 1796

and the states under the laws of which each constituent entity
existed prior to the merger or consolidation, the name and the
form of entity of the surviving or new entity and the state under
the laws of which the surviving entity exists or the new entity is
to exist, the date of filing of the certificate of merger or
consolidation with the secretary of state, and the effective date
of the merger or consolidation. The certificate of the secretary
of state, or a copy of the certificate of merger or consolidation
certified by the secretary of state, may be filed for record in
the office of the recorder of any county in this state and, if
filed, shall be recorded in the records of deeds for that county.
For that recording, the county recorder shall charge and collect
the same fee as in the case of deeds.

Sec. 1701.811. (A) Upon the adoption of a declaration of
conversion pursuant to section 1701.782 or 1701.792 of the Revised
Code, or at a later time as authorized by the declaration of
conversion, a certificate of conversion that is signed by an
authorized representative of the converting entity shall be filed
with the secretary of state. The certificate shall be on a form
prescribed by the secretary of state and shall set forth only the
information required by this section.

(B)(1) The certificate of conversion shall set forth all of
the following:

(a) The name and the form of entity of the converting entity
and the state under the laws of which the converting entity
exists;

(b) A statement that the converting entity has complied with
all of the laws under which it exists and that the laws permit the
conversion;

(c) The name and mailing address of the person or entity that

is to provide a copy of the declaration of conversion in response 1827
to any written request made by a shareholder, partner, or member 1828
of the converting entity; 1829

(d) The effective date of the conversion, which date may be 1830
on or after the date of the filing of the certificate pursuant to 1831
this section; 1832

(e) The signature of the representative or representatives 1833
authorized to sign the certificate on behalf of the converting 1834
entity and the office held or the capacity in which the 1835
representative is acting; 1836

(f) A statement that the declaration of conversion is 1837
authorized on behalf of the converting entity and that each person 1838
signing the certificate on behalf of the converting entity is 1839
authorized to do so; 1840

(g) The name and the form of the converted entity and the 1841
state under the laws of which the converted entity will exist; 1842

(h) If the converted entity is a foreign entity that will not 1843
be licensed in this state, the name and address of the statutory 1844
agent upon whom any process, notice, or demand may be served. 1845

(2) In the case of a conversion into a new domestic 1846
corporation, limited liability company, limited partnership, or 1847
other partnership, any organizational document, including a 1848
designation of agent, that would be filed upon the creation of the 1849
new entity shall be filed with the certificate of conversion. 1850

(3) If the converted entity is a foreign entity that desires 1851
to transact business in this state, the certificate of conversion 1852
shall be accompanied by the information required by division 1853
(B)(8), (9), or (10) of section 1701.791 of the Revised Code. 1854

(4) If a foreign or domestic corporation licensed to transact 1855
business in this state is the converting entity, the certificate 1856

of conversion shall be accompanied by the affidavits, receipts, 1857
certificates, or other evidence required by division (H) of 1858
section 1701.86 of the Revised Code with respect to a converting 1859
domestic corporation, or by the affidavits, receipts, 1860
certificates, or other evidence required by division (C) or (D) of 1861
section 1703.17 of the Revised Code with respect to a foreign 1862
corporation. 1863

(C) If the converting entity or the converted entity is 1864
organized or formed under the laws of a state other than this 1865
state or under any chapter of the Revised Code other than this 1866
chapter, all documents required to be filed in connection with the 1867
conversion by the laws of that state or that chapter shall be 1868
filed in the proper office. 1869

(D) Upon the filing of a certificate of conversion and other 1870
filings required by division (C) of this section or at any later 1871
date that the certificate of conversion specifies, the conversion 1872
is effective, subject to the limitation that no conversion will be 1873
effective if there are reasonable grounds to believe that the 1874
conversion would render the converted entity unable to pay its 1875
obligations as they become due in the usual course of its affairs. 1876

(E) The secretary of state shall furnish, upon request and 1877
payment of the fee specified in division (K)(2) of section 111.16 1878
of the Revised Code, the secretary of state's certificate setting 1879
forth all of the following: 1880

(1) The name and form of entity of the converting entity and 1881
the state under the laws of which it existed prior to the 1882
conversion; 1883

(2) The name and the form of entity of the converted entity 1884
and the state under the laws of which it will exist; 1885

(3) The date of filing of the certificate of conversion with 1886
the secretary of state and the effective date of the conversion. 1887

(F) The certificate of the secretary of state, or a copy of the certificate of conversion certified by the secretary of state, may be filed for record in the office of the recorder of any county in this state and, if filed, shall be recorded in the records of deeds for that county. For the recording, the county recorder shall charge and collect the same fee as in the case of deeds. 1888
1889
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1894

Sec. 1701.821. (A) Upon a conversion becoming effective, all of the following apply: 1895
1896

(1) The converting entity is continued in the converted entity. 1897
1898

(2) The converted entity exists, and the converting entity ceases to exist. 1899
1900

(3) The converted entity possesses both of the following, and both of the following continue in the converted entity without any further act or deed: 1901
1902
1903

(a) Except to the extent limited by the requirements of applicable law, both of the following: 1904
1905

(i) All assets and property of every description of the converting entity and every interest in the assets and property of the converted entity, wherever the assets, property, and interests are located. Title to any real estate or any interest in real estate that was vested in the converting entity does not revert or in any way is impaired by reason of the conversion. 1906
1907
1908
1909
1910
1911

(ii) The rights, privileges, immunities, powers, franchises, and authority, whether of a public or a private nature, of the converting entity. 1912
1913
1914

(b) All obligations belonging or due to the converting entity. 1915
1916

(4) All the rights of creditors of the converting entity are preserved unimpaired, and all liens upon the property of the converting entity are preserved unimpaired. If a general partner of a converting partnership is not a general partner of the entity resulting from the conversion, then the former general partner has no liability for any obligation incurred after the conversion except to the extent that a former creditor of the converting partnership in which the former general partner was a general partner extends credit to the converted entity reasonably believing that the former general partner continues as a general partner of the converted entity.

(B) In the case of a conversion into a foreign corporation, limited liability company, or partnership that is not licensed or registered to transact business in this state, if the converted entity intends to transact business in this state, and the certificate of conversion is accompanied by the information described in division (B)(4) of section 1701.81 of the Revised Code, then on the effective date of the conversion, the converted entity is considered to have complied with the requirements for procuring a license or for registration to transact business in this state as a foreign corporation, limited liability company, limited partnership, or limited liability partnership as the case may be. In such a case, a copy of the certificate of conversion certified by the secretary of state constitutes the license certificate prescribed for a foreign corporation or the application for registration prescribed for a foreign limited liability company, foreign limited partnership, or foreign limited liability partnership.

(C) Any action to set aside a conversion on the ground that any section of the Revised Code applicable to the conversion has not been complied with shall be brought within ninety days after the effective date of the conversion or is forever barred.

(D) In the case of a converting or converted entity organized 1949
or existing under the laws of any state other than this state, 1950
this section is subject to the laws of the state under which that 1951
entity exists or in which it has property. 1952

Sec. 1701.831. (A) Unless the articles ~~or~~, the regulations 1953
adopted by the shareholders, or the regulations adopted by the 1954
directors pursuant to division (A)(1) of section 1701.10 of the 1955
Revised Code of the issuing public corporation provide that this 1956
section does not apply to control share acquisitions of shares of 1957
such corporation, any control share acquisition of an issuing 1958
public corporation shall be made only with the prior authorization 1959
of the shareholders of such corporation in accordance with this 1960
section. 1961

(B) Any person who proposes to make a control share 1962
acquisition shall deliver an acquiring person statement to the 1963
issuing public corporation at the issuing public corporation's 1964
principal executive offices. Such acquiring person statement shall 1965
set forth all of the following: 1966

(1) The identity of the acquiring person; 1967

(2) A statement that the acquiring person statement is given 1968
pursuant to this section; 1969

(3) The number of shares of the issuing public corporation 1970
owned, directly or indirectly, by the acquiring person; 1971

(4) The range of voting power, described in division 1972
(Z)(1)(a), (b), or (c) of section 1701.01 of the Revised Code, 1973
under which the proposed control share acquisition would, if 1974
consummated, fall; 1975

(5) A description in reasonable detail of the terms of the 1976
proposed control share acquisition; 1977

(6) Representations of the acquiring person, together with a 1978

statement in reasonable detail of the facts upon which they are
based, that the proposed control share acquisition, if
consummated, will not be contrary to law, and that the acquiring
person has the financial capacity to make the proposed control
share acquisition.

(C)(1) Within ten days after receipt of an acquiring person
statement that complies with division (B) of this section, the
directors of the issuing public corporation shall call a special
meeting of shareholders of the issuing public corporation for the
purpose of voting on the proposed control share acquisition.
Subject to division (C)(2) of this section, unless the acquiring
person and the issuing public corporation agree in writing to
another date, such special meeting of shareholders shall be held
within fifty days after receipt by the issuing public corporation
of the acquiring person statement. If the acquiring person so
requests in writing at the time of delivery of the acquiring
person statement, such special meetings shall be held no sooner
than thirty days after receipt by the issuing public corporation
of the acquiring person statement. Subject to division (C)(2) of
this section, such special meeting of shareholders shall be held
no later than any other special meeting of shareholders that is
called, after receipt by the issuing public corporation of the
acquiring person statement, in compliance with this section or
section 1701.76, 1701.78, 1701.781, 1701.79, 1701.791, 1701.801,
or 1701.83 of the Revised Code.

(2) If, in connection with a proposed control share
acquisition, the acquiring person changes the percentage of the
class of shares being sought, the consideration offered, or the
security dealer's soliciting fee; extends the expiration date of a
tender offer for the shares being sought; or otherwise changes the
terms of the proposed control share acquisition, then the
directors of the issuing public corporation may reschedule the

special meeting of shareholders required by division (C)(1) of 2011
this section. If the proposed control share acquisition is to be 2012
made pursuant to a tender offer, then the meeting may be 2013
rescheduled to a date that is not later than the expiration date 2014
of the offer. If the proposed control share acquisition is to be 2015
made other than pursuant to a tender offer, the meeting may be 2016
rescheduled to a date that is not later than ten business days 2017
after notice of the change is first given to the shareholders. 2018

(D) Notice of the special meeting of shareholders shall be 2019
given as promptly as reasonably practicable by the issuing public 2020
corporation to all shareholders of record as of the record date 2021
set for such meeting, whether or not entitled to vote at the 2022
meeting. The notice shall include or be accompanied by both of the 2023
following: 2024

(1) A copy of the acquiring person statement delivered to the 2025
issuing public corporation pursuant to this section; 2026

(2) A statement by the issuing public corporation, authorized 2027
by its directors, of its position or recommendation, or that it is 2028
taking no position or making no recommendation, with respect to 2029
the proposed control share acquisition. 2030

(E) The acquiring person may make the proposed control share 2031
acquisition if both of the following occur: 2032

(1) The shareholders of the issuing public corporation who 2033
hold shares as of the record date of such corporation entitling 2034
them to vote in the election of directors authorize the 2035
acquisition at the special meeting held for that purpose at which 2036
a quorum is present by an affirmative vote of a majority of the 2037
voting power of such corporation in the election of directors 2038
represented at the meeting in person or by proxy, and a majority 2039
of the portion of the voting power excluding the voting power of 2040
interested shares represented at the meeting in person or by 2041

proxy. A quorum shall be deemed to be present at the special 2042
meeting if at least a majority of the voting power of the issuing 2043
public corporation in the election of directors is represented at 2044
the meeting in person or by proxy. 2045

(2) The acquisition is consummated, in accordance with the 2046
terms so authorized, no later than three hundred sixty days 2047
following shareholder authorization of the control share 2048
acquisition. 2049

(F) Except as expressly provided in this section, nothing in 2050
this section shall be construed to affect or impair any right, 2051
remedy, obligation, duty, power, or authority of any acquiring 2052
person, any issuing public corporation, the directors of any 2053
acquiring person or issuing public corporation, or any other 2054
person under the laws of this or any other state or of the United 2055
States. 2056

(G) If any application of any provision of this section is 2057
for any reason held to be illegal or invalid, the illegality or 2058
invalidity shall not affect any legal and valid provision or 2059
application of this section, and the parts and applications of 2060
this section are severable. 2061

Sec. 1701.84. The following are entitled to relief as 2062
dissenting shareholders under section 1701.85 of the Revised Code: 2063

(A) Shareholders of a domestic corporation that is being 2064
merged or consolidated into a surviving or new entity, domestic or 2065
foreign, pursuant to section 1701.78, 1701.781, 1701.79, 1701.791, 2066
or 1701.801 of the Revised Code; 2067

(B) In the case of a merger into a domestic corporation, 2068
shareholders of the surviving corporation who under section 2069
1701.78 or 1701.781 of the Revised Code are entitled to vote on 2070
the adoption of an agreement of merger, but only as to the shares 2071

so entitling them to vote; 2072

(C) Shareholders, other than the parent corporation, of a 2073
domestic subsidiary corporation that is being merged into the 2074
domestic or foreign parent corporation pursuant to section 1701.80 2075
of the Revised Code; 2076

(D) In the case of a combination or a majority share 2077
acquisition, shareholders of the acquiring corporation who under 2078
section 1701.83 of the Revised Code are entitled to vote on such 2079
transaction, but only as to the shares so entitling them to vote; 2080

(E) Shareholders of a domestic subsidiary corporation into 2081
which one or more domestic or foreign corporations are being 2082
merged pursuant to section 1701.801 of the Revised Code; 2083

(F) Shareholders of a domestic corporation that is being 2084
converted pursuant to section 1701.792 of the Revised Code. 2085

Sec. 1701.85. (A)(1) A shareholder of a domestic corporation 2086
is entitled to relief as a dissenting shareholder in respect of 2087
the proposals described in sections 1701.74, 1701.76, and 1701.84 2088
of the Revised Code, only in compliance with this section. 2089

(2) If the proposal must be submitted to the shareholders of 2090
the corporation involved, the dissenting shareholder shall be a 2091
record holder of the shares of the corporation as to which ~~he~~ the 2092
dissenting shareholder seeks relief as of the date fixed for the 2093
determination of shareholders entitled to notice of a meeting of 2094
the shareholders at which the proposal is to be submitted, and 2095
such shares shall not have been voted in favor of the proposal. 2096
Not later than ten days after the date on which the vote on the 2097
proposal was taken at the meeting of the shareholders, the 2098
dissenting shareholder shall deliver to the corporation a written 2099
demand for payment to ~~him~~ the dissenting shareholder of the fair 2100
cash value of the shares as to which ~~he~~ the dissenting shareholder 2101

seeks relief, which demand shall state ~~his~~ the dissenting 2102
shareholder's address, the number and class of such shares, and 2103
the amount claimed by ~~him~~ the dissenting shareholder as the fair 2104
cash value of the shares. 2105

(3) The dissenting shareholder entitled to relief under 2106
division (C) of section 1701.84 of the Revised Code in the case of 2107
a merger pursuant to section 1701.80 of the Revised Code and a 2108
dissenting shareholder entitled to relief under division (E) of 2109
section 1701.84 of the Revised Code in the case of a merger 2110
pursuant to section 1701.801 of the Revised Code shall be a record 2111
holder of the shares of the corporation as to which ~~he~~ the 2112
dissenting shareholder seeks relief as of the date on which the 2113
agreement of merger was adopted by the directors of that 2114
corporation. Within twenty days after ~~he~~ the dissenting 2115
shareholder has been sent the notice provided in section 1701.80 2116
or 1701.801 of the Revised Code, the dissenting shareholder shall 2117
deliver to the corporation a written demand for payment with the 2118
same information as that provided for in division (A)(2) of this 2119
section. 2120

(4) In the case of a merger or consolidation, a demand served 2121
on the constituent corporation involved constitutes service on the 2122
surviving or the new entity, whether the demand is served before, 2123
on, or after the effective date of the merger or consolidation. In 2124
the case of a conversion, a demand served on the converting 2125
corporation constitutes service on the converted entity, whether 2126
the demand is served before, on, or after the effective date of 2127
the conversion. 2128

(5) If the corporation sends to the dissenting shareholder, 2129
at the address specified in ~~his~~ the dissenting shareholder's 2130
demand, a request for the certificates representing the shares as 2131
to which ~~he~~ the dissenting shareholder seeks relief, the 2132
dissenting shareholder, within fifteen days from the date of the 2133

sending of such request, shall deliver to the corporation the 2134
certificates requested so that the corporation may ~~forthwith~~ 2135
endorse on them a legend to the effect that demand for the fair 2136
cash value of such shares has been made. The corporation promptly 2137
shall return ~~such~~ the endorsed certificates to the dissenting 2138
shareholder. A dissenting shareholder's failure to deliver ~~such~~ 2139
the certificates terminates ~~his~~ the dissenting shareholder's 2140
rights as a dissenting shareholder, at the option of the 2141
corporation, exercised by written notice sent to the dissenting 2142
shareholder within twenty days after the lapse of the fifteen-day 2143
period, unless a court for good cause shown otherwise directs. If 2144
shares represented by a certificate on which such a legend has 2145
been endorsed are transferred, each new certificate issued for 2146
them shall bear a similar legend, together with the name of the 2147
original dissenting holder of ~~such~~ the shares. Upon receiving a 2148
demand for payment from a dissenting shareholder who is the record 2149
holder of uncertificated securities, the corporation shall make an 2150
appropriate notation of the demand for payment in its shareholder 2151
records. If uncertificated shares for which payment has been 2152
demanded are to be transferred, any new certificate issued for the 2153
shares shall bear the legend required for certificated securities 2154
as provided in this paragraph. A transferee of the shares so 2155
endorsed, or of uncertificated securities where such notation has 2156
been made, acquires only ~~such~~ the rights in the corporation as the 2157
original dissenting holder of such shares had immediately after 2158
the service of a demand for payment of the fair cash value of the 2159
shares. A request under this paragraph by the corporation is not 2160
an admission by the corporation that the shareholder is entitled 2161
to relief under this section. 2162

(B) Unless the corporation and the dissenting shareholder 2163
have come to an agreement on the fair cash value per share of the 2164
shares as to which the dissenting shareholder seeks relief, the 2165
dissenting shareholder or the corporation, which in case of a 2166

merger or consolidation may be the surviving or new entity, or in 2167
the case of a conversion may be the converted entity, within three 2168
months after the service of the demand by the dissenting 2169
shareholder, may file a complaint in the court of common pleas of 2170
the county in which the principal office of the corporation that 2171
issued the shares is located or was located when the proposal was 2172
adopted by the shareholders of the corporation, or, if the 2173
proposal was not required to be submitted to the shareholders, was 2174
approved by the directors. Other dissenting shareholders, within 2175
that three-month period, may join as plaintiffs or may be joined 2176
as defendants in any such proceeding, and any two or more such 2177
proceedings may be consolidated. The complaint shall contain a 2178
brief statement of the facts, including the vote and the facts 2179
entitling the dissenting shareholder to the relief demanded. No 2180
answer to ~~such~~ a complaint is required. Upon the filing of ~~such~~ a 2181
complaint, the court, on motion of the petitioner, shall enter an 2182
order fixing a date for a hearing on the complaint and requiring 2183
that a copy of the complaint and a notice of the filing and of the 2184
date for hearing be given to the respondent or defendant in the 2185
manner in which summons is required to be served or substituted 2186
service is required to be made in other cases. On the day fixed 2187
for the hearing on the complaint or any adjournment of it, the 2188
court shall determine from the complaint and from ~~such~~ evidence ~~as~~ 2189
~~is~~ submitted by either party whether the dissenting shareholder is 2190
entitled to be paid the fair cash value of any shares and, if so, 2191
the number and class of such shares. If the court finds that the 2192
dissenting shareholder is so entitled, the court may appoint one 2193
or more persons as appraisers to receive evidence and to recommend 2194
a decision on the amount of the fair cash value. The appraisers 2195
have ~~such~~ power and authority ~~as is~~ specified in the order of 2196
their appointment. The court thereupon shall make a finding as to 2197
the fair cash value of a share and shall render judgment against 2198
the corporation for the payment of it, with interest at ~~such a~~ 2199

rate and from ~~such~~ a date as the court considers equitable. The 2200
costs of the proceeding, including reasonable compensation to the 2201
appraisers to be fixed by the court, shall be assessed or 2202
apportioned as the court considers equitable. The proceeding is a 2203
special proceeding and final orders in it may be vacated, 2204
modified, or reversed on appeal pursuant to the Rules of Appellate 2205
Procedure and, to the extent not in conflict with those rules, 2206
Chapter 2505. of the Revised Code. If, during the pendency of any 2207
proceeding instituted under this section, a suit or proceeding is 2208
or has been instituted to enjoin or otherwise to prevent the 2209
carrying out of the action as to which the shareholder has 2210
dissented, the proceeding instituted under this section shall be 2211
stayed until the final determination of the other suit or 2212
proceeding. Unless any provision in division (D) of this section 2213
is applicable, the fair cash value of the shares that is agreed 2214
upon by the parties or fixed under this section shall be paid 2215
within thirty days after the date of final determination of such 2216
value under this division, the effective date of the amendment to 2217
the articles, or the consummation of the other action involved, 2218
whichever occurs last. Upon the occurrence of the last such event, 2219
payment shall be made immediately to a holder of uncertificated 2220
securities entitled to ~~such~~ payment. In the case of holders of 2221
shares represented by certificates, payment shall be made only 2222
upon and simultaneously with the surrender to the corporation of 2223
the certificates representing the shares for which the payment is 2224
made. 2225

(C) If the proposal was required to be submitted to the 2226
shareholders of the corporation, fair cash value as to those 2227
shareholders shall be determined as of the day prior to the day on 2228
which the vote by the shareholders was taken and, in the case of a 2229
merger pursuant to section 1701.80 or 1701.801 of the Revised 2230
Code, fair cash value as to shareholders of a constituent 2231
subsidiary corporation shall be determined as of the day before 2232

the adoption of the agreement of merger by the directors of the
particular subsidiary corporation. The fair cash value of a share
for the purposes of this section is the amount that a willing
seller who is under no compulsion to sell would be willing to
accept and that a willing buyer who is under no compulsion to
purchase would be willing to pay, but in no event shall the fair
cash value of a share exceed the amount specified in the demand of
the particular shareholder. In computing ~~such~~ fair cash value, any
appreciation or depreciation in market value resulting from the
proposal submitted to the directors or to the shareholders shall
be excluded.

(D)(1) The right and obligation of a dissenting shareholder
to receive ~~such~~ fair cash value and to sell such shares as to
which ~~he~~ the dissenting shareholder seeks relief, and the right
and obligation of the corporation to purchase such shares and to
pay the fair cash value of them terminates if any of the following
applies:

(a) The dissenting shareholder has not complied with this
section, unless the corporation by its directors waives such
failure;

(b) The corporation abandons the action involved or is
finally enjoined or prevented from carrying it out, or the
shareholders rescind their adoption of the action involved;

(c) The dissenting shareholder withdraws ~~his~~ the dissenting
shareholder's demand, with the consent of the corporation by its
directors;

(d) The corporation and the dissenting shareholder have not
come to an agreement as to the fair cash value per share, and
neither the shareholder nor the corporation has filed or joined in
a complaint under division (B) of this section within the period
provided in that division.

(2) For purposes of division (D)(1) of this section, if the merger ~~or~~, consolidation, or conversion has become effective and the surviving ~~or~~, new, or converted entity is not a corporation, action required to be taken by the directors of the corporation shall be taken by the ~~general~~ partners of a surviving ~~or~~, new, or converted partnership or the comparable representatives of any other surviving ~~or~~, new, or converted entity.

(E) From the time of the dissenting shareholder's giving of the demand until either the termination of the rights and obligations arising from it or the purchase of the shares by the corporation, all other rights accruing from such shares, including voting and dividend or distribution rights, are suspended. If during the suspension, any dividend or distribution is paid in money upon shares of such class or any dividend, distribution, or interest is paid in money upon any securities issued in extinguishment of or in substitution for such shares, an amount equal to the dividend, distribution, or interest which, except for the suspension, would have been payable upon such shares or securities, shall be paid to the holder of record as a credit upon the fair cash value of the shares. If the right to receive fair cash value is terminated other than by the purchase of the shares by the corporation, all rights of the holder shall be restored and all distributions which, except for the suspension, would have been made shall be made to the holder of record of the shares at the time of termination.

Sec. 1701.92. (A) A copy of the articles or amended articles filed in the office of the secretary of state, certified by the secretary of state, shall be conclusive evidence, except as against the state, that the corporation has been incorporated under the laws of this state; ~~and a~~. A copy duly certified by the secretary of state of any certificate of amendment or other

certificate filed in ~~his~~ the secretary of state's office shall be 2295
prima-facie evidence of ~~such~~ the amendment or of the facts stated 2296
in any such certificate, and of the observance and performance of 2297
all antecedent conditions necessary to the action which such 2298
certificate purports to evidence. 2299

(B) A copy of amended articles filed in the office of the 2300
secretary of state, certified by the secretary of state, shall be 2301
accepted in this state and other jurisdictions in lieu of the 2302
original articles, amendments thereto, and prior amended articles. 2303

(C) The original or a copy of the record of minutes of the 2304
proceedings of the incorporators of a corporation, or of the 2305
proceedings or meetings of the shareholders or any class of 2306
shareholders, or of the directors, or of any committee thereof, 2307
including any written consent, waiver, release, or agreement 2308
entered in ~~such~~ the record ~~or~~ of minutes, or the original or a 2309
copy of a statement that no specified proceeding was had or that 2310
no specified consent, waiver, release, or agreement exists, shall, 2311
when certified to be true by the secretary or an assistant 2312
secretary of a corporation, be received in the courts as 2313
prima-facie evidence of the facts stated therein. Every meeting 2314
referred to in ~~such~~ the certified original or copy shall be deemed 2315
duly called and held, ~~and~~ all motions and resolutions adopted and 2316
proceedings had at such meeting shall be deemed duly adopted and 2317
had, and all elections of directors and all elections or 2318
appointments of officers chosen at such meeting shall be deemed 2319
valid, until the contrary is proved; ~~and whenever.~~ Whenever a 2320
person who is not a shareholder of a corporation has acted in good 2321
faith in reliance upon any ~~such~~ certified original or copy, it is 2322
conclusive in ~~his~~ the person's favor. 2323

(D) A certificate issued by the secretary of state confirming 2324
that a corporation is in good standing, as defined in division (E) 2325
of this section, is, for seven days after the date on the 2326

<u>certificate, conclusive evidence of both of the following:</u>	2327
<u>(1) The domestic corporation is in good standing as defined</u>	2328
<u>in division (E) of this section, provided that both of the</u>	2329
<u>following apply:</u>	2330
<u>(a) The person relying on the certificate had no knowledge</u>	2331
<u>that the corporation's articles had been canceled.</u>	2332
<u>(b) The certificate is not presented as evidence against the</u>	2333
<u>state.</u>	2334
<u>(2) A foreign corporation is qualified to do business in this</u>	2335
<u>state.</u>	2336
<u>(E) For purposes of division (D) of this section, "good</u>	2337
<u>standing" means that the authority of the corporation to carry on</u>	2338
<u>business is not limited by section 1701.88 of the Revised Code.</u>	2339
<u>Sec. 1701.921.</u> (A) <u>Absent an express agreement to the</u>	2340
<u>contrary, a person providing goods to or performing services for a</u>	2341
<u>domestic or foreign corporation owes no duty to, incurs no</u>	2342
<u>liability or obligation to, and is not in privity with the</u>	2343
<u>shareholders or creditors of the corporation by reason of</u>	2344
<u>providing goods to or performing services for the corporation.</u>	2345
(B) <u>Absent an express agreement to the contrary, a person</u>	2346
<u>providing goods to or performing services for a shareholder or</u>	2347
<u>group of shareholders of a domestic or foreign corporation owes no</u>	2348
<u>duty to, incurs no liability or obligation to, and is not in</u>	2349
<u>privity with the corporation, any other shareholders of the</u>	2350
<u>corporation, or the creditors of the corporation by reason of</u>	2351
<u>providing goods to or performing services for the shareholder or</u>	2352
<u>group of shareholders.</u>	2353
<u>Sec. 1704.02.</u> An issuing public corporation shall not engage	2354
in a Chapter 1704. transaction for three years after an interested	2355

shareholder's share acquisition date unless either of the 2356
following applies: 2357

(A) Prior to the interested shareholder's share acquisition 2358
date, the directors of the issuing public corporation have 2359
approved, for the purposes of this chapter, the Chapter 1704. 2360
transaction or the purchase of shares by the interested 2361
shareholder on the interested shareholder's share acquisition 2362
date; 2363

(B) Any of the provisions of section 1704.05 of the Revised 2364
Code makes this chapter inapplicable, except that if the Chapter 2365
1704. transaction is of a type described in section 1701.76, 2366
1701.78, 1701.79, 1701.80, 1701.801, 1701.802, or 1701.86 of the 2367
Revised Code, there also must be compliance with the provisions of 2368
that section. 2369

Sec. 1704.03. (A) At any time after the three-year period 2370
described in section 1704.02 of the Revised Code, the issuing 2371
public corporation may engage in a Chapter 1704. transaction, 2372
provided that if the Chapter 1704. transaction is of a type 2373
described in section 1701.76, 1701.78, 1701.79, 1701.80, 1701.801, 2374
1701.802, or 1701.86 of the Revised Code, there is compliance with 2375
the provisions of that section, and provided that at least one of 2376
the following is satisfied: 2377

(1) Any of the provisions of section 1704.05 of the Revised 2378
Code makes this chapter inapplicable; 2379

(2) Prior to the interested shareholder's share acquisition 2380
date, the directors of the issuing public corporation had approved 2381
the purchase of shares by the interested shareholder on the 2382
interested shareholder's share acquisition date; 2383

(3) The Chapter 1704. transaction is approved, at a meeting 2384
held for that purpose, by the affirmative vote of the holders of 2385

shares of the issuing public corporation entitling them to 2386
exercise at least two-thirds of the voting power of the issuing 2387
public corporation in the election of directors, or of such 2388
different proportion as the articles may provide, provided the 2389
Chapter 1704. transaction also is ~~also~~ approved by the affirmative 2390
vote of the holders of at least a majority of the disinterested 2391
shares; 2392

(4) The Chapter 1704. transaction meets both of the following 2393
conditions: 2394

(a) It results in the receipt per share by the holders of all 2395
outstanding shares of the issuing public corporation not 2396
beneficially owned by the interested shareholder of an amount of 2397
cash that, when added to the fair market value~~7~~ as of the 2398
consummation date of the Chapter 1704. transaction~~7~~ of noncash 2399
consideration, aggregates at least the higher of the following: 2400

(i) The figure determined under division (B)(1) of this 2401
section; 2402

(ii) The preferential amount per share, if any, to which 2403
holders of shares of that class or series of shares are entitled 2404
upon voluntary or involuntary dissolution of the issuing public 2405
corporation, plus the aggregate amount per share of dividends 2406
declared or due that those holders are entitled to receive before 2407
payment of dividends on another class or series of shares, unless 2408
the aggregate amount per share of those dividends is included in 2409
the preferential amount. 2410

(b) The form of consideration to be received by holders of 2411
each particular class or series of outstanding shares of the 2412
issuing public corporation in the Chapter 1704. transaction, apart 2413
from any portion that is interest, is in cash or, if the 2414
interested shareholder previously purchased shares of that class 2415
or series, is in the same form the interested shareholder 2416

previously paid to acquire the largest number of shares of that
class or series, but in no event shall the fair market value of
the consideration received by a holder of a share of a particular
class or series of outstanding shares in the Chapter 1704.
transaction be less than the current fair market value of a share
of the issuing public corporation of the same class or series.

(B)(1) For purposes of making a determination under division
(A)(4)(a) of this section, the figure to be used in division
(A)(4)(a)(i) of this section shall be the highest, after taking
into account interest to the extent provided in division (B)(2) of
this section, of the following:

(a) The fair market value per share on the announcement date
of the Chapter 1704. transaction;

(b) The fair market value per share on the interested
shareholder's share acquisition date;

(c) The highest price per share paid, including brokerage
commissions, transfer taxes, and soliciting dealers' fees, by the
interested shareholder, or by an affiliate or associate of the
interested shareholder, for shares of the same class or series
within the three years immediately before and including the
announcement date of the Chapter 1704. transaction;

(d) The highest price per share paid, including brokerage
commissions, transfer taxes, and soliciting dealers' fees, by the
interested shareholder, or by an affiliate or associate of the
interested shareholder, for shares of the same class or series
within the three years immediately before and including the
interested shareholder's share acquisition date.

(2) Each determination under division (B)(1)(a), (b), (c), or
(d) of this section shall include interest compounded annually
from the earliest date as of which the per share fair market value
was determined or on which that highest per share purchase price

was paid through the consummation date of the Chapter 1704. 2448
transaction, at the rate of interest paid on one-year United 2449
States treasury obligations from time to time in effect, less the 2450
aggregate amount of any cash and the fair market value, as of the 2451
payment date, of any noncash dividends or other distributions paid 2452
per share since that date, up to the amount of the interest. 2453

Sec. 1705.09. (A) The contributions of a member may be made 2454
in cash, property, services rendered, a promissory note, or any 2455
other binding obligation to contribute cash or property or to 2456
perform services; by providing any other benefit to the limited 2457
liability company; or by any combination of these. 2458

(B) A promise by a member to contribute to the limited 2459
liability company is not enforceable unless it is set forth in a 2460
writing signed by the member. 2461

(C) Except as otherwise provided in the operating agreement, 2462
a member is obligated to the limited liability company to perform 2463
any enforceable promise to contribute cash or other property or to 2464
perform services, even if ~~he~~ the member is unable to perform the 2465
promise because of death, disability, or another reason. If a 2466
member fails to make a required contribution of property or 2467
services, then, at the option of the limited liability company, 2468
the member is obligated to contribute cash equal to the portion of 2469
the value as stated in the records required to be kept under 2470
section 1705.28 of the Revised Code of the stated contribution 2471
that ~~he~~ the member has failed to make. This right of the company 2472
is in addition to and not in lieu of any other rights, including, 2473
but not limited to, the right to specific performance, that the 2474
company may have against the member under the operating agreement 2475
or applicable law. 2476

(D) Unless otherwise provided in the operating agreement, the 2477
obligation of a member to make a contribution or to return money 2478

or other property paid or distributed in violation of this chapter 2479
may be compromised only by the consent of all of the members. 2480

Sec. 1705.19. If any judgment creditor of a member of a 2481
limited liability company applies to a court of common pleas to 2482
charge the membership interest of the member with payment of the 2483
unsatisfied amount of the judgment with interest, the court may so 2484
charge the membership interest. To the extent the membership 2485
interest is so charged, the judgment creditor has only the rights 2486
of an assignee of the membership interest. Nothing in this chapter 2487
deprives a member of ~~his~~ the member's statutory exemption. 2488

Sec. 1705.361. (A) Subject to division (B)(2) of this 2489
section, pursuant to a written declaration of conversion as 2490
provided in this section, a domestic or foreign entity other than 2491
a domestic limited liability company may be converted into a 2492
domestic limited liability company. The conversion also must be 2493
permitted by the chapter of the Revised Code or by the laws under 2494
which the converting entity exists. 2495

(B)(1) The written declaration of conversion shall set forth 2496
all of the following: 2497

(a) The name and form of entity that is being converted, the 2498
name of the entity into which the entity will be converted, and 2499
the jurisdiction of formation of the converting entity; 2500

(b) The articles of organization of the converted domestic 2501
limited liability company; 2502

(c) The operating agreement of the converted domestic limited 2503
liability company or a provision that a written agreement of the 2504
converting entity, a copy of which is attached to the declaration 2505
of conversion, with any amendments set forth in the declaration of 2506
conversion, will be the operating agreement of the converted 2507
entity; 2508

(d) If management of the converted entity is not reserved to 2509
its members, the names of the managers of the converted entity; 2510

(e) All statements and matters required to be set forth in an 2511
instrument of conversion by the laws under which the converting 2512
entity exists; 2513

(f) The terms of the conversion; the mode of carrying them 2514
into effect; and the manner and basis of converting the interests 2515
or shares of the converting entity into, or substituting the 2516
interests or shares in the converting entity for, interests, 2517
evidences of indebtedness, other securities, cash, rights, or any 2518
other property or any combination of interests, evidences of 2519
indebtedness, other securities, cash, rights, or any other 2520
property of the converted company. 2521

(2) No conversion or substitution described in this section 2522
shall be effected if there are reasonable grounds to believe that 2523
the conversion or substitution would render the converted company 2524
unable to pay its obligations as they become due in the usual 2525
course of its affairs. 2526

(C) The written declaration of conversion may set forth any 2527
of the following: 2528

(1) The effective date of the conversion, which date may be 2529
on or after the date of the filing of the certificate of 2530
conversion pursuant to section 1705.381 of the Revised Code; 2531

(2) A provision authorizing the converting entity to abandon 2532
the proposed conversion by action of authorized representatives of 2533
the converting entity taken prior to the filing of the certificate 2534
of conversion pursuant to section 1705.381 of the Revised Code; 2535

(3) A statement of, or a statement of the method to be used 2536
to determine, the fair value of the assets owned by the converting 2537
entity at the time of the conversion; 2538

(4) The parties to the declaration of conversion in addition 2539
to the converting entity; 2540

(5) Any additional provision necessary or desirable with 2541
respect to the proposed conversion or the converted entity. 2542

(D) At any time before the filing of the certificate of 2543
conversion pursuant to section 1705.381 of the Revised Code, the 2544
conversion may be abandoned by any representatives authorized to 2545
do so by the declaration of conversion, or by the same vote as was 2546
required to adopt the declaration of conversion. 2547

Sec. 1705.371. (A) Subject to division (B)(2) of this 2548
section, pursuant to a written declaration of conversion as 2549
provided in this section, a domestic limited liability company may 2550
be converted into a domestic or foreign entity other than a 2551
domestic limited liability company. The conversion also must be 2552
permitted by the chapter of the Revised Code or by the laws under 2553
which the converted entity will exist. 2554

(B)(1) The written declaration of conversion shall set forth 2555
all of the following: 2556

(a) The name of the domestic limited liability company that 2557
is being converted, the name of the entity into which the entity 2558
will be converted, the form of the converted entity, and the 2559
jurisdiction of formation of the converted entity; 2560

(b) If the converted entity is a domestic entity, the 2561
complete terms of all documents required under the applicable 2562
chapter of the Revised Code to form the converted entity; 2563

(c) If the converted entity is a foreign entity, all of the 2564
following: 2565

(i) The complete terms of all documents required under the 2566
law of its formation to form the converted entity; 2567

(ii) The consent of the converted entity to be sued and served with process in this state, and the irrevocable appointment of the secretary of state as the agent of the converted entity to accept service of process in this state to enforce against the converted entity any obligation of the converting company or to enforce the rights of a dissenting member of the converting company; 2568
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(iii) If the converted entity desires to transact business in this state, the information required to qualify or be licensed under the applicable chapter of the Revised Code. 2575
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(d) All other statements and matters required to be set forth in the declaration of conversion by the applicable chapter of the Revised Code if the converted entity is a domestic entity, or by the laws under which the converted entity will be formed, if the converted entity is a foreign entity; 2578
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(e) The terms of the conversion; the mode of carrying them into effect; and the manner and basis of converting the interests or shares of the converting company into, or substituting the interests in the converting company for, interests, evidences of indebtedness, other securities, cash, rights, or any other property or any combination of interests, evidences of indebtedness, other securities, cash, rights, or any other property of the converted entity. 2583
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(2) No conversion or substitution described in this section shall be effected if there are reasonable grounds to believe that the conversion or substitution would render the converted entity unable to pay its obligations as they become due in the usual course of its affairs. 2591
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(C) The written declaration of conversion may set forth any of the following: 2596
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(1) The effective date of the conversion, which date may be 2598

on or after the date of the filing of the certificate of 2599
conversion pursuant to section 1705.381 of the Revised Code; 2600

(2) A provision authorizing the converting company to abandon 2601
the proposed conversion by action of the members or managers of 2602
the converting company taken prior to the filing of the 2603
certificate of conversion pursuant to section 1705.381 of the 2604
Revised Code; 2605

(3) A statement of, or a statement of the method to be used 2606
to determine, the fair value of the assets owned by the converting 2607
company at the time of the conversion; 2608

(4) The parties to the declaration of conversion in addition 2609
to the converting company; 2610

(5) Any additional provision necessary or desirable with 2611
respect to the proposed conversion or the converted entity. 2612

(D) The members of the converting domestic limited liability 2613
company and, if management is not reserved to its members, the 2614
managers of the converting entity must adopt the declaration of 2615
conversion in order to effect the conversion. 2616

(E)(1) All members, whether or not they are entitled to vote 2617
or act, shall be given written notice of any meeting of members or 2618
of any proposed action by members, which meeting or action is to 2619
adopt a declaration of conversion. The notice shall be given to 2620
the members either as provided in writing in the operating 2621
agreement or by mail at the members' addresses as they appear on 2622
the records of the company, or in person. Unless the operating 2623
agreement provides a shorter or longer period, notice described in 2624
division (E)(1) of this section shall be given not less than seven 2625
and not more than sixty days before the meeting or the effective 2626
date of the action. 2627

(2) The notice described in division (E)(1) of this section 2628

shall be accompanied by a copy or a summary of the material 2629
provisions of the declaration of conversion. 2630

(F) The unanimous vote or action by the members of a 2631
converting company, or a different number or proportion as 2632
provided in writing in the operating agreement, is required to 2633
adopt a declaration of conversion. 2634

If the declaration of conversion would have an effect or 2635
authorize any action that under any applicable provision of law or 2636
the operating agreement could be effected or authorized only by or 2637
pursuant to a specified vote or action of the members, or of any 2638
class or group of members, the declaration of conversion also must 2639
be adopted or approved by the same vote or action as would be 2640
required to effect that change or to authorize that action. 2641

(G)(1) At any time before the filing of the certificate of 2642
conversion pursuant to section 1705.381 of the Revised Code, the 2643
conversion may be abandoned by all of the members of the 2644
converting company or by any representatives authorized to do so 2645
by the declaration of conversion, or by the same vote as was 2646
required to adopt the declaration of conversion. 2647

(2) The declaration of conversion may contain a provision 2648
authorizing less than all of the members to amend the declaration 2649
of conversion at any time before the filing of the certificate of 2650
conversion pursuant to section 1705.381 of the Revised Code, 2651
except that, after the adoption of the declaration of conversion 2652
by the members, less than all of the members are not authorized to 2653
amend the declaration of conversion to do any of the following: 2654

(a) Alter or change the amount or kind of interests, shares, 2655
evidences of indebtedness, other securities, cash rights, or any 2656
other property to be received by the members of the converting 2657
company in conversion of, or substitution for, their interests; 2658

(b) Alter or change any term of the organizational documents 2659

of the converted entity except for alterations or changes that are 2660
adopted with the vote or action of the persons the vote or action 2661
of which would be required for the alteration or change after the 2662
conversion; 2663

(c) Alter or change any other terms and conditions of the 2664
declaration of conversion if any of the alterations or changes, 2665
alone or in the aggregate, materially and adversely would affect 2666
the members or any class or group of members of the converting 2667
company. 2668

Sec. 1705.381. (A) Upon the adoption of a declaration of 2669
conversion pursuant to section 1705.361 or 1705.371 of the Revised 2670
Code, or at a later time as authorized by the declaration of 2671
conversion, a certificate of conversion that is signed by an 2672
authorized representative of the converting entity shall be filed 2673
with the secretary of state. The certificate shall be on a form 2674
prescribed by the secretary of state and shall set forth only the 2675
information required by this section. 2676

(B)(1) The certificate of conversion shall set forth all of 2677
the following: 2678

(a) The name and the form of entity of the converting entity 2679
and the state under the laws of which the converting entity 2680
exists; 2681

(b) A statement that the converting entity has complied with 2682
all of the laws under which it exists and that those laws permit 2683
the conversion; 2684

(c) The name and mailing address of the person or entity that 2685
is to provide a copy of the declaration of conversion in response 2686
to any written request made by a shareholder, partner, or member 2687
of the converting entity; 2688

(d) The effective date of the conversion, which date may be 2689

on or after the date of the filing of the certificate pursuant to 2690
this section; 2691

(e) The signature and title of the representative or 2692
representatives authorized to sign the certificate on behalf of 2693
the converting entity; 2694

(f) A statement that the declaration of conversion is 2695
authorized on behalf of the converting entity and that each person 2696
signing the certificate on behalf of the converting entity is 2697
authorized to do so; 2698

(g) The name and the form of the converted entity and the 2699
state under the laws of which the converted entity will exist; 2700

(h) If the converted entity is a foreign entity that will not 2701
be licensed in this state, the name and address of the statutory 2702
agent upon whom any process, notice or demand may be served. 2703

(2) In the case of a conversion into a new domestic 2704
corporation, limited liability company, limited partnership, or 2705
other partnership, any organizational document that would be filed 2706
upon the creation of the converted entity shall be filed with the 2707
certificate of conversion. 2708

(3) If the converted entity is a foreign entity that desires 2709
to transact business in this state, the certificate of conversion 2710
shall be accompanied by the information required by division 2711
(B)(8), (9), or (10) of section 1705.37 of the Revised Code. 2712

(4) If a foreign or domestic corporation licensed to transact 2713
business in this state is the converting entity, the certificate 2714
of conversion shall be accompanied by the affidavits, receipts, 2715
certificates, or other evidence required by division (H) of 2716
section 1701.86 of the Revised Code with respect to a converting 2717
domestic corporation or by the affidavits, receipts, certificates, 2718
or other evidence required by division (C) or (D) of section 2719

<u>1703.17 of the Revised Code with respect to a foreign corporation.</u>	2720
<u>(C) If the converting entity or the converted entity is</u>	2721
<u>organized or formed under the laws of a state other than this</u>	2722
<u>state or under any chapter of the Revised Code other than this</u>	2723
<u>chapter, all documents required to be filed in connection with the</u>	2724
<u>conversion by the laws of that state or that chapter shall be</u>	2725
<u>filed in the proper office.</u>	2726
<u>(D) Upon the filing of a certificate of conversion and other</u>	2727
<u>filings required by division (C) of this section or at any later</u>	2728
<u>date that the certificate of conversion specifies, the conversion</u>	2729
<u>is effective, subject to the limitation that no conversion will be</u>	2730
<u>effective if there are reasonable grounds to believe that the</u>	2731
<u>conversion would render the converted entity unable to pay its</u>	2732
<u>obligations as they become due in the usual course of its affairs.</u>	2733
<u>(E) The secretary of state shall furnish, upon request and</u>	2734
<u>payment of the fee specified in division (K)(2) of section 111.16</u>	2735
<u>of the Revised Code, the secretary of state's certificate setting</u>	2736
<u>forth all of the following:</u>	2737
<u>(1) The name and form of entity of the converting entity and</u>	2738
<u>the state under the laws of which it existed prior to the</u>	2739
<u>conversion;</u>	2740
<u>(2) The name and the form of entity of the converted entity</u>	2741
<u>and the state under the law of which it will exist;</u>	2742
<u>(3) The date of filing of the certificate of conversion with</u>	2743
<u>the secretary of state and the effective date of the conversion.</u>	2744
<u>(F) The certificate of the secretary of state, or a copy of</u>	2745
<u>the certificate of conversion certified by the secretary of state,</u>	2746
<u>may be filed for record in the office of the recorder of any</u>	2747
<u>county in this state and, if filed, shall be recorded in the</u>	2748
<u>records of deeds for that county. For the recording, the county</u>	2749

recorder shall charge and collect the same fee as in the case of 2750
deeds. 2751

Sec. 1705.391. (A) Upon a conversion becoming effective, all 2752
of the following apply: 2753

(1) The converting entity is continued in the converted 2754
entity. 2755

(2) The converted entity exists, and the converting entity 2756
ceases to exist. 2757

(3) The converted entity possesses both of the following, and 2758
both of the following continue in the converted entity without any 2759
further act or deed: 2760

(a) Except to the extent limited by the requirements of 2761
applicable law, both of the following: 2762

(i) All assets and property of every description of the 2763
converting entity and every interest in the assets and property of 2764
the converting entity, wherever the assets, property, and 2765
interests are located. Title to any real estate or any interest in 2766
real estate that was vested in the converting entity does not 2767
revert or in any way is impaired by reason of the conversion. 2768

(ii) The rights, privileges, immunities, powers, franchises, 2769
and authority, whether of a public or a private nature, of the 2770
converting entity. 2771

(b) All obligations belonging or due to the converting 2772
entity. 2773

(4) All the rights of creditors of the converting entity are 2774
preserved unimpaired, and all liens upon the property of the 2775
converting entity are preserved unimpaired. If a general partner 2776
of a converting partnership is not a general partner of the entity 2777
resulting from the conversion, then the former general partner has 2778

no liability for any obligation incurred after the conversion 2779
except to the extent that a former creditor of the converting 2780
partnership in which the former general partner was a general 2781
partner extends credit to the converted entity reasonably 2782
believing that the former general partner continues as a general 2783
partner of the converted entity. 2784

(B) In the case of a conversion into a foreign corporation, 2785
limited liability company, or partnership that is not licensed or 2786
registered to transact business in this state, if the converted 2787
entity intends to transact business in this state, and the 2788
certificate of conversion is accompanied by the information 2789
described in division (B)(4) of section 1705.38 of the Revised 2790
Code, then on the effective date of the conversion, the converted 2791
entity is considered to have complied with the requirements for 2792
procuring a license or for registration to transact business in 2793
this state as a foreign corporation, limited liability company, 2794
limited partnership, or limited liability partnership as the case 2795
may be. In such a case, a copy of the certificate of conversion 2796
certified by the secretary of state constitutes the license 2797
certificate prescribed for a foreign corporation or the 2798
application for registration prescribed for a foreign limited 2799
liability company, foreign limited partnership, or foreign limited 2800
liability partnership. 2801

(C) Any action to set aside any conversion on the ground that 2802
any section of the Revised Code applicable to the conversion has 2803
not been complied with shall be brought within ninety days after 2804
the effective date of the conversion or is forever barred. 2805

(D) In the case of a converting or converted entity organized 2806
or existing under the laws of any state other than this state, 2807
this section is subject to the laws of the state under which that 2808
entity exists or in which it has property. 2809

Sec. 1705.40. Unless otherwise provided in writing in the 2810
operating agreement of a constituent domestic limited liability 2811
company, the following are entitled to relief as dissenting 2812
members as provided in section 1705.41 of the Revised Code: 2813

(A) Members of a domestic limited liability company that is 2814
being merged or consolidated into a surviving or new domestic or 2815
foreign entity pursuant to section 1705.36 or 1705.37 of the 2816
Revised Code; 2817

(B) In the case of a merger into a domestic limited liability 2818
company, members of the surviving domestic limited liability 2819
company who, under section 1705.36 of the Revised Code, are 2820
entitled to vote or act on the adoption or approval of the 2821
agreement of merger, but only as to the membership interests 2822
entitling them to so vote or act; 2823

(C) Members of a domestic limited liability company that is 2824
being converted pursuant to section 1705.371 of the Revised Code. 2825

Sec. 1705.41. (A) A member of a domestic limited liability 2826
company is entitled to relief as a dissenting member as described 2827
in section 1705.40 of the Revised Code only in compliance with 2828
this section. 2829

(B) If a proposal of merger or consolidation proposal, or 2830
conversion is to be submitted to the members of a domestic limited 2831
liability company at a meeting, a dissenting member must be a 2832
member and a record holder of the membership interests as to which 2833
he the dissenting member seeks relief as of the date fixed for the 2834
determination of members entitled to notice of the meeting, and 2835
those membership interests must not have been voted in favor of 2836
the proposal. Not later than ten days after the date on which the 2837
vote on the proposal was taken at the meeting of the members, the 2838
dissenting member shall deliver to the company a written demand 2839

for payment to ~~him~~ the dissenting member of the fair cash value of 2840
the membership interests as to which ~~he~~ the dissenting member 2841
seeks relief. The demand shall state the address of the dissenting 2842
member, the number and class of the membership interests, and the 2843
amount claimed by the dissenting member as the fair cash value of 2844
the membership interests. 2845

(C) If the proposal of merger ~~or~~, consolidation proposal, or 2846
conversion is to be submitted to the members of a domestic limited 2847
liability company for their written approval or other action 2848
without a meeting, a dissenting member must be a member and a 2849
record holder of the membership interests as to which ~~he~~ the 2850
dissenting member seeks relief as of the date that the written 2851
request for approval or other action is sent to the members 2852
entitled to act or otherwise approve the proposal, and the 2853
dissenting member must not have indicated ~~his~~ the dissenting 2854
member's approval of the proposal in ~~his~~ the dissenting member's 2855
capacity as record holder of the membership interests. Not later 2856
than fifteen days after the date on which the request for approval 2857
or other action was mailed to the members, the dissenting member 2858
shall deliver to the company a written demand for payment to ~~him~~ 2859
the dissenting member of the fair cash value of the membership 2860
interests as to which ~~he~~ the dissenting member seeks relief. The 2861
demand shall state the address of the dissenting member, the 2862
number and class of the membership interests, and the amount 2863
claimed by the dissenting member as the fair cash value of the 2864
membership interests. 2865

(D) A written demand for payment of the fair cash value of 2866
membership interests that is served on a domestic limited 2867
liability company under this section constitutes service on the 2868
surviving or new entity resulting from the merger or consolidation 2869
or on the entity resulting from a conversion, whether the demand 2870
is served before, on, or after the effective date of the merger 2871

consolidation, or conversion. 2872

(E)(1) If the membership interests as to which a dissenting 2873
member seeks relief are represented by certificates and if the 2874
domestic limited liability company sends to the dissenting member 2875
at the address specified in ~~his~~ the dissenting member's demand for 2876
payment of the fair cash value of those interests a request for 2877
the certificates representing those interests, the dissenting 2878
member shall deliver the requested certificates to the company 2879
within fifteen days from the date on which the request is sent to 2880
~~him~~ the dissenting member so that the company may endorse a legend 2881
on the certificates to the effect that a demand for the fair cash 2882
value of those membership interests has been made. The company 2883
promptly shall return the endorsed certificates to the dissenting 2884
member. 2885

At the option of the company, the failure of the dissenting 2886
member to deliver the certificates as described in this division 2887
shall terminate ~~his~~ the dissenting member's rights as a dissenting 2888
member. If exercised, the option shall be exercised by a written 2889
notice sent to the dissenting member within twenty days after the 2890
lapse of the fifteen-day period described in this division, unless 2891
a court for good cause shown otherwise directs. 2892

If membership interests represented by a certificate on which 2893
a legend has been endorsed under this division are transferred, 2894
each new certificate issued for the membership interests shall 2895
bear a similar legend and the name of the original dissenting 2896
holder of the membership interests. 2897

(2) Upon receiving from a dissenting member a demand for 2898
payment of the fair cash value of membership interests that are 2899
not represented by a certificate, a domestic limited liability 2900
company shall make an appropriate notation of the demand in its 2901
records. If uncertificated membership interests for which payment 2902
has been demanded are to be transferred, any writing sent to 2903

evidence the transfer shall bear the legend required for 2904
certificated membership interests as described in division (E)(1) 2905
of this section. 2906

(3) A transferee of membership interests who receives a 2907
certificate endorsed with a legend as described in division (E)(1) 2908
of this section and a transferee of uncertificated membership 2909
interests with respect to which a notation has been made as 2910
described in division (E)(2) of this section acquires only the 2911
rights in the domestic limited liability company that the original 2912
dissenting member had immediately after the serving of the demand 2913
for payment of the fair cash value of the membership interests. 2914

(4) A request for certificates under division (E)(1) of this 2915
section by a domestic limited liability company is not an 2916
admission by it that the member is entitled to relief under this 2917
section. 2918

(F) Unless the operating agreement of the domestic limited 2919
liability company in which the dissenting member was a member 2920
provides a reasonable basis for determining and paying the fair 2921
cash value of the membership interests as to which the dissenting 2922
member seeks relief or unless that company and the dissenting 2923
member have come to an agreement on the fair cash value of those 2924
interests, within three months after the service of the demand for 2925
payment of the fair cash value of those interests, the dissenting 2926
member, that company, or the surviving or new entity may file a 2927
complaint under section 1705.42 of the Revised Code. 2928

The complaint shall be filed in the court of common pleas of 2929
the county in which the principal office of the limited liability 2930
company that issued the membership interest is located or was 2931
located when the proposal for merger ~~or~~, consolidation, or 2932
conversion was adopted or approved by the members of that company. 2933
Within three months after the service of the demand for payment of 2934

the fair cash value of the membership interests of the dissenting 2935
member, other dissenting members may join as plaintiffs or may be 2936
joined as defendants in the proceeding described in section 2937
1705.42 of the Revised Code, and any two or more proceedings 2938
commenced by dissenting members may be consolidated. 2939

(G) The right of a dissenting member to receive the fair cash 2940
value for the membership interests as to which ~~he~~ the dissenting 2941
member seeks relief, the obligation of the dissenting member to 2942
sell those interests, the right of the domestic limited liability 2943
company to purchase those interests, and the obligation of the 2944
company to pay the fair cash value for those interests terminate 2945
if any of the following applies: 2946

(1) Unless the company waives the failure, the dissenting 2947
member fails to comply with this section. 2948

(2) The company abandons the merger ~~or~~, consolidation, or 2949
conversion or is finally enjoined or prevented from carrying it 2950
out, or the members rescind their adoption or approval of the 2951
merger ~~or~~, consolidation, or conversion. 2952

(3) The dissenting member withdraws ~~his~~ the dissenting 2953
member's demand for payment of the fair cash value of the 2954
membership interests with the consent of the company. 2955

(4) All of the following apply: 2956

(a) The operating agreement of the domestic limited liability 2957
company in which the dissenting member was a member does not 2958
provide a reasonable basis for determining and paying the 2959
dissenting member the fair cash value of ~~his~~ the dissenting 2960
member's membership interests. 2961

(b) The company and the dissenting member have not agreed 2962
upon the fair cash value of the membership interests. 2963

(c) Neither the dissenting member nor the company has filed, 2964

joined, or been joined in a complaint under division (F) of this 2965
section within the three-month period provided in that division. 2966

(H) Unless otherwise provided in the operating agreement of 2967
the domestic limited liability company in which the dissenting 2968
member was a member, from the time that the dissenting member 2969
delivers the demand for payment of the fair cash value of the 2970
membership interests as to which ~~he~~ the dissenting member seeks 2971
relief until the termination of the rights and obligations arising 2972
from that demand or the purchase of those interests by the 2973
company, all other rights accruing from those interests, including 2974
voting or distribution rights, are suspended. If, during the 2975
suspension, any distribution is paid in money upon membership 2976
interests of the class of those interests or any dividend, 2977
distribution, or interest is paid in money upon any securities 2978
issued in extinguishment of or in substitution for those 2979
interests, an amount equal to the dividend, distribution, or 2980
interest that, except for the suspension, would have been payable 2981
upon those interests or those securities shall be paid to the 2982
record holder of those interests or securities as a credit upon 2983
the fair cash value of those interests. If the right to receive 2984
the fair cash value of those interests is terminated other than by 2985
the purchase of those interests by the company, all rights of the 2986
dissenting member shall be restored and all distributions that, 2987
except for the suspension, would have been made shall be made to 2988
the record holder of those interests at the time of termination. 2989

Sec. 1705.42. (A)(1) When authorized by division (F) of 2990
section 1705.41 of the Revised Code, a dissenting member of a 2991
domestic limited liability company may file a complaint for the 2992
relief described in this section. The complaint shall contain a 2993
brief statement of the relevant facts, including the vote or 2994
action by the members of that company pertaining to the merger ~~or~~ 2995

consolidation, or conversion and the facts entitling the 2996
dissenting member to the relief described in this section, and a 2997
demand for that relief. When authorized by division (F) of section 2998
1705.41 of the Revised Code, the company, or a surviving or new 2999
entity or converted entity, also may file a complaint under this 3000
section. Notwithstanding the Rules of Civil Procedure, no answer 3001
to a complaint filed under this section is required. 3002

(2) Upon the filing of the complaint and upon motion of the 3003
complainant, the court shall enter an order that fixes a date for 3004
a hearing on the complaint and that requires the service of a copy 3005
of the complaint and a notice of its filing and the date for the 3006
hearing on the defendants in the manner prescribed in the Rules of 3007
Civil Procedure for the service of process. On the date fixed for 3008
the hearing or any adjournment of the hearing, the court shall 3009
determine from the complaint and from all evidence submitted at 3010
the hearing by the parties whether the dissenting member is 3011
entitled to be paid the fair cash value of any membership 3012
interests and, if ~~he~~ the dissenting member is to be so paid, the 3013
number and class of those interests. If the court finds that the 3014
dissenting member is to be so paid, it may appoint one or more 3015
persons as appraisers to receive evidence as to the fair cash 3016
value and to make recommendations to the court relative to the 3017
amount of the fair cash value. The appraisers shall have the power 3018
and authority that the court specifies in the order of 3019
appointment, and the court shall fix reasonable compensation for 3020
their services. 3021

After receiving the recommendations of any appointed 3022
appraisers or if appraisers are not appointed, the court shall 3023
make findings as to the fair cash value of the membership 3024
interests and render judgment against the limited liability 3025
company for the payment of that fair cash value and interest at 3026
the rate and from the date that the court considers equitable. The 3027

costs of the proceeding, including reasonable compensation to any appraisers as fixed by the court, shall be assessed or apportioned as the court considers equitable.

(3) The proceeding described in this section is a special proceeding, and final orders in it may be vacated, modified, or reversed on appeal pursuant to the Rules of Appellate Procedure and, to the extent not in conflict with those rules, Chapter 2505. of the Revised Code. If, during the pendency of any proceeding described in this section, an action or proceeding is commenced to enjoin or otherwise prevent the carrying out of the merger or consolidation or other action as to which the member has dissented, the proceeding commenced under this section shall be stayed until the final determination of the other action or proceeding.

(4) Unless division (G) of section 1705.41 of the Revised Code is applicable, the fair cash value of the membership interests that is agreed upon by the dissenting member and the limited liability company or fixed by a court in a proceeding under this section shall be paid within thirty days after the later of the final determination of the fair cash value in a proceeding under this section or the date of the consummation of the merger ~~or~~, consolidation, or conversion. Upon the occurrence of the later event, payment of the fair cash value shall be made to those entitled to the payment as follows:

(a) Immediately to the holders of uncertificated membership interests;

(b) Upon and simultaneously with the surrender to the limited liability company of certificates representing the membership interests to the holders of certificated membership interests.

(B) If the proposal of merger or consolidation proposal, or conversion was submitted to the members of a domestic limited

liability company at a meeting, the fair cash value of the 3059
membership interests as to any of those members that seek relief 3060
shall be determined as of the day before the day on which the vote 3061
on the proposal was taken. If the proposal of merger or, 3062
consolidation proposal, or conversion was submitted to the members 3063
of a domestic limited liability company for written approval or 3064
other action without a meeting, the fair cash value of the 3065
membership interests as to which those members seek relief shall 3066
be determined as of the day before the day on which the request 3067
for approval or other action was sent. 3068

The fair cash value of a membership interest for purposes of 3069
this section is the amount that a willing seller who is under no 3070
compulsion to sell would be willing to accept and that a willing 3071
buyer who is under no compulsion to purchase would be willing to 3072
pay, but the fair cash value paid to any member shall not exceed 3073
the amount specified in the demand for payment of that member. In 3074
computing the fair cash value of a membership interest, any 3075
appreciation or depreciation in market value resulting from the 3076
merger ~~or,~~ consolidation, or conversion shall be excluded. 3077

Sec. 1705.61. (A) Absent an express agreement to the 3078
contrary, a person providing goods to or performing services for a 3079
limited liability company owes no duty to, incurs no liability or 3080
obligation to, and is not in privity with the members or creditors 3081
of the limited liability company by reason of providing goods to 3082
or performing services for the limited liability company. 3083

(B) Absent an express agreement to the contrary, a person 3084
providing goods to or performing services for a member or group of 3085
members of a limited liability company owes no duty to, incurs no 3086
liability or obligation to, and is not in privity with the limited 3087
liability company, any other members of the limited liability 3088
company, or the creditors of the limited liability company by 3089

reason of providing goods to or performing services for the 3090
limited liability company. 3091

Sec. 1707.01. As used in this chapter: 3092

(A) Whenever the context requires it, "division" or "division 3093
of securities" may be read as "director of commerce" or as 3094
"commissioner of securities." 3095

(B) "Security" means any certificate or instrument, or any 3096
oral, written, or electronic agreement, understanding, or 3097
opportunity, that represents title to or interest in, or is 3098
secured by any lien or charge upon, the capital, assets, profits, 3099
property, or credit of any person or of any public or governmental 3100
body, subdivision, or agency. It includes shares of stock, 3101
certificates for shares of stock, an uncertificated security, 3102
membership interests in limited liability companies, voting-trust 3103
certificates, warrants and options to purchase securities, 3104
subscription rights, interim receipts, interim certificates, 3105
promissory notes, all forms of commercial paper, evidences of 3106
indebtedness, bonds, debentures, land trust certificates, fee 3107
certificates, leasehold certificates, syndicate certificates, 3108
endowment certificates, interests in or under profit-sharing or 3109
participation agreements, interests in or under oil, gas, or 3110
mining leases, preorganization or reorganization subscriptions, 3111
preorganization certificates, reorganization certificates, 3112
interests in any trust or pretended trust, any investment 3113
contract, any life settlement interest, any instrument evidencing 3114
a promise or an agreement to pay money, warehouse receipts for 3115
intoxicating liquor, and the currency of any government other than 3116
those of the United States and Canada, but sections 1707.01 to 3117
1707.45 of the Revised Code do not apply to the sale of real 3118
estate. 3119

(C)(1) "Sale" has the full meaning of "sale" as applied by or 3120

accepted in courts of law or equity, and includes every 3121
disposition, or attempt to dispose, of a security or of an 3122
interest in a security. "Sale" also includes a contract to sell, 3123
an exchange, an attempt to sell, an option of sale, a solicitation 3124
of a sale, a solicitation of an offer to buy, a subscription, or 3125
an offer to sell, directly or indirectly, by agent, circular, 3126
pamphlet, advertisement, or otherwise. 3127

(2) "Sell" means any act by which a sale is made. 3128

(3) The use of advertisements, circulars, or pamphlets in 3129
connection with the sale of securities in this state exclusively 3130
to the purchasers specified in division (D) of section 1707.03 of 3131
the Revised Code is not a sale when the advertisements, circulars, 3132
and pamphlets describing and offering those securities bear a 3133
readily legible legend in substance as follows: "This offer is 3134
made on behalf of dealers licensed under sections 1707.01 to 3135
1707.45 of the Revised Code, and is confined in this state 3136
exclusively to institutional investors and licensed dealers." 3137

(4) The offering of securities by any person in conjunction 3138
with a licensed dealer by use of advertisement, circular, or 3139
pamphlet is not a sale if that person does not otherwise attempt 3140
to sell securities in this state. 3141

(5) Any security given with, or as a bonus on account of, any 3142
purchase of securities is conclusively presumed to constitute a 3143
part of the subject of that purchase and has been "sold." 3144

(6) "Sale" by an owner, pledgee, or mortgagee, or by a person 3145
acting in a representative capacity, includes sale on behalf of 3146
such party by an agent, including a licensed dealer or 3147
salesperson. 3148

(D) "Person," except as otherwise provided in this chapter, 3149
means a natural person, firm, partnership, limited partnership, 3150
partnership association, syndicate, joint-stock company, 3151

unincorporated association, trust or trustee except where the
trust was created or the trustee designated by law or judicial
authority or by a will, and a corporation or limited liability
company organized under the laws of any state, any foreign
government, or any political subdivision of a state or foreign
government.

(E)(1) "Dealer," except as otherwise provided in this
chapter, means every person, other than a salesperson, who engages
or professes to engage, in this state, for either all or part of
the person's time, directly or indirectly, either in the business
of the sale of securities for the person's own account, or in the
business of the purchase or sale of securities for the account of
others in the reasonable expectation of receiving a commission,
fee, or other remuneration as a result of engaging in the purchase
and sale of securities. "Dealer" does not mean any of the
following:

(a) Any issuer, including any officer, director, employee, or
trustee of, or member or manager of, or partner in, or any general
partner of, any issuer, that sells, offers for sale, or does any
act in furtherance of the sale of a security that represents an
economic interest in that issuer, provided no commission, fee, or
other similar remuneration is paid to or received by the issuer
for the sale;

(b) Any licensed attorney, public accountant, or firm of such
attorneys or accountants, whose activities are incidental to the
practice of the attorney's, accountant's, or firm's profession;

(c) Any person that, for the account of others, engages in
the purchase or sale of securities that are issued and outstanding
before such purchase and sale, if a majority or more of the equity
interest of an issuer is sold in that transaction, and if, in the
case of a corporation, the securities sold in that transaction

represent a majority or more of the voting power of the 3183
corporation in the election of directors; 3184

(d) Any person that brings an issuer together with a 3185
potential investor and whose compensation is not directly or 3186
indirectly based on the sale of any securities by the issuer to 3187
the investor; 3188

(e) Any bank; 3189

(f) Any person that the division of securities by rule 3190
exempts from the definition of "dealer" under division (E)(1) of 3191
this section. 3192

(2) "Licensed dealer" means a dealer licensed under this 3193
chapter. 3194

(F)(1) "Salesman" or "salesperson" means every natural 3195
person, other than a dealer, who is employed, authorized, or 3196
appointed by a dealer to sell securities within this state. 3197

(2) The general partners of a partnership, and the executive 3198
officers of a corporation or unincorporated association, licensed 3199
as a dealer are not salespersons within the meaning of this 3200
definition, nor are ~~such~~ clerical or other employees of an issuer 3201
or dealer ~~as that~~ are employed for work to which the sale of 3202
securities is secondary and incidental; but the division of 3203
securities may require a license from any such partner, executive 3204
officer, or employee if it determines that protection of the 3205
public necessitates the licensing. 3206

(3) "Licensed salesperson" means a salesperson licensed under 3207
this chapter. 3208

(G) "Issuer" means every person who has issued, proposes to 3209
issue, or issues any security. 3210

(H) "Director" means each director or trustee of a 3211
corporation, each trustee of a trust, each general partner of a 3212

partnership, except a partnership association, each manager of a
partnership association, and any person vested with managerial or
directory power over an issuer not having a board of directors or
trustees.

(I) "Incorporator" means any incorporator of a corporation
and any organizer of, or any person participating, other than in a
representative or professional capacity, in the organization of an
unincorporated issuer.

(J) "Fraud," "fraudulent," "fraudulent acts," "fraudulent
practices," or "fraudulent transactions" means anything recognized
on or after July 22, 1929, as such in courts of law or equity; any
device, scheme, or artifice to defraud or to obtain money or
property by means of any false pretense, representation, or
promise; any fictitious or pretended purchase or sale of
securities; and any act, practice, transaction, or course of
business relating to the purchase or sale of securities that is
fraudulent or that has operated or would operate as a fraud upon
the seller or purchaser.

(K) Except as otherwise specifically provided, whenever any
classification or computation is based upon "par value," as
applied to securities without par value, the average of the
aggregate consideration received or to be received by the issuer
for each class of those securities shall be used as the basis for
that classification or computation.

(L)(1) "Intangible property" means patents, copyrights,
secret processes, formulas, services, good will, promotion and
organization fees and expenses, trademarks, trade brands, trade
names, licenses, franchises, any other assets treated as
intangible according to generally accepted accounting principles,
and securities, accounts receivable, or contract rights having no
readily determinable value.

(2) "Tangible property" means all property other than 3244
intangible property and includes securities, accounts receivable, 3245
and contract rights, when the securities, accounts receivable, or 3246
contract rights have a readily determinable value. 3247

(M) "Public utilities" means those utilities defined in 3248
sections 4905.02, 4905.03, 4907.02, and 4907.03 of the Revised 3249
Code; in the case of a foreign corporation, it means those 3250
utilities defined as public utilities by the laws of its domicile; 3251
and in the case of any other foreign issuer, it means those 3252
utilities defined as public utilities by the laws of the situs of 3253
its principal place of business. The term always includes 3254
railroads whether or not they are so defined as public utilities. 3255

(N) "State" means any state of the United States, any 3256
territory or possession of the United States, the District of 3257
Columbia, and any province of Canada. 3258

(O) "Bank" means any bank, trust company, savings and loan 3259
association, savings bank, or credit union that is incorporated or 3260
organized under the laws of the United States, any state of the 3261
United States, Canada, or any province of Canada and that is 3262
subject to regulation or supervision by that country, state, or 3263
province. 3264

(P) "Include," when used in a definition, does not exclude 3265
other things or persons otherwise within the meaning of the term 3266
defined. 3267

(Q)(1) "Registration by description" means that the 3268
requirements of section 1707.08 of the Revised Code have been 3269
complied with. 3270

(2) "Registration by qualification" means that the 3271
requirements of sections 1707.09 and 1707.11 of the Revised Code 3272
have been complied with. 3273

(3) "Registration by coordination" means that there has been compliance with section 1707.091 of the Revised Code. Reference in this chapter to registration by qualification also ~~shall be deemed to include~~ includes registration by coordination unless the context otherwise indicates.

(R) "Intoxicating liquor" includes all liquids and compounds that contain more than three and two-tenths per cent of alcohol by weight and are fit for use for beverage purposes.

(S) "Institutional investor" means any corporation, bank, insurance company, pension fund or pension fund trust, employees' profit-sharing fund or employees' profit-sharing trust, any association engaged, as a substantial part of its business or operations, in purchasing or holding securities, or any trust in respect of which a bank is trustee or cotrustee. "Institutional investor" does not include any business entity formed for the primary purpose of evading sections 1707.01 to 1707.45 of the Revised Code.

(T) ~~"Securities Act of 1933," 48 Stat. 74, 15 U.S.C. 77a,~~
~~"Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78a,~~
~~"Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1,~~
~~"Investment Advisers Act of 1940," 54 Stat. 847, 15 U.S.C. 80b,~~
~~and "Investment Company Act of 1940," 54 Stat. 789, 15 U.S.C. 80a~~
~~mean the federal statutes of those names as amended before or~~
~~after March 18, 1999~~ A reference to a statute of the United States
or to a rule, regulation, or form promulgated by the securities
and exchange commission or by another federal agency means the
statute, rule, regulation, or form as it exists at the time it is
applied under this chapter.

(U) "Securities and exchange commission" means the securities and exchange commission established by the Securities Exchange Act of 1934.

(V)(1) "Control bid" means the purchase of or offer to 3305
purchase any equity security of a subject company from a resident 3306
of this state if either of the following applies: 3307

(a) After the purchase of that security, the offeror would be 3308
directly or indirectly the beneficial owner of more than ten per 3309
cent of any class of the issued and outstanding equity securities 3310
of the issuer. 3311

(b) The offeror is the subject company, there is a pending 3312
control bid by a person other than the issuer, and the number of 3313
the issued and outstanding shares of the subject company would be 3314
reduced by more than ten per cent. 3315

(2) For purposes of division (V)(1) of this section, "control 3316
bid" does not include any of the following: 3317

(a) A bid made by a dealer for the dealer's own account in 3318
the ordinary course of business of buying and selling securities; 3319

(b) An offer to acquire any equity security solely in 3320
exchange for any other security, or the acquisition of any equity 3321
security pursuant to an offer, for the sole account of the 3322
offeror, in good faith and not for the purpose of avoiding the 3323
provisions of this chapter, and not involving any public offering 3324
of the other security within the meaning of Section 4 of Title I 3325
of the "Securities Act of 1933," 48 Stat. 77, 15 U.S.C.A. 77d(2), 3326
as amended; 3327

(c) Any other offer to acquire any equity security, or the 3328
acquisition of any equity security pursuant to an offer, for the 3329
sole account of the offeror, from not more than fifty persons, in 3330
good faith and not for the purpose of avoiding the provisions of 3331
this chapter. 3332

(W) "Offeror" means a person who makes, or in any way 3333
participates or aids in making, a control bid and includes persons 3334

acting jointly or in concert, or who intend to exercise jointly or
in concert any voting rights attached to the securities for which
the control bid is made and also includes any subject company
making a control bid for its own securities.

(X)(1) "Investment adviser" means any person who, for
compensation, engages in the business of advising others, either
directly or through publications or writings, as to the value of
securities or as to the advisability of investing in, purchasing,
or selling securities, or who, for compensation and as a part of
regular business, issues or promulgates analyses or reports
concerning securities.

(2) "Investment adviser" does not mean any of the following:

(a) Any attorney, accountant, engineer, or teacher, whose
performance of investment advisory services described in division
(X)(1) of this section is solely incidental to the practice of the
attorney's, accountant's, engineer's, or teacher's profession;

(b) A publisher of any bona fide newspaper, news magazine, or
business or financial publication of general and regular
circulation;

(c) A person who acts solely as an investment adviser
representative;

(d) A bank holding company, as defined in the "Bank Holding
Company Act of 1956," 70 Stat. 133, 12 U.S.C. 1841, that is not an
investment company;

(e) A bank, or any receiver, conservator, or other
liquidating agent of a bank;

(f) Any licensed dealer or licensed salesperson whose
performance of investment advisory services described in division
(X)(1) of this section is solely incidental to the conduct of the
dealer's or salesperson's business as a licensed dealer or

licensed salesperson and who receives no special compensation for 3365
the services; 3366

(g) Any person, the advice, analyses, or reports of which do 3367
not relate to securities other than securities that are direct 3368
obligations of, or obligations guaranteed as to principal or 3369
interest by, the United States, or securities issued or guaranteed 3370
by corporations in which the United States has a direct or 3371
indirect interest, and that have been designated by the secretary 3372
of the treasury as exempt securities as defined in the "Securities 3373
Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78c; 3374

(h) Any person that is excluded from the definition of 3375
investment adviser pursuant to section 202(a)(11)(A) to (E) of the 3376
"Investment Advisers Act of 1940," 15 U.S.C. 80b-2(a)(11), or that 3377
has received an order from the securities and exchange commission 3378
under section 202(a)(11)(F) of the "Investment Advisers Act of 3379
1940," 15 U.S.C. 80b-2(a)(11)(F), declaring that the person is not 3380
within the intent of section 202(a)(11) of the Investment Advisers 3381
Act of 1940. 3382

(i) A person who acts solely as a state retirement system 3383
investment officer or as a bureau of workers' compensation chief 3384
investment officer; 3385

(j) Any other person that the division designates by rule, if 3386
the division finds that the designation is necessary or 3387
appropriate in the public interest or for the protection of 3388
investors or clients and consistent with the purposes fairly 3389
intended by the policy and provisions of this chapter. 3390

(Y)(1) "Subject company" means an issuer that satisfies both 3391
of the following: 3392

(a) Its principal place of business or its principal 3393
executive office is located in this state, or it owns or controls 3394
assets located within this state that have a fair market value of 3395

at least one million dollars. 3396

(b) More than ten per cent of its beneficial or record equity 3397
security holders are resident in this state, more than ten per 3398
cent of its equity securities are owned beneficially or of record 3399
by residents in this state, or more than one thousand of its 3400
beneficial or record equity security holders are resident in this 3401
state. 3402

(2) The division of securities may adopt rules to establish 3403
more specific application of the provisions set forth in division 3404
(Y)(1) of this section. Notwithstanding the provisions set forth 3405
in division (Y)(1) of this section and any rules adopted under 3406
this division, the division, by rule or in an adjudicatory 3407
proceeding, may make a determination that an issuer does not 3408
constitute a "subject company" under division (Y)(1) of this 3409
section if appropriate review of control bids involving the issuer 3410
is to be made by any regulatory authority of another jurisdiction. 3411

(Z) "Beneficial owner" includes any person who directly or 3412
indirectly through any contract, arrangement, understanding, or 3413
relationship has or shares, or otherwise has or shares, the power 3414
to vote or direct the voting of a security or the power to dispose 3415
of, or direct the disposition of, the security. "Beneficial 3416
ownership" includes the right, exercisable within sixty days, to 3417
acquire any security through the exercise of any option, warrant, 3418
or right, the conversion of any convertible security, or 3419
otherwise. Any security subject to any such option, warrant, 3420
right, or conversion privilege held by any person shall be deemed 3421
to be outstanding for the purpose of computing the percentage of 3422
outstanding securities of the class owned by that person, but 3423
shall not be deemed to be outstanding for the purpose of computing 3424
the percentage of the class owned by any other person. A person 3425
shall be deemed the beneficial owner of any security beneficially 3426
owned by any relative or spouse or relative of the spouse residing 3427

in the home of that person, any trust or estate in which that 3428
person owns ten per cent or more of the total beneficial interest 3429
or serves as trustee or executor, any corporation or entity in 3430
which that person owns ten per cent or more of the equity, and any 3431
affiliate or associate of that person. 3432

(AA) "Offeree" means the beneficial or record owner of any 3433
security that an offeror acquires or offers to acquire in 3434
connection with a control bid. 3435

(BB) "Equity security" means any share or similar security, 3436
or any security convertible into any such security, or carrying 3437
any warrant or right to subscribe to or purchase any such 3438
security, or any such warrant or right, or any other security 3439
that, for the protection of security holders, is treated as an 3440
equity security pursuant to rules of the division of securities. 3441

(CC)(1) "Investment adviser representative" means a 3442
supervised person of an investment adviser, provided that the 3443
supervised person has more than five clients who are natural 3444
persons other than excepted persons defined in division (EE) of 3445
this section, and that more than ten per cent of the supervised 3446
person's clients are natural persons other than excepted persons 3447
defined in division (EE) of this section. "Investment adviser 3448
representative" does not mean any of the following: 3449

(a) A supervised person that does not on a regular basis 3450
solicit, meet with, or otherwise communicate with clients of the 3451
investment adviser; 3452

(b) A supervised person that provides only investment 3453
advisory services described in division (X)(1) of this section by 3454
means of written materials or oral statements that do not purport 3455
to meet the objectives or needs of specific individuals or 3456
accounts; 3457

(c) Any other person that the division designates by rule, if 3458

the division finds that the designation is necessary or 3459
appropriate in the public interest or for the protection of 3460
investors or clients and is consistent with the provisions fairly 3461
intended by the policy and provisions of this chapter. 3462

(2) For the purpose of the calculation of clients in division 3463
(CC)(1) of this section, a natural person and the following 3464
persons are deemed a single client: Any minor child of the natural 3465
person; any relative, spouse, or relative of the spouse of the 3466
natural person who has the same principal residence as the natural 3467
person; all accounts of which the natural person or the persons 3468
referred to in division (CC)(2) of this section are the only 3469
primary beneficiaries; and all trusts of which the natural person 3470
or persons referred to in division (CC)(2) of this section are the 3471
only primary beneficiaries. Persons who are not residents of the 3472
United States need not be included in the calculation of clients 3473
under division (CC)(1) of this section. 3474

(3) If subsequent to March 18, 1999, amendments are enacted 3475
or adopted defining "investment adviser representative" for 3476
purposes of the Investment Advisers Act of 1940 or additional 3477
rules or regulations are promulgated by the securities and 3478
exchange commission regarding the definition of "investment 3479
adviser representative" for purposes of the Investment Advisers 3480
Act of 1940, the division of securities shall, by rule, adopt the 3481
substance of the amendments, rules, or regulations, unless the 3482
division finds that the amendments, rules, or regulations are not 3483
necessary for the protection of investors or in the public 3484
interest. 3485

(DD) "Supervised person" means a natural person who is any of 3486
the following: 3487

(1) A partner, officer, or director of an investment adviser, 3488
or other person occupying a similar status or performing similar 3489

functions with respect to an investment adviser;	3490
(2) An employee of an investment adviser;	3491
(3) A person who provides investment advisory services	3492
described in division (X)(1) of this section on behalf of the	3493
investment adviser and is subject to the supervision and control	3494
of the investment adviser.	3495
(EE) "Excepted person" means a natural person to whom any of	3496
the following applies:	3497
(1) Immediately after entering into the investment advisory	3498
contract with the investment adviser, the person has at least	3499
seven hundred fifty thousand dollars under the management of the	3500
investment adviser.	3501
(2) The investment adviser reasonably believes either of the	3502
following at the time the investment advisory contract is entered	3503
into with the person:	3504
(a) The person has a net worth, together with assets held	3505
jointly with a spouse, of more than one million five hundred	3506
thousand dollars.	3507
(b) The person is a qualified purchaser as defined in	3508
division (FF) of this section.	3509
(3) Immediately prior to entering into an investment advisory	3510
contract with the investment adviser, the person is either of the	3511
following:	3512
(a) An executive officer, director, trustee, general partner,	3513
or person serving in a similar capacity, of the investment	3514
adviser;	3515
(b) An employee of the investment adviser, other than an	3516
employee performing solely clerical, secretarial, or	3517
administrative functions or duties for the investment adviser,	3518
which employee, in connection with the employee's regular	3519

functions or duties, participates in the investment activities of 3520
the investment adviser, provided that, for at least twelve months, 3521
the employee has been performing such nonclerical, nonsecretarial, 3522
or nonadministrative functions or duties for or on behalf of the 3523
investment adviser or performing substantially similar functions 3524
or duties for or on behalf of another company. 3525

If subsequent to March 18, 1999, amendments are enacted or 3526
adopted defining "excepted person" for purposes of the Investment 3527
Advisers Act of 1940 or additional rules or regulations are 3528
promulgated by the securities and exchange commission regarding 3529
the definition of "excepted person" for purposes of the Investment 3530
Advisers Act of 1940, the division of securities shall, by rule, 3531
adopt the substance of the amendments, rules, or regulations, 3532
unless the division finds that the amendments, rules, or 3533
regulations are not necessary for the protection of investors or 3534
in the public interest. 3535

(FF)(1) "Qualified purchaser" means either of the following: 3536

(a) A natural person who owns not less than five million 3537
dollars in investments as defined by rule by the division of 3538
securities; 3539

(b) A natural person, acting for the person's own account or 3540
accounts of other qualified purchasers, who in the aggregate owns 3541
and invests on a discretionary basis, not less than twenty-five 3542
million dollars in investments as defined by rule by the division 3543
of securities. 3544

(2) If subsequent to March 18, 1999, amendments are enacted 3545
or adopted defining "qualified purchaser" for purposes of the 3546
Investment Advisers Act of 1940 or additional rules or regulations 3547
are promulgated by the securities and exchange commission 3548
regarding the definition of "qualified purchaser" for purposes of 3549
the Investment Advisers Act of 1940, the division of securities 3550

shall, by rule, adopt the amendments, rules, or regulations, 3551
unless the division finds that the amendments, rules, or 3552
regulations are not necessary for the protection of investors or 3553
in the public interest. 3554

(GG)(1) "Purchase" has the full meaning of "purchase" as 3555
applied by or accepted in courts of law or equity and includes 3556
every acquisition of, or attempt to acquire, a security or an 3557
interest in a security. "Purchase" also includes a contract to 3558
purchase, an exchange, an attempt to purchase, an option to 3559
purchase, a solicitation of a purchase, a solicitation of an offer 3560
to sell, a subscription, or an offer to purchase, directly or 3561
indirectly, by agent, circular, pamphlet, advertisement, or 3562
otherwise. 3563

(2) "Purchase" means any act by which a purchase is made. 3564

(3) Any security given with, or as a bonus on account of, any 3565
purchase of securities is conclusively presumed to constitute a 3566
part of the subject of that purchase. 3567

(HH) "Life settlement interest" means the entire interest or 3568
any fractional interest in an insurance policy or certificate of 3569
insurance, or in an insurance benefit under such a policy or 3570
certificate, that is the subject of a life settlement contract. 3571

For purposes of this division, "life settlement contract" 3572
means an agreement for the purchase, sale, assignment, transfer, 3573
devise, or bequest of any portion of the death benefit or 3574
ownership of any life insurance policy or contract, in return for 3575
consideration or any other thing of value that is less than the 3576
expected death benefit of the life insurance policy or contract. 3577
"Life settlement contract" includes a viatical settlement contract 3578
as defined in section 3916.01 of the Revised Code, but does not 3579
include any of the following: 3580

(1) A loan by an insurer under the terms of a life insurance 3581

policy, including, but not limited to, a loan secured by the cash	3582
value of the policy;	3583
(2) An agreement with a bank that takes an assignment of a	3584
life insurance policy as collateral for a loan;	3585
(3) The provision of accelerated benefits as defined in	3586
section 3915.21 of the Revised Code;	3587
(4) Any agreement between an insurer and a reinsurer;	3588
(5) An agreement by an individual to purchase an existing	3589
life insurance policy or contract from the original owner of the	3590
policy or contract, if the individual does not enter into more	3591
than one life settlement contract per calendar year;	3592
(6) The initial purchase of an insurance policy or	3593
certificate of insurance from its owner by a viatical settlement	3594
provider, as defined in section 3916.01 of the Revised Code, that	3595
is licensed under Chapter 3916. of the Revised Code.	3596
(II) "State retirement system" means the public employees	3597
retirement system, Ohio police and fire pension fund, state	3598
teachers retirement system, school employees retirement system,	3599
and state highway patrol retirement system.	3600
(JJ) "State retirement system investment officer" means an	3601
individual employed by a state retirement system as a chief	3602
investment officer, assistant investment officer, or the person in	3603
charge of a class of assets or in a position that is substantially	3604
equivalent to chief investment officer, assistant investment	3605
officer, or person in charge of a class of assets.	3606
(KK) "Bureau of workers' compensation chief investment	3607
officer" means an individual employed by the bureau of workers'	3608
compensation as a chief investment officer in a position that is	3609
substantially equivalent to a chief investment officer.	3610

Sec. 1707.041. (A)(1) No control bid for any securities of a 3611
subject company shall be made pursuant to a tender offer or 3612
request or invitation for tenders until the offeror files with the 3613
division of securities the information prescribed in division 3614
(A)(2) of this section. The offeror shall deliver a copy of the 3615
information specified in division (A)(2) of this section, by 3616
personal service, to the subject company at its principal office 3617
not later than the time of the filing with the division. The 3618
offeror shall send or deliver to all offerees in this state, as 3619
soon as practicable after the filing, the material terms of the 3620
proposed offer and the information specified in division (A)(2) of 3621
this section. 3622

(2) The information to be filed with the division, with the 3623
subject company, and with any other offeror, pursuant to division 3624
(A)(1) of this section, shall include: 3625

(a) Copies of all prospectuses, brochures, advertisements, 3626
circulars, letters, or other matter by means of which the offeror 3627
proposes to disclose to offerees all information material to a 3628
decision to accept or reject the offer; 3629

(b) The identity and background of all persons on whose 3630
behalf the acquisition of any equity security of the subject 3631
company has been or is to be effected; 3632

(c) The source and amount of funds or other consideration 3633
used or to be used in acquiring any equity security, including a 3634
statement describing any securities, other than the existing 3635
capital stock or long term debt of the offeror, which are being 3636
offered in exchange for the equity securities of the subject 3637
company; 3638

(d) A statement of any plans or proposals that the offeror, 3639
upon gaining control, may have to liquidate the subject company, 3640
sell its assets, effect a merger or consolidation of it, 3641

establish, terminate, convert, or amend employee benefit plans, 3642
close any plant or facility of the subject company or of any of 3643
its subsidiaries or affiliates, change or reduce the work force of 3644
the subject company or any of its subsidiaries or affiliates, or 3645
make any other major change in its business, corporate structure, 3646
management personnel, or policies of employment; 3647

(e) The number of shares of any equity security of the 3648
subject company of which each offeror is beneficial or record 3649
owner or has a right to acquire, directly or indirectly, together 3650
with the name and address of each person defined in this section 3651
as an offeror; 3652

(f) Particulars as to any contracts, arrangements, or 3653
understandings to which an offeror is party with respect to any 3654
equity security of the subject company, including transfers of any 3655
equity security, joint ventures, loan or option arrangements, puts 3656
and calls, guarantees of loan, guarantees against loss, guarantees 3657
of profits, division of losses or profits, or the giving or 3658
withholding of proxies, naming the persons with whom such 3659
contracts, arrangements, or understandings have been entered into; 3660

(g) Complete information on the organization and operations 3661
of the offeror, including the year of organization; the form of 3662
organization; the jurisdiction in which it is organized; a 3663
description of each class of the offeror's capital stock and of 3664
its long term debt; financial statements for the current period 3665
and for the three most recent annual accounting periods, unless 3666
the division by rule determines that the financial statements are 3667
not material or permits the filing of financial statements for 3668
less than the three most recent annual accounting periods; a brief 3669
description of the location and general character of the principal 3670
physical properties of the offeror and its subsidiaries; a 3671
description of pending legal proceedings other than routine 3672
litigation to which the offeror or any of its subsidiaries is a 3673

party or of which any of their property is the subject; a brief
description of the business done and projected by the offeror and
its subsidiaries and the general development of such business over
the past three years; the names of all directors and executive
officers together with biographical summaries of each for the
preceding three years to date; and the approximate amount of any
material interest, direct or indirect, of any of the directors or
officers in any material transaction during the past three years,
or in any proposed material transactions, to which the offeror or
any of its subsidiaries was or is to be a party;

(h) Such other and further documents, exhibits, data, and
information as ~~may be~~ required by regulations of the division, or
as ~~may be~~ necessary to make fair, full, and effective disclosure
to offerees of all information material to a decision to accept or
reject the offer.

(3) Within five calendar days of the date of filing by an
offeror of information specified in division (A)(2) of this
section, the division may by order summarily suspend the
continuation of the control bid if the division determines that
all of the information specified has not been provided by the
offeror or that the control bid materials provided to offerees do
not provide full disclosure to offerees of all material
information concerning the control bid. Such a suspension shall
remain in effect only until the determination following a hearing
held pursuant to division (A)(4) of this section.

(4) A hearing shall be scheduled and held by the division
with respect to each suspension imposed under division (A)(3) of
this section. The hearing shall be held within ten calendar days
of the date on which the suspension is imposed. Chapter 119. of
the Revised Code does not apply to a hearing held under ~~this~~
division (A)(4) of this section. The division may allow any
interested party to appear at and participate in the hearing in a

manner considered appropriate by the division. The determination 3706
of the division made following the hearing shall be made within 3707
three calendar days after the hearing has been completed, and no 3708
later than fourteen calendar days after the date on which the 3709
suspension is imposed. The division, by rule or order, may 3710
prescribe time limits for conducting the hearing and for the 3711
making of the determination that are shorter than those specified 3712
in this division. If, based upon the hearing, the division 3713
determines that all of the information required to be provided by 3714
division (A)(2) of this section has not been provided by the 3715
offeror, that the control bid materials provided to offerees do 3716
not provide full disclosure to offerees of all material 3717
information concerning the control bid, or that the control bid is 3718
in material violation of any provision of this chapter, the 3719
division shall maintain the suspension of the continuation of the 3720
control bid, subject to the right of the offeror to correct 3721
disclosure and other deficiencies identified by the division and 3722
to reinstitute the control bid by filing new or amended 3723
information pursuant to this section. 3724

(5)(a) If an offeror increases or decreases the percentage of 3725
the class of securities being sought, the consideration offered, 3726
or the dealer's soliciting fee in connection with a control bid 3727
for any securities of a subject company pursuant to a tender offer 3728
or request or invitation for tenders, or makes any other change in 3729
the terms or conditions of the tender offer or request or 3730
invitation for tenders that requires the offeror to hold the 3731
tender offer or request or invitation for tenders open for at 3732
least ten business days from the date that notice of the change is 3733
first published or sent to security holders in this state, the 3734
offeror shall file with the division both of the following: 3735

(i) All material information, including all information sent 3736
or otherwise provided to offerees in this state, pertaining to the 3737

increase, decrease, or other change; 3738

(ii) All material information required to update the 3739
information filed with the division pursuant to division (A)(2) of 3740
this section. 3741

(b) The offeror shall file the information described in 3742
division (A)(5)(a) with the division not later than the date on 3743
which the information regarding the increase, decrease, or other 3744
change first is published or sent to offerees in this state. The 3745
offeror shall deliver a copy of the information, by personal 3746
services, to the subject company at its principal office not later 3747
than the time of the filing with the division. 3748

(6) Within three calendar days of the date of filing by an 3749
offeror of the information specified in division (A)(5) of this 3750
section, the division, by order, may summarily suspend the 3751
continuation of the control bid if the division determines that 3752
all of the information specified has not been provided by the 3753
offeror or that the information provided to offerees does not 3754
provide full disclosure to offerees of all material information 3755
concerning the increase, decrease, or other change. The suspension 3756
shall remain in effect only until the determination following a 3757
hearing held pursuant to division (A)(7) of this section. 3758

(7) The division shall schedule and hold, within three 3759
calendar days of the date on which the suspension is imposed, a 3760
hearing with respect to each suspension imposed under division 3761
(A)(6) of this section. Chapter 119. of the Revised Code does not 3762
apply to a hearing held under division (A)(7) of this section. The 3763
division may allow any interested party to appear at and 3764
participate in the hearing in a manner considered appropriate by 3765
the division. The division shall make a determination following 3766
the hearing within three calendar days after the hearing has been 3767
completed, and not later than nine calendar days after the date on 3768

which the information regarding the increase, decrease, or other 3769
change first is published or sent to offerees in this state. The 3770
division, by rule or order, may prescribe time limits for 3771
conducting the hearing and for the making of the determination 3772
that are shorter than those specified in this division. If, based 3773
upon the hearing, the division determines that all of the 3774
information required to be provided by division (A)(5) of this 3775
section has not been provided by the offeror; that the information 3776
provided to offerees does not provide full disclosure to offerees 3777
of all material information concerning the increase, decrease, or 3778
other change; or that the control bid is in material violation of 3779
any provision of this chapter, the division shall maintain the 3780
suspension of the continuation of the control bid, subject to the 3781
right of the offeror to correct disclosure and other deficiencies 3782
identified by the division and to reinstate the control bid by 3783
filing new or amended information pursuant to this section. 3784

(B)(1) No control bid shall be made pursuant to a tender 3785
offer or request or invitation for tenders unless division (A) of 3786
section 1707.14 of the Revised Code has been complied with, and no 3787
offeror shall make a control bid that is not made to all holders 3788
residing in this state of the equity security that is the subject 3789
of the control bid, or that is not made to ~~such~~ holders on the 3790
same terms as the control bid is made to holders of such equity 3791
security not residing in this state. 3792

(2) No offeror may make a control bid pursuant to a tender 3793
offer or request or invitation for tenders or acquire any equity 3794
security in this state pursuant to a control bid at any time 3795
during which any proceeding by the division alleging a violation 3796
of any provision of this chapter is pending against the offeror. 3797

(3) No offeror may acquire from any resident of this state, 3798
in any manner, any equity security of any class of a subject 3799
company at any time within two years following the last 3800

acquisition of any security of the same class pursuant to a 3801
control bid pursuant to a tender offer or request or invitation 3802
for tenders by that offeror, whether the acquisition was made by 3803
purchase, exchange, merger, consolidation, partial or complete 3804
liquidation, redemption, reverse stock split, recapitalization, 3805
reorganization, or any other similar transaction, unless the 3806
resident is afforded, at the time of the later acquisition, a 3807
reasonable opportunity to dispose of the security to the offeror 3808
upon substantially the same terms as those provided in the earlier 3809
control bid. 3810

(4) If an offeror makes a tender offer or request or 3811
invitation for tenders not subject to Rule 14D-1 or Rule 14D-4 of 3812
the securities and exchange commission under the "Securities 3813
Exchange Act of 1934," for less than all the outstanding equity 3814
securities of a class, and if a greater number of securities is 3815
deposited pursuant thereto within ten days after copies of the 3816
offer or request or invitation for tenders are first published or 3817
sent or given to security holders than the offeror is bound or 3818
willing to take up and pay for, the securities shall be taken up 3819
as nearly as may be pro rata, disregarding fractions, according to 3820
the number of securities deposited by each offeree. The preceding 3821
sentence applies to securities deposited within ten days after 3822
notice of an increase in the consideration offered to security 3823
holders, as described in the next sentence, is first published or 3824
sent or given to security holders. If the terms of a control bid 3825
are changed before its expiration by increasing the consideration 3826
offered to offerees, the offeror shall pay the increased 3827
consideration for all equity securities taken up, whether the same 3828
are deposited or taken up before or after the change in the terms 3829
of the control bid. 3830

(C) If the offeror or the subject company is a banking 3831
corporation or savings and loan association subject to regulation 3832

by the division of financial institutions, or is a public utility 3833
corporation subject to regulation by the public utilities 3834
commission, the division of securities shall immediately, upon 3835
receipt of the filing required under division (A) of this section, 3836
furnish a copy of the filing to the regulatory body having 3837
jurisdiction over the offeror or subject company. 3838

(D) An offeror is subject to the liabilities and penalties 3839
applicable to a seller, and an offeree is entitled to the remedies 3840
applicable to a purchaser, as set forth in sections 1707.041 to 3841
1707.44 of the Revised Code. 3842

(E) The division of securities may, pursuant to Chapter 119. 3843
of the Revised Code, prescribe reasonable rules: 3844

(1) Defining fraudulent, evasive, deceptive, or grossly 3845
unfair practices in connection with control bids, and defining the 3846
terms used in this section; 3847

(2) Exempting from this section control bids not made for the 3848
purpose of, and not having the effect of, changing or influencing 3849
the control of a subject company; 3850

(3) Covering ~~such~~ other matters as ~~are~~ necessary to give 3851
effect to this section. 3852

(F) If the offeror or a subject company is an insurance 3853
company subject to regulation under Title XXXIX of the Revised 3854
Code, the superintendent of insurance shall for all purposes of 3855
this section be substituted for the division of securities. This 3856
section shall not be construed to limit or modify in any way any 3857
responsibility, authority, power, or jurisdiction of the division 3858
of securities or the superintendent of insurance pursuant to any 3859
other section of the Revised Code. 3860

(G) This section does not apply when: 3861

(1) The offeror or the subject company is a public utility or 3862

a public utility holding company as defined in section 2 of the 3863
"Public Utility Holding Company Act of 1935," 49 Stat. 803, 15 3864
U.S.C. 79, as amended, and the control bid is subject to approval 3865
by the appropriate federal agency as provided in such act; 3866

(2) The offeror or the subject company is a bank or a bank 3867
holding company as subject to the "Bank Holding Company Act of 3868
1956," 70 Stat. 133, 12 U.S.C. 1841, and subsequent amendments 3869
thereto, and the control bid is subject to approval by the 3870
appropriate federal agency as provided in such act; 3871

(3) The offeror or the subject company is a savings and loan 3872
holding company as defined in section 2 of the "Savings and Loan 3873
Holding Company Amendments of 1967," 82 Stat. 5, 12 U.S.C. 1730a, 3874
as amended, and the control bid is subject to approval by the 3875
appropriate federal agency as provided in such act; 3876

(4) The offeror and the subject company are banks and the 3877
offer is part of a merger transaction subject to approval by 3878
appropriate federal supervisory authorities. 3879

(H) If any application of any provision of this section is 3880
for any reason held to be illegal or invalid, the illegality or 3881
invalidity shall not affect any legal and valid provision or 3882
application of this section, and the parts and application of this 3883
section are severable. 3884

Sec. 1707.142. (A) Every dealer required to be licensed under 3885
section 1707.14 of the Revised Code shall comply with all broker 3886
and dealer capital, custody, margin, financial responsibility, 3887
record-making, record-keeping, bonding, financial reporting, and 3888
operational reporting requirements contained in Section 15 of the 3889
"Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78o, as 3890
amended, and section 17 of the "Securities Exchange Act of 1934," 3891
48 Stat. 881, 15 U.S.C. 78q, as amended, and the rules of the 3892

securities and exchange commission promulgated under those 3893
sections. 3894

(B)(1) Subject to division (B)(2) of this section, every 3895
dealer required to be licensed under section 1707.14 of the 3896
Revised Code shall file with the division of securities any report 3897
or document that rules adopted pursuant to section 15 of the 3898
"Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78o, as 3899
amended, and section 17 of the "Securities Exchange Act of 1934," 3900
48 Stat. 881, 15 U.S.C. 78g, as amended, require federally 3901
registered brokers or dealers to file with the securities and 3902
exchange commission. 3903

(2) Except as otherwise provided by rule or order of the 3904
division, if a dealer has filed a report or document described in 3905
division (B)(1) of this section with the securities and exchange 3906
commission, the document or report shall be deemed to also have 3907
been filed with the division. 3908

(C) The division by order or rule may permit, but not 3909
require, a dealer that is not required by federal law or the law 3910
of this state to register as a broker or dealer with the 3911
securities and exchange commission to do both of the following: 3912

(1) Elect one or more alternative financial and reporting 3913
provisions that are acceptable to the division. For purposes of 3914
division (C)(1) of this section, "alternative financial and 3915
reporting provision" means any capital, custody, margin, financial 3916
responsibility, record-making, record-keeping, bonding, financial 3917
reporting, or operational reporting provision that differs from 3918
those established by the securities and exchange commission. 3919

(2) Elect an exemption, the scope of which is acceptable to 3920
the division, from all or a specified part of the capital, 3921
custody, margin, financial responsibility, record-making, 3922

record-keeping, bonding, financial reporting, or operational 3923
reporting requirements contained in section 15 of the "Securities 3924
Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78o, as amended, or 3925
section 17 of the "Securities Exchange Act of 1934," 48 Stat. 881, 3926
15 U.S.C. 78q, as amended, or the rules of the securities and 3927
exchange commission promulgated under those sections. 3928

(D) For purposes of division (C) of this section, in 3929
determining an acceptable alternative financial and reporting 3930
provision and in determining the acceptable scope of any exemption 3931
that is elected, the division shall consider the size, scope, and 3932
type of business of the dealers who will be permitted to elect the 3933
provision or exemption and shall consider the protection of 3934
investors and customers of the electing dealers. 3935

Sec. 1707.20. (A)(1) The division of securities may adopt, 3936
amend, and rescind such rules, forms, and orders as are necessary 3937
to carry out sections 1707.01 to 1707.45 of the Revised Code, 3938
including rules and forms governing registration statements, 3939
applications, and reports, and defining any terms, whether or not 3940
used in sections 1707.01 to 1707.45 of the Revised Code, insofar 3941
as the definitions are not inconsistent with these sections. For 3942
the purpose of rules and forms, the division may classify 3943
securities, persons, and matters within its jurisdiction, and 3944
prescribe different requirements for different classes. 3945

(2) Notwithstanding sections 121.71 to 121.76 of the Revised 3946
Code, the division may incorporate by reference into its rules any 3947
statute enacted by the United States congress or any rule, 3948
regulation, or form promulgated by the securities and exchange 3949
commission, or by another federal agency, in a manner that also 3950
incorporates all future amendments to the statute, rule, 3951
regulation, or form. 3952

(B) No rule, form, or order may be made, amended, or 3953

rescinded unless the division finds that the action is necessary 3954
or appropriate in the public interest or for the protection of 3955
investors, clients, prospective clients, state retirement systems, 3956
or the workers' compensation system and consistent with the 3957
purposes fairly intended by the policy and provisions of sections 3958
1707.01 to 1707.45 of the Revised Code. In prescribing rules and 3959
forms and in otherwise administering sections 1707.01 to 1707.45 3960
of the Revised Code, the division may cooperate with the 3961
securities administrators of the other states and the securities 3962
and exchange commission with a view of effectuating the policy of 3963
this section to achieve maximum uniformity in the form and content 3964
of registration statements, applications, reports, and overall 3965
securities regulation wherever practicable. 3966

(C) The division may by rule or order prescribe: 3967

(1) The form and content of financial statements required 3968
under sections 1707.01 to 1707.45 of the Revised Code; 3969

(2) The circumstances under which consolidated financial 3970
statements ~~shall~~ will be filed; 3971

(3) Whether any required financial statements shall be 3972
certified by independent or certified public accountants. All 3973
financial statements shall be prepared in accordance with 3974
generally accepted accounting practices. 3975

(D) All rules and forms of the division shall be published; 3976
and in addition to fulfilling the requirements of Chapter 119. of 3977
the Revised Code, the division shall prescribe, and shall publish 3978
and make available its rules regarding the sale of securities, the 3979
administration of sections 1707.01 to 1707.45 of the Revised Code, 3980
and the procedure and practice before the division. 3981

(E) (1) No provision of sections 1707.01 to 1707.45 of the 3982
Revised Code imposing any liability applies to any act done or 3983
omitted in good faith in conformity with any rule, form, or order 3984

of the division of securities, notwithstanding that the rule, 3985
form, or order may later be amended or rescinded or be determined 3986
by judicial or other authority to be invalid for any reason, 3987
except that the issuance of an order granting effectiveness to a 3988
registration under section 1707.09 or 1707.091 of the Revised Code 3989
for the purposes of this division shall not be deemed an order 3990
other than as the establishment of the fact of registration. 3991

(2) No provision of sections 1707.01 to 1707.45 of the 3992
Revised Code imposing any liability, penalty, sanction, or 3993
disqualification applies to any act done or omitted in good faith 3994
in conformity with either of the following: 3995

(a) Any provision of sections 1707.01 to 1707.45 of the 3996
Revised Code that incorporates by reference a federal statute, 3997
rule, regulation, or form; 3998

(b) Any rule, form, or order of the division that 3999
incorporates by reference a federal statute, rule, regulation, or 4000
form. 4001

Division (E)(2) of this section applies notwithstanding that 4002
the incorporation by reference, or any application of the 4003
incorporated provision, is later determined by judicial or other 4004
authority to be unconstitutional or invalid for any reason. 4005

Sec. 1707.44. (A)(1) No person shall engage in any act or 4006
practice that violates division (A), (B), or (C) of section 4007
1707.14 of the Revised Code, and no salesperson shall sell 4008
securities in this state without being licensed pursuant to 4009
section 1707.16 of the Revised Code. 4010

(2) No person shall engage in any act or practice that 4011
violates division (A) of section 1707.141 or section 1707.161 of 4012
the Revised Code. 4013

(3) No person shall engage in any act or practice that 4014

violates section 1707.162 of the Revised Code.	4015
(4) No person shall engage in any act or practice that	4016
violates section 1707.164 of the Revised Code.	4017
(B) No person shall knowingly make or cause to be made any	4018
false representation concerning a material and relevant fact, in	4019
any oral statement or in any prospectus, circular, description,	4020
application, or written statement, for any of the following	4021
purposes:	4022
(1) Registering securities or transactions, or exempting	4023
securities or transactions from registration, under this chapter;	4024
(2) Securing the qualification of any securities under this	4025
chapter;	4026
(3) Procuring the licensing of any dealer, salesperson,	4027
investment adviser, investment adviser representative, bureau of	4028
workers' compensation chief investment officer, or state	4029
retirement system investment officer under this chapter;	4030
(4) Selling any securities in this state;	4031
(5) Advising for compensation, as to the value of securities	4032
or as to the advisability of investing in, purchasing, or selling	4033
securities;	4034
(6) Submitting a notice filing to the division under division	4035
(X) of section 1707.03 or section 1707.092 or 1707.141 of the	4036
Revised Code.	4037
(C) No person shall knowingly sell, cause to be sold, offer	4038
for sale, or cause to be offered for sale, any security which	4039
comes under any of the following descriptions:	4040
(1) Is not exempt under section 1707.02 of the Revised Code,	4041
nor the subject matter of one of the transactions exempted in	4042
section 1707.03, 1707.04, or 1707.34 of the Revised Code, has not	4043
been registered by coordination or qualification, and is not the	4044

subject matter of a transaction that has been registered by 4045
description; 4046

(2) The prescribed fees for registering by description, by 4047
coordination, or by qualification have not been paid in respect to 4048
such security; 4049

(3) The person has been notified by the division, or has 4050
knowledge of the notice, that the right to buy, sell, or deal in 4051
such security has been suspended or revoked, or that the 4052
registration by description, by coordination, or by qualification 4053
under which it may be sold has been suspended or revoked; 4054

(4) The offer or sale is accompanied by a statement that the 4055
security offered or sold has been or is to be in any manner 4056
indorsed by the division. 4057

(D) No person who is an officer, director, or trustee of, or 4058
a dealer for, any issuer, and who knows such issuer to be 4059
insolvent in that the liabilities of the issuer exceed its assets, 4060
shall sell any securities of or for any such issuer, without 4061
disclosing the fact of the insolvency to the purchaser. 4062

(E) No person with intent to aid in the sale of any 4063
securities on behalf of the issuer, shall knowingly make any 4064
representation not authorized by such issuer or at material 4065
variance with statements and documents filed with the division by 4066
such issuer. 4067

(F) No person, with intent to deceive, shall sell, cause to 4068
be sold, offer for sale, or cause to be offered for sale, any 4069
securities of an insolvent issuer, with knowledge that such issuer 4070
is insolvent in that the liabilities of the issuer exceed its 4071
assets, taken at their fair market value. 4072

(G) No person in purchasing or selling securities shall 4073
knowingly engage in any act or practice that is, in this chapter, 4074

declared illegal, defined as fraudulent, or prohibited. 4075

(H) No licensed dealer shall refuse to buy from, sell to, or 4076
trade with any person because the person appears on a blacklist 4077
issued by, or is being boycotted by, any foreign corporate or 4078
governmental entity, nor sell any securities of or for any issuer 4079
who is known in relation to the issuance or sale of the securities 4080
to have engaged in such practices. 4081

(I) No dealer in securities, knowing that the dealer's 4082
liabilities exceed the reasonable value of the dealer's assets, 4083
shall accept money or securities, except in payment of or as 4084
security for an existing debt, from a customer who is ignorant of 4085
the dealer's insolvency, and thereby cause the customer to lose 4086
any part of the customer's securities or the value of those 4087
securities, by doing either of the following without the 4088
customer's consent: 4089

(1) Pledging, selling, or otherwise disposing of such 4090
securities, when the dealer has no lien on or any special property 4091
in such securities; 4092

(2) Pledging such securities for more than the amount due, or 4093
otherwise disposing of such securities for the dealer's own 4094
benefit, when the dealer has a lien or indebtedness on such 4095
securities. 4096

It is an affirmative defense to a charge under this division 4097
that, at the time the securities involved were pledged, sold, or 4098
disposed of, the dealer had in the dealer's possession or control, 4099
and available for delivery, securities of the same kinds and in 4100
amounts sufficient to satisfy all customers entitled to the 4101
securities, upon demand and tender of any amount due on the 4102
securities. 4103

(J) No person, with purpose to deceive, shall make, issue, 4104
publish, or cause to be made, issued, or published any statement 4105

or advertisement as to the value of securities, or as to alleged
facts affecting the value of securities, or as to the financial
condition of any issuer of securities, when the person knows that
~~such~~ the statement or advertisement is false in any material
respect.

(K) No person, with purpose to deceive, shall make, record,
or publish or cause to be made, recorded, or published, a report
of any transaction in securities which is false in any material
respect.

(L) No dealer shall engage in any act that violates the
provisions of section 15(c) or 15(g) of the "Securities Exchange
Act of 1934," 48 Stat. 881, 15 U.S.C.A. 78o(c) or (g), or any rule
or regulation promulgated by the securities and exchange
commission thereunder. ~~If, subsequent to October 11, 1994,~~
~~additional amendments to section 15(c) or 15(g) are adopted, or~~
~~additional rules or regulations are promulgated pursuant to such~~
~~sections, the division of securities shall, by rule, adopt the~~
~~amendments, rules, or regulations, unless the division finds that~~
~~the amendments, rules, or regulations are not necessary for the~~
~~protection of investors or in the public interest.~~

(M)(1) No investment adviser or investment adviser
representative shall do any of the following:

(a) Employ any device, scheme, or artifice to defraud any
person;

(b) Engage in any act, practice, or course of business that
operates or would operate as a fraud or deceit upon any person;

(c) In acting as principal for the investment adviser's or
investment adviser representative's own account, knowingly sell
any security to or purchase any security from a client, or in
acting as salesperson for a person other than such client,
knowingly effect any sale or purchase of any security for the

account of such client, without disclosing to the client in 4137
writing before the completion of the transaction the capacity in 4138
which the investment adviser or investment adviser representative 4139
is acting and obtaining the consent of the client to the 4140
transaction. Division (M)(1)(c) of this section does not apply to 4141
any investment adviser registered with the securities and exchange 4142
commission under section 203 of the "Investment Advisers Act of 4143
1940," 15 U.S.C. 80b-3, or to any transaction with a customer of a 4144
licensed dealer or salesperson if the licensed dealer or 4145
salesperson is not acting as an investment adviser or investment 4146
adviser representative in relation to the transaction. 4147

(d) Engage in any act, practice, or course of business that 4148
is fraudulent, deceptive, or manipulative. The division of 4149
securities may adopt rules reasonably designed to prevent ~~such~~ 4150
acts, practices, or courses of business that are fraudulent, 4151
deceptive, or manipulative. 4152

(2) No investment adviser or investment adviser 4153
representative licensed or required to be licensed under this 4154
chapter shall take or have custody of any securities or funds of 4155
any person, except as provided in rules adopted by the division. 4156

(3) In the solicitation of clients or prospective clients, no 4157
person shall make any untrue statement of a material fact or omit 4158
to state a material fact necessary in order to make the statements 4159
made not misleading in light of the circumstances under which the 4160
statements were made. 4161

(N) No person knowingly shall influence, coerce, manipulate, 4162
or mislead any person engaged in the preparation, compilation, 4163
review, or audit of financial statements to be used in the 4164
purchase or sale of securities for the purpose of rendering the 4165
financial statements materially misleading. 4166

(O) No state retirement system investment officer shall do 4167

any of the following:	4168
(1) Employ any device, scheme, or artifice to defraud any state retirement system;	4169 4170
(2) Engage in any act, practice, or course of business that operates or would operate as a fraud or deceit on any state retirement system;	4171 4172 4173
(3) Engage in any act, practice, or course of business that is fraudulent, deceptive, or manipulative. The division of securities may adopt rules reasonably designed to prevent such acts, practices, or courses of business as are fraudulent, deceptive, or manipulative;	4174 4175 4176 4177 4178
(4) Knowingly fail to comply with any policy adopted regarding the officer established pursuant to section 145.094, 742.104, 3307.043, 3309.043, or 5505.065 of the Revised Code.	4179 4180 4181
(P) No bureau of workers' compensation chief investment officer shall do any of the following:	4182 4183
(1) Employ any device, scheme, or artifice to defraud the workers' compensation system;	4184 4185
(2) Engage in any act, practice, or course of business that operates or would operate as a fraud or deceit on the workers' compensation system;	4186 4187 4188
(3) Engage in any act, practice, or course of business that is fraudulent, deceptive, or manipulative. The division of securities may adopt rules reasonably designed to prevent such acts, practices, or courses of business as are fraudulent, deceptive, or manipulative;	4189 4190 4191 4192 4193
(4) Knowingly fail to comply with any policy adopted regarding the officer established pursuant to section 4123.441 of the Revised Code.	4194 4195 4196

Sec. 1775.01. As used in this chapter:	4197
(A) "Court" includes every court and judge having jurisdiction in the case.	4198 4199
(B) "Business" includes every trade, occupation, or profession.	4200 4201
(C) "Person" includes individuals, partnerships, trustees, executors, administrators, other fiduciaries, corporations, and other associations.	4202 4203 4204
(D) "Bankrupt" includes bankrupt under the federal bankruptcy act or insolvent under any state insolvency law.	4205 4206
(E) "Conveyance" includes every assignment, lease, mortgage, or encumbrance.	4207 4208
(F) "Real property" includes land and any interest or estate in land.	4209 4210
<u>(G) "Entity" means either of the following:</u>	4211
<u>(1) A for profit corporation existing under the laws of this state or any other state;</u>	4212 4213
<u>(2) Any of the following organizations existing under the laws of this state, the United States, or any other state:</u>	4214 4215
<u>(a) A business trust or association;</u>	4216
<u>(b) A real estate investment trust;</u>	4217
<u>(c) A common law trust;</u>	4218
<u>(d) An unincorporated business or for profit organization, including a general or limited partnership;</u>	4219 4220
<u>(e) A limited liability company.</u>	4221
Sec. 1775.05. (A) A partnership is an association <u>entity</u> of two or more persons to carry on as co-owners a business for profit	4222 4223

and includes such an ~~association~~ entity that has limited liability 4224
as provided in this chapter and that is registered under section 4225
1775.61 of the Revised Code. 4226

(B) Any ~~association~~ entity formed under any other statute of 4227
this state, or any statute adopted by authority, other than the 4228
authority of this state, is not a partnership under sections 4229
1775.01 to 1775.65 of the Revised Code, unless ~~such association~~ 4230
the entity would have been a partnership in this state prior to 4231
September 14, 1949, but such sections apply to limited 4232
partnerships except in so far as the statutes relating to ~~such~~ 4233
these partnerships are inconsistent herewith. 4234

(C) Except as otherwise provided in the Ohio Constitution, 4235
the organization and internal affairs of a foreign limited 4236
liability partnership and the liability of the partners for the 4237
debts, obligations, or other liabilities of any kind of, or 4238
chargeable to, the foreign limited liability partnership shall be 4239
governed by the laws of the state under which the foreign limited 4240
liability partnership is organized. 4241

(D) For purposes of this chapter, "foreign limited liability 4242
partnership" means a limited liability partnership organized and 4243
registered as such pursuant to the laws of another state. 4244

Sec. 1775.14. (A) Subject to section 1339.65 of the Revised 4245
Code and except as provided in division (B) of this section, all 4246
partners are liable as follows: 4247

(1) Jointly and severally for everything chargeable to the 4248
partnership under sections 1775.12 and 1775.13 of the Revised 4249
Code. This joint and several liability is not subject to section 4250
2307.22 or 2315.36 of the Revised Code with respect to a tort 4251
claim that otherwise is subject to either of those sections. 4252

(2) Jointly for all other debts and obligations of the 4253

partnership, but any partner may enter into a separate obligation 4254
to perform a partnership contract. 4255

(B) Subject to divisions (C)(1) and (2) of this section or as 4256
otherwise provided in a written agreement between the partners of 4257
a registered limited liability partnership, a partner in a 4258
registered limited liability partnership, solely by reason of 4259
being a partner; acting or failing to act as a partner; or 4260
participating as an employee, consultant, contractor, or otherwise 4261
in the conduct of the business or activities of the registered 4262
limited liability partnership while the partnership is a 4263
registered limited liability partnership, is not personally 4264
liable, directly or indirectly, by way of indemnification, 4265
contribution, assessment, or otherwise, for debts, obligations, or 4266
other liabilities of any kind of, or chargeable to, the 4267
partnership or another partner or partners arising from negligence 4268
or from wrongful acts, errors, omissions, or misconduct, whether 4269
or not intentional or characterized as tort, contract, or 4270
otherwise, committed or occurring while the partnership is a 4271
registered limited liability partnership ~~and~~ or committed or 4272
occurring in the course of the partnership business by another 4273
partner or an employee, agent, or representative of the 4274
partnership. 4275

(C)(1) Division (B) of this section does not affect the 4276
liability of a partner in a registered limited liability 4277
partnership for that partner's own negligence, wrongful acts, 4278
errors, omissions, or misconduct, including that partner's own 4279
negligence, wrongful acts, errors, omissions, or misconduct in 4280
directly supervising any other partner or any employee, agent, or 4281
representative of the partnership. 4282

(2) Division (B) of this section shall not affect the 4283
liability of a partner for liabilities imposed by Chapters 5735., 4284
5739., 5743., and 5747. and section 3734.908 of the Revised Code. 4285

(D) A partner in a registered limited liability partnership 4286
is not a proper party to an action or proceeding by or against a 4287
registered limited liability partnership with respect to any debt, 4288
obligation, or other liability of any kind described in division 4289
(B) of this section, unless the partner is liable under divisions 4290
(C)(1) and (2) of this section. 4291

(E) A registered limited liability partnership is liable out 4292
of partnership assets for partnership debts, obligations, and 4293
liabilities. 4294

(F)(1) The personal liability of a partner solely by reason 4295
of being such a partner, or acting or omitting to act in such 4296
capacity, of a registered limited liability partnership organized 4297
and registered under the laws of this state shall be determined 4298
only under the laws of this state. 4299

(2) The only actions required of a registered limited 4300
liability partnership or of individual partners in such a 4301
partnership in order to avail themselves of the limited liability 4302
provisions of this section are those required by this chapter. 4303

Sec. 1775.45. (A) Pursuant to a written agreement of merger 4304
between the constituent entities as provided in this section, a 4305
domestic ~~general~~ partnership and one or more additional domestic 4306
~~general~~ partnerships or other domestic or foreign entities may be 4307
merged into a surviving domestic ~~general~~ partnership. Pursuant to 4308
a written agreement of consolidation between the constituent 4309
entities as provided in this section, two or more domestic or 4310
foreign entities may be consolidated into a new domestic ~~general~~ 4311
partnership formed by such consolidation. If any constituent 4312
entity is formed or organized under the laws of any state other 4313
than this state or under any chapter of the Revised Code other 4314
than this chapter, the merger or consolidation also must be 4315
permitted by the chapter of the Revised Code under which each 4316

domestic constituent entity exists and by the laws under which 4317
each foreign constituent entity exists. 4318

(B) The written agreement of merger or consolidation of 4319
constituent entities into a surviving or new domestic ~~general~~ 4320
partnership shall set forth all of the following: 4321

(1) The name and the form of entity of each constituent 4322
entity, the state under the laws of which each constituent entity 4323
exists, and the name of the surviving or new domestic ~~general~~ 4324
partnership; 4325

(2) In the case of a merger, that one or more specified 4326
constituent entities will be merged into a specified surviving 4327
domestic ~~general~~ partnership, and, in the case of a consolidation, 4328
that the constituent entities will be consolidated into a new 4329
domestic ~~general~~ partnership; 4330

(3) All statements and matters required to be set forth in 4331
such an agreement of merger or consolidation by the laws under 4332
which each constituent entity exists; 4333

(4) In the case of a consolidation, the partnership agreement 4334
of the new domestic ~~general~~ partnership or a provision that the 4335
written partnership agreement of a specified constituent ~~general~~ 4336
partnership, a copy of which shall be attached to the agreement of 4337
consolidation, with any amendments that are set forth in the 4338
agreement of consolidation, shall be the agreement of ~~general~~ 4339
partnership of the new domestic ~~general~~ partnership; 4340

(5) The name and address of the statutory agent upon whom any 4341
process, notice, or demand against any constituent entity, the 4342
surviving domestic ~~general~~ partnership, or the new domestic 4343
~~general~~ partnership may be served; 4344

(6) In the case of a merger, any changes in the general 4345
partners of the surviving domestic ~~general~~ partnership and, in the 4346
case of a consolidation, the general partners of the new domestic 4347

~~general~~ partnership or a provision specifying the general partners 4348
of one or more specified constituent partnerships that shall 4349
constitute the initial general partners of the new domestic 4350
~~general~~ partnership; 4351

(7) The terms of the merger or consolidation; the mode of 4352
carrying them into effect; and the manner and basis of converting 4353
the interests or shares in the constituent entities into, or 4354
substituting the interests or shares in the constituent entities 4355
for, interests, evidences of indebtedness, other securities, cash, 4356
rights, or any other property or any combination of interests, 4357
evidences of indebtedness, securities, cash, rights, or any other 4358
property of the surviving domestic ~~general~~ partnership, of the new 4359
domestic ~~general~~ partnership, or of any other entity. No such 4360
conversion or substitution shall be effected if there are 4361
reasonable grounds to believe that the conversion or substitution 4362
would render the surviving or new domestic ~~general~~ partnership 4363
unable to pay its obligations as they become due in the usual 4364
course of its affairs. 4365

(C) The written agreement of merger or consolidation of 4366
constituent entities into a surviving or new domestic ~~general~~ 4367
partnership may set forth any of the following: 4368

(1) The effective date of the merger or consolidation, which 4369
date may be on or after the date of the filing of the certificate 4370
of merger or consolidation; 4371

(2) A provision authorizing one or more of the constituent 4372
entities to abandon the proposed merger or consolidation prior to 4373
filing the certificate of merger or consolidation pursuant to 4374
section 1775.47 of the Revised Code by action of the ~~general~~ 4375
partners of a constituent partnership, the directors of a 4376
constituent corporation, or the comparable representatives of any 4377
other constituent entity; 4378

(3) In the case of a merger, any amendments to the agreement of ~~general~~ partnership of the surviving domestic ~~general~~ partnership, or a provision that the written partnership agreement of a specified constituent ~~general~~ partnership other than the surviving domestic ~~general~~ partnership, with any amendments that are set forth in the agreement of merger, shall be the partnership agreement of the surviving domestic ~~general~~ partnership;

(4) A statement of, or a statement of the method of determining, the fair value of the assets to be owned by the surviving domestic ~~general~~ partnership;

(5) The parties to the agreement of merger or consolidation in addition to the constituent entities;

(6) Any additional provision necessary or desirable with respect to the proposed merger or consolidation.

(D) To effect the merger or consolidation, the agreement of merger or consolidation shall be adopted by the ~~general~~ partners of each constituent domestic ~~general~~ partnership, including the surviving domestic ~~general~~ partnership in the case of a merger, and shall be adopted by or otherwise authorized by or on behalf of each other constituent entity in accordance with the laws under which it exists.

(E) All partners, whether or not they are entitled to vote or act, shall be given written notice of any meeting of general partners of a constituent domestic ~~general~~ partnership or of any proposed action by general partners of a constituent domestic ~~general~~ partnership, which meeting or action is to adopt an agreement of merger or consolidation. The notice shall be given to the partners either by mail at their addresses as they appear on the records of the partnership or in person and, unless the partnership agreement provides a shorter or longer period, shall be given not less than seven and not more than sixty days before

the meeting or the effective date of the action. The notice shall 4410
be accompanied by a copy or a summary of the material provisions 4411
of the agreement of merger or consolidation. 4412

(F) The vote or action of the ~~general~~ partners of a 4413
constituent domestic ~~general~~ partnership that is required to adopt 4414
an agreement of merger or consolidation is the unanimous vote or 4415
action of the ~~general~~ partners or such different number or 4416
proportion as provided in writing in the partnership agreement. If 4417
the agreement of merger or consolidation would have an effect or 4418
authorize any action that under any applicable provision of law or 4419
the partnership agreement could be effected or authorized only by 4420
or pursuant to a specified vote or action of the partners, or of 4421
any class or group of partners, the agreement of merger or 4422
consolidation also shall be adopted or approved by the same vote 4423
or action as would be required to effect that change or authorize 4424
that action. Each person who will continue to be or who will 4425
become a general partner of a partnership that is the surviving or 4426
new entity in a merger or consolidation shall specifically agree 4427
in writing to continue or to become, as the case may be, a general 4428
partner of the partnership that is the surviving or new entity. 4429

(G) At any time before the filing of the certificate of 4430
merger or consolidation pursuant to section 1775.47 of the Revised 4431
Code, the merger or consolidation may be abandoned by the ~~general~~ 4432
partners of any constituent partnership, the directors of any 4433
constituent corporation, or the comparable representatives of any 4434
other constituent entity if the ~~general~~ partners, directors, or 4435
other representatives are authorized to do so by the agreement of 4436
merger or consolidation or by the same vote or action as was 4437
required to adopt the agreement of merger or consolidation. The 4438
agreement of merger or consolidation may contain a provision 4439
authorizing less than all of the ~~general~~ partners of any 4440
constituent partnership, the directors of any constituent 4441

corporation, or the comparable representatives of any other 4442
constituent entity to amend the agreement of merger or 4443
consolidation at any time before the filing of the certificate of 4444
merger or consolidation, except that, after the adoption of the 4445
agreement of merger or consolidation by the ~~general~~ partners of 4446
any constituent domestic ~~general~~ partnership, less than all of the 4447
~~general~~ partners shall not be authorized to amend the agreement of 4448
merger or consolidation to do any of the following: 4449

(1) Alter or change the amount or kind of interests, shares, 4450
evidences of indebtedness, other securities, cash, rights, or any 4451
other property to be received by ~~general~~ partners of the 4452
constituent domestic ~~general~~ partnership in conversion of, or in 4453
substitution for, their interests; 4454

(2) Alter or change any term of the partnership agreement of 4455
the surviving or new domestic ~~general~~ partnership, except for 4456
alterations or changes that could otherwise be adopted by the 4457
~~general~~ partners of the surviving or new domestic ~~general~~ 4458
partnership; 4459

(3) Alter or change any other terms and conditions of the 4460
agreement of merger or consolidation if any of the alterations or 4461
changes, alone or in the aggregate, would materially adversely 4462
affect the ~~general~~ partners or any class or group of ~~general~~ 4463
partners of the constituent domestic ~~general~~ partnership. 4464

Sec. 1775.46. (A) Pursuant to a written agreement of merger 4465
or consolidation between the constituent entities as provided in 4466
this section, a domestic ~~general~~ partnership and one or more 4467
additional domestic or foreign entities may be merged into a 4468
surviving entity other than a domestic ~~general~~ partnership, or a 4469
domestic ~~general~~ partnership together with one or more additional 4470
domestic or foreign entities may be consolidated into a new entity 4471
other than a domestic ~~general~~ partnership to be formed by such 4472

consolidation. The merger or consolidation must be permitted by 4473
the chapter of the Revised Code under which each domestic 4474
constituent entity exists and by the laws under which each foreign 4475
constituent entity exists. 4476

(B) The written agreement of merger or consolidation shall 4477
set forth all of the following: 4478

(1) The name and the form of entity of each constituent 4479
entity and the state under the laws of which each constituent 4480
entity exists; 4481

(2) In the case of a merger, that one or more specified 4482
constituent domestic ~~general~~ partnerships and other specified 4483
constituent entities will be merged into a specified surviving 4484
foreign entity or surviving domestic entity other than a domestic 4485
~~general~~ partnership, or, in the case of a consolidation, that the 4486
constituent entities will be consolidated into a new foreign 4487
entity or a new domestic entity other than a domestic ~~general~~ 4488
partnership; 4489

(3) If the surviving or new entity is a foreign ~~general~~ 4490
partnership, all statements and matters that would be required by 4491
section 1775.45 of the Revised Code if the surviving or new entity 4492
were a domestic ~~general~~ partnership; 4493

(4) The name and the form of entity of the surviving or new 4494
entity, the state under the laws of which the surviving entity 4495
exists or the new entity is to exist, and the location of the 4496
principal office of the surviving or new entity; 4497

(5) All additional statements and matters required to be set 4498
forth in ~~such~~ an agreement of merger or consolidation by the laws 4499
under which each constituent entity exists and, in the case of a 4500
consolidation, the new entity is to exist; 4501

(6) The consent of the surviving or new foreign entity to be 4502
sued and served with process in this state and the irrevocable 4503

appointment of the secretary of state as its agent to accept 4504
service of process in any proceeding in this state to enforce 4505
against the surviving or new foreign entity any obligation of any 4506
constituent domestic ~~general~~ partnership or to enforce the rights 4507
of a dissenting partner of any constituent domestic ~~general~~ 4508
partnership; 4509

(7) If the surviving or new entity is a foreign corporation 4510
that desires to transact business in this state as a foreign 4511
corporation, a statement to that effect, together with a statement 4512
regarding the appointment of a statutory agent and service of any 4513
process, notice, or demand upon that statutory agent or the 4514
secretary of state, as required when a foreign corporation applies 4515
for a license to transact business in this state; 4516

(8) If the surviving or new entity is a foreign limited 4517
partnership that desires to transact business in this state as a 4518
foreign limited partnership, a statement to that effect, together 4519
with all of the information required under section 1782.49 of the 4520
Revised Code when a foreign limited partnership registers to 4521
transact business in this state; 4522

(9) If the surviving or new entity is a foreign limited 4523
liability company that desires to transact business in this state 4524
as a foreign limited liability company, a statement to that 4525
effect, together with all of the information required under 4526
section 1705.54 of the Revised Code when a foreign limited 4527
liability company registers to transact business in this state; 4528

(10) If the surviving or new entity is a foreign limited 4529
liability partnership that desires to transact business in this 4530
state as a foreign limited liability partnership, a statement to 4531
that effect, together with all of the information required under 4532
section 1775.64 of the Revised Code when a foreign limited 4533
liability partnership registers to transact business in this 4534

4535

(C) The written agreement of merger or consolidation also may 4536
set forth any additional provision permitted by the laws of any 4537
state under the laws of which any constituent entity exists, 4538
consistent with the laws under which the surviving entity exists 4539
or the new entity is to exist. 4540

(D) To effect the merger or consolidation, the agreement of 4541
merger or consolidation shall be adopted by the ~~general~~ partners 4542
of each constituent domestic ~~general~~ partnership, in the same 4543
manner and with the same notice to and vote or action of partners 4544
or of a particular class or group of partners as is required by 4545
section 1775.45 of the Revised Code. The agreement of merger or 4546
consolidation also shall be approved or otherwise authorized by or 4547
on behalf of each constituent entity in accordance with the laws 4548
under which it exists. Each person who will continue to be or who 4549
will become a general partner of a partnership that is the 4550
surviving or new entity in a merger or consolidation shall 4551
specifically agree in writing to continue or to become, as the 4552
case may be, a general partner of the surviving or new entity. 4553

(E) At any time before the filing of the certificate of 4554
merger or consolidation pursuant to section 1775.47 of the Revised 4555
Code, the merger or consolidation may be abandoned by the ~~general~~ 4556
partners of any constituent partnership, the directors of any 4557
constituent corporation, or the comparable representatives of any 4558
other constituent entity if the ~~general~~ partners, directors, or 4559
comparable representatives are authorized to do so by the 4560
agreement of merger or consolidation. The agreement of merger or 4561
consolidation may contain a provision authorizing less than all of 4562
the ~~general~~ partners of any constituent partnership, the directors 4563
of any constituent corporation, or the comparable representatives 4564
of any other constituent entity to amend the agreement of merger 4565
or consolidation at any time before the filing of the certificate 4566

of merger or consolidation, except that after the adoption of the 4567
agreement of merger or consolidation by the ~~general~~ partners of 4568
any constituent domestic ~~general~~ partnership, less than all of the 4569
~~general~~ partners shall not be authorized to amend the agreement of 4570
merger or consolidation to do any of the following: 4571

(1) Alter or change the amount or kind of interests, shares, 4572
evidences of indebtedness, other securities, cash, rights, or any 4573
other property to be received by ~~general~~ partners of the 4574
constituent domestic ~~general~~ partnership in conversion of or in 4575
substitution for their interests; 4576

(2) If the surviving or new entity is a partnership, alter or 4577
change any term of the partnership agreement of the surviving or 4578
new partnership, except for alterations or changes that otherwise 4579
could be adopted by the ~~general~~ partners of the surviving or new 4580
partnership; 4581

(3) If the surviving or new entity is a corporation or any 4582
other entity other than a partnership, alter or change any term of 4583
the articles or comparable instrument of the surviving or new 4584
corporation or entity, except for alterations or changes that 4585
otherwise could be adopted by the directors or comparable 4586
representatives of the surviving or new corporation or entity; 4587

(4) Alter or change any other terms and conditions of the 4588
agreement of merger or consolidation if any of the alterations or 4589
changes, alone or in the aggregate, would materially adversely 4590
affect the ~~general~~ partners or any class or group of ~~general~~ 4591
partners of the constituent domestic ~~general~~ partnership. 4592

Sec. 1775.47. (A) Upon the adoption by each constituent 4593
entity of an agreement of merger or consolidation pursuant to 4594
section 1775.45 or 1775.46 of the Revised Code, a certificate of 4595
merger or consolidation shall be filed with the secretary of state 4596
that is signed by an authorized representative of each constituent 4597

entity. The certificate shall be on a form prescribed by the 4598
secretary of state and shall set forth only the information 4599
required by this section. 4600

(B)(1) The certificate of merger or consolidation shall set 4601
forth all of the following: 4602

(a) The name and the form of entity of each constituent 4603
entity and the state under the laws of which each constituent 4604
entity exists; 4605

(b) A statement that each constituent entity has complied 4606
with all of the laws under which it exists and that the laws 4607
permit the merger or consolidation; 4608

(c) The name and mailing address of the person or entity that 4609
is to provide, in response to any written request made by a 4610
shareholder, partner, or other equity holder of a constituent 4611
entity, a copy of the agreement of merger or consolidation; 4612

(d) The effective date of the merger or consolidation, which 4613
date may be on or after the date of the filing of the certificate; 4614

(e) The signature of the representative or representatives 4615
authorized to sign the certificate on behalf of each constituent 4616
entity and the office held or the capacity in which the 4617
representative is acting; 4618

(f) A statement that the agreement of merger or consolidation 4619
is authorized on behalf of each constituent entity and that the 4620
persons who signed the certificate on behalf of each entity are 4621
authorized to do so; 4622

(g) In the case of a merger, a statement that one or more 4623
specified constituent entities will be merged into a specified 4624
surviving entity or, in the case of a consolidation, a statement 4625
that the constituent entities will be consolidated into a new 4626
entity; 4627

(h) The name and form of the surviving entity in the case of 4628
a merger or the name and form of the new entity in the case of a 4629
consolidation; 4630

(i) In the case of a merger, if the surviving entity is a 4631
foreign entity not licensed to transact business in this state, 4632
the name and address of the statutory agent upon whom any process, 4633
notice, or demand may be served; 4634

(j) In the case of a consolidation, the name and address of 4635
the statutory agent upon whom any process, notice, or demand 4636
against any constituent entity or the new entity may be served. 4637

(2) In the case of a consolidation into a new domestic 4638
corporation, limited liability company, or limited partnership, 4639
the articles of incorporation, the articles of organization, or 4640
the certificate of limited partnership of the new domestic entity 4641
shall be filed with the certificate of consolidation. 4642

(3) In the case of a merger into a domestic corporation, 4643
limited liability company, or limited partnership, any amendments 4644
to the articles of incorporation, articles of organization, or 4645
certificate of limited partnership of the surviving domestic 4646
entity shall be filed with the certificate of merger. 4647

(4) If the surviving or new entity is a foreign entity that 4648
desires to transact business in this state as a foreign 4649
corporation, limited liability company, or limited partnership, 4650
the certificate of merger or consolidation shall be accompanied by 4651
the information required by division (B)(7), (8), ~~or (9)~~, or (10) 4652
of section 1775.46 of the Revised Code. 4653

(5) If a foreign or domestic corporation licensed to transact 4654
business in this state is a constituent entity and the surviving 4655
or new entity resulting from the merger or consolidation is not a 4656
foreign or domestic corporation that is to be licensed to transact 4657
business in this state, the certificate of merger or consolidation 4658

shall be accompanied by the affidavits, receipts, certificates, or
other evidence required by division (H) of section 1701.86 of the
Revised Code, with respect to each domestic constituent
corporation, and by the affidavits, receipts, certificates, or
other evidence required by division (C) or (D) of section 1703.17
of the Revised Code, with respect to each foreign constituent
corporation licensed to transact business in this state.

(C) If any constituent entity in a merger or consolidation is
organized or formed under the laws of a state other than this
state or under any chapter of the Revised Code other than this
chapter, there also shall be filed in the proper office all
documents that are required to be filed in connection with the
merger or consolidation by the laws of that state or by that
chapter.

(D) Upon the filing of a certificate of merger or
consolidation and other filings as described in division (C) of
this section or at any later date that the certificate of merger
or consolidation specifies, the merger or consolidation is
effective, subject to the limitation specified in division (B)(7)
of section 1775.45 of the Revised Code.

(E) The secretary of state shall furnish, upon request and
payment of the fee specified in division (K)(2) of section 111.16
of the Revised Code, the secretary of state's certificate setting
forth: the name and form of entity of each constituent entity and
the states under the laws of which each constituent entity existed
prior to the merger or consolidation; the name and the form of
entity of the surviving or new entity and the state under the laws
of which the surviving entity exists or the new entity is to
exist; the date of filing of the certificate of merger or
consolidation with the secretary of state; and the effective date
of the merger or consolidation. The certificate of the secretary
of state, or a copy of the certificate of merger or consolidation

certified by the secretary of state, may be filed for record in 4691
the office of the recorder of any county in this state and, if 4692
filed, shall be recorded in the records of deeds for that county. 4693
For that recording, the county recorder shall charge and collect 4694
the same fee as in the case of deeds. 4695

Sec. 1775.48. (A) When a merger or consolidation becomes 4696
effective, all of the following apply: 4697

(1) The separate existence of each constituent entity other 4698
than the surviving entity in a merger shall cease, except that 4699
whenever a conveyance, assignment, transfer, deed, or other 4700
instrument or act is necessary to vest property or rights in the 4701
surviving or new entity, the ~~general~~ partners, officers, or other 4702
authorized representatives of the respective constituent entities 4703
shall execute, acknowledge, and deliver ~~such~~ the instruments and 4704
do such acts. For these purposes, the existence of the constituent 4705
entities and the authority of their respective ~~general~~ partners, 4706
officers, directors, or other representatives are continued 4707
notwithstanding the merger or consolidation. 4708

(2) In the case of a consolidation, the new entity exists 4709
when the consolidation becomes effective and, if the new entity is 4710
a domestic ~~general~~ partnership, the written partnership agreement 4711
contained in or provided for in the agreement of consolidation 4712
shall be its original partnership agreement. 4713

(3) In the case of a merger in which the surviving entity is 4714
a ~~general~~ partnership, the written partnership agreement of the 4715
surviving ~~general~~ partnership in effect immediately prior to the 4716
time the merger becomes effective shall be its partnership 4717
agreement after the merger except as otherwise provided in the 4718
agreement of merger. 4719

(4) The surviving or new entity possesses all of the 4720

following, and all of the following are vested in the surviving or 4721
new entity without further act or deed: 4722

(a) Except to the extent limited by the mandatory provisions 4723
of applicable law, the following: 4724

(i) All assets and property of every description of each 4725
constituent entity, and every interest in the assets and property 4726
of each constituent entity, wherever the assets, property, and 4727
interests are located. Title to any real estate or any interest in 4728
real estate that was vested in any constituent entity shall not 4729
revert or in any way be impaired by reason of the merger or 4730
consolidation. 4731

(ii) The rights, privileges, immunities, powers, franchises, 4732
and authority, whether of a public or private nature, of each 4733
constituent entity. 4734

(b) All obligations belonging to or due to each constituent 4735
entity. 4736

(5) The surviving or new entity is liable for all the 4737
obligations of each constituent entity, including liability to 4738
dissenting partners, dissenting shareholders, or other dissenting 4739
equity holders. Any claim existing or any action or proceeding 4740
pending by or against any constituent entity may be prosecuted to 4741
judgment with right of appeal, as if the merger or consolidation 4742
had not taken place, or the surviving or new entity may be 4743
substituted in place of any constituent entity. 4744

(6) All the rights of creditors of each constituent entity 4745
are preserved unimpaired, and all liens upon the property of any 4746
constituent entity are preserved unimpaired, on only the property 4747
affected by such liens immediately before the effective date of 4748
the merger or consolidation. If a general partner of a constituent 4749
partnership is not a general partner of the entity surviving or 4750
the new entity resulting from the merger or consolidation, then 4751

the former general partner shall have no liability for any 4752
obligation incurred after the merger or consolidation except to 4753
the extent that a former creditor of the constituent partnership 4754
in which the former general partner was a general partner extends 4755
credit to the surviving or new entity reasonably believing that 4756
the former general partner continued as a general partner of the 4757
surviving or new entity. 4758

(B) If a general partner of a constituent partnership is not 4759
a general partner of the entity surviving or the new entity 4760
resulting from the merger or consolidation, then unless that 4761
general partner agrees otherwise in writing, the general partner 4762
shall be indemnified by the surviving or new entity against all 4763
present or future liabilities of the constituent partnership of 4764
which the general partner was a general partner. Any amount 4765
payable pursuant to section 1775.50 of the Revised Code to a 4766
partner of the constituent partnership in which that general 4767
partner was a partner shall be a present liability of that 4768
constituent partnership. 4769

(C) In the case of a merger of a constituent domestic ~~general~~ 4770
partnership into a foreign surviving corporation, limited 4771
liability company, or ~~general~~ partnership that is not licensed or 4772
registered to transact business in this state or in the case of a 4773
consolidation of a constituent domestic limited partnership into a 4774
new foreign corporation, limited liability company, ~~or~~ limited 4775
partnership, or limited liability partnership, if the surviving or 4776
new entity intends to transact business in this state and the 4777
certificate of merger or consolidation is accompanied by the 4778
information described in division (B)(4) of section 1775.47 of the 4779
Revised Code, then on the effective date of the merger or 4780
consolidation the surviving or new entity shall be considered to 4781
have complied with the requirements for procuring a license or for 4782
registration to transact business in this state as a foreign 4783

corporation, limited liability company, or limited partnership, as 4784
the case may be. In such a case, a copy of the certificate of 4785
merger or consolidation certified by the secretary of state 4786
constitutes the license certificate prescribed for a foreign 4787
corporation or the application for registration prescribed for a 4788
foreign limited liability company or foreign limited partnership. 4789

(D) Any action to set aside any merger or consolidation on 4790
the ground that any section of the Revised Code applicable to the 4791
merger or consolidation has not been complied with shall be 4792
brought within ninety days after the effective date of the merger 4793
or consolidation or forever be barred. 4794

(E) In the case of an entity organized or existing under the 4795
laws of any state other than this state, this section is subject 4796
to the laws of the state under the laws of which the entity exists 4797
or in which it has property. 4798

Sec. 1775.49. (A) Unless otherwise provided in writing in the 4799
partnership agreement of a constituent domestic ~~general~~ 4800
partnership, the following are entitled to relief as dissenting 4801
partners as provided in section 1775.50 of the Revised Code: 4802

(1) Partners of a domestic ~~general~~ partnership that is being 4803
merged or consolidated into a surviving or new entity, domestic or 4804
foreign, pursuant to section 1775.45 or 1775.46 of the Revised 4805
Code; 4806

(2) In the case of a merger into a domestic ~~general~~ 4807
partnership, partners of the surviving domestic ~~general~~ 4808
partnership who under section 1775.45 of the Revised Code are 4809
entitled to vote or act on the adoption of an agreement of merger, 4810
but only as to the interests so entitling them to vote or act; 4811

(3) Partners of a domestic partnership that is being 4812
converted into a converted entity pursuant to section 1775.53 of 4813

the Revised Code.

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(B) Unless otherwise expressly agreed to in writing, a
general partner of any constituent partnership shall be liable to
the partners of the constituent partnership for any amount payable
to them pursuant to section 1775.50 of the Revised Code as if the
amount ~~se~~ payable were an existing liability of the constituent
partnership at the time of the merger ~~or~~, consolidation, or
conversion.

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Sec. 1775.50. (A) A partner of a domestic ~~general~~ partnership
is entitled to relief as a dissenting partner in respect of the
proposals described in section 1775.49 of the Revised Code only in
compliance with this section.

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(B) If the proposal of merger ~~or~~, consolidation, or
conversion is to be submitted to the partners at a meeting, the
dissenting partner shall be a partner and a record holder of the
partnership interests as to which the dissenting partner seeks
relief as of the date fixed for the determination of partners
entitled to notice of the meeting, and such interests shall not
have been voted in favor of the proposal. Not later than ten days
after the date on which the vote on the proposal was taken at the
meeting of the partners, the dissenting partner shall deliver to
the ~~general~~ partnership a written demand for payment to the
dissenting partner of the fair cash value of the interests as to
which the dissenting partner seeks relief that states the
dissenting partner's address, the number and class of those
interests, and the amount claimed by the dissenting partner as the
fair cash value of the interests.

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(C) If the proposal of merger ~~or~~, consolidation, or
conversion is to be submitted to the partners for their written
approval or other action without a meeting, the dissenting partner
shall be a partner and a record holder of the interests of the

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partnership as to which the dissenting partner seeks relief as of 4845
the date the request for approval or action was sent to the 4846
partners entitled to act or otherwise approve the proposal, and 4847
the dissenting partner shall not have indicated approval of the 4848
proposal in the dissenting partner's capacity as a holder of such 4849
interests. Not later than fifteen days after the date on which the 4850
request for approval of or action on the proposal was mailed to 4851
the partners, the dissenting partner shall deliver to the 4852
partnership a written demand for payment to the dissenting partner 4853
of the fair cash value of the interests as to which the dissenting 4854
partner seeks relief, which demand shall state the dissenting 4855
partner's address, the number and class of such interests, and the 4856
amount claimed by the dissenting partner as the fair cash value of 4857
those interests. 4858

(D) In the case of a merger or consolidation, a demand served 4859
on the constituent domestic ~~general~~ partnership involved 4860
constitutes service on the surviving entity or the new entity, 4861
whether the demand is served before, on, or after the effective 4862
date of the merger or consolidation. In the case of a conversion, 4863
a demand served on the converting domestic partnership constitutes 4864
service on the converted entity, whether the demand is served 4865
before, on, or after the effective date of the conversion. 4866

(E) If the interests as to which a dissenting partner seeks 4867
relief are represented by certificates and if the domestic ~~general~~ 4868
partnership sends to the dissenting partner, at the address 4869
specified in the dissenting partner's demand, a request for 4870
certificates representing the interests as to which the dissenting 4871
partner seeks relief, the dissenting partner, within fifteen days 4872
from the date on which the request was sent, shall deliver to the 4873
~~general~~ partnership the certificates requested so that the ~~general~~ 4874
partnership may endorse on them a legend to the effect that a 4875
demand for the fair cash value of such interests has been made. 4876

The ~~general~~ partnership promptly shall return the endorsed 4877
certificates to the dissenting partner. The failure of a 4878
dissenting partner to deliver such certificates terminates rights 4879
as a dissenting partner, at the option of the ~~general~~ partnership, 4880
exercised by written notice sent to the dissenting partner within 4881
twenty days after the lapse of the fifteen-day period, unless a 4882
court for good cause shown otherwise directs. If interests 4883
represented by a certificate on which such a legend has been 4884
endorsed are transferred, each new certificate issued for them 4885
shall bear a similar legend, together with the name of the 4886
original dissenting holder of such interests. Upon receiving a 4887
demand for payment from a dissenting partner who is a record 4888
holder of uncertificated interests, the ~~general~~ partnership shall 4889
make an appropriate notation of the demand for payment in its 4890
records. If uncertificated interests for which payment has been 4891
demanded are to be transferred, any writing sent to evidence the 4892
transfer shall bear the legend required for certificated interests 4893
as provided in this division. A transferee of the interests 4894
receiving a certificate so endorsed, or of uncertificated 4895
interests where such a notation has been made, acquires only ~~such~~ 4896
the rights in the ~~general~~ partnership as the original partner 4897
holding ~~such the~~ interests had immediately after the service of a 4898
demand for payment of the fair cash value of the interests. A 4899
request under this division by the ~~general~~ partnership is not an 4900
admission by it that the holder of the interest is entitled to 4901
relief under this section. 4902

(F) Unless the partnership agreement of the constituent 4903
domestic ~~general~~ partnership in which the dissenting partner was a 4904
partner provides a reasonable basis for determining and paying the 4905
fair cash value of the interests as to which the dissenting 4906
partner seeks relief or unless that partnership and the dissenting 4907
partner have come to an agreement on the fair cash value of the 4908
interests as to which the dissenting partner seeks relief, the 4909

dissenting partner or the ~~general~~ partnership, which in the case 4910
of a merger or consolidation may be the surviving or new entity, 4911
or in the case of a conversion may be the converted entity, within 4912
ninety days after the service of the demand by the dissenting 4913
partner, may file a complaint under section 1775.51 of the Revised 4914
Code. The complaint shall be filed in the court of common pleas of 4915
the county in which the principal office of the ~~general~~ 4916
partnership that issued the interests is located or was located 4917
when the proposal of merger ~~or~~, consolidation, or conversion was 4918
adopted by the partners of the ~~general~~ partnership. Other 4919
dissenting partners, within that ninety-day period, may join as 4920
plaintiffs or may be joined as defendants in any such proceeding, 4921
and any two or more such proceedings may be consolidated. 4922

(G) The right and obligation of a dissenting partner to 4923
receive ~~such~~ fair cash value and to sell such interests as to 4924
which the dissenting partner seeks relief and the right and 4925
obligation of the domestic ~~general~~ partnership to purchase such 4926
interests and to pay the fair cash value of them terminate if any 4927
of the following applies: 4928

(1) The dissenting partner has not complied with this 4929
section, unless the ~~general~~ partnership waives such failure. 4930

(2) The ~~general~~ partnership abandons the merger ~~or~~, 4931
consolidation, or conversion or is finally enjoined or prevented 4932
from carrying it out, or the partners rescind their adoption or 4933
approval of the merger ~~or~~, consolidation, or conversion. 4934

(3) The dissenting partner withdraws the dissenting partner's 4935
demand, with the consent of the ~~general~~ partnership. 4936

(4) All of the following apply: 4937

(a) The partnership agreement of the constituent domestic 4938
~~general~~ partnership in which the dissenting partner was a partner 4939
does not provide a reasonable basis for determining and paying the 4940

dissenting partner the fair cash value of the dissenting partner's 4941
interest. 4942

(b) The ~~general~~ partnership and the dissenting partner have 4943
not agreed upon the fair cash value of the interest. 4944

(c) Neither the dissenting partner nor the ~~general~~ 4945
partnership has filed or joined in a complaint under division (F) 4946
of this section within the period provided in that division. 4947

(H) Unless otherwise provided in the partnership agreement of 4948
the constituent domestic ~~general~~ partnership in which the 4949
dissenting partner was a partner, from the time the dissenting 4950
partner gives the demand until either the termination of the 4951
rights and obligations arising from it or the purchase of the 4952
interests by the ~~general~~ partnership, all other rights accruing 4953
from such interests, including voting or distribution rights, are 4954
suspended. If, during the suspension, any distribution is paid in 4955
money upon interests of ~~such~~ that class or any dividend, 4956
distribution, or interest is paid in money upon any securities 4957
issued in extinguishment of, or in substitution for, such 4958
interest, an amount equal to the dividend, distribution, or 4959
interest that, except for the suspension, would have been payable 4960
upon such interests or securities shall be paid to the holder of 4961
record as a credit upon the fair cash value of the interests. If 4962
the right to receive fair cash value is terminated other than by 4963
the purchase of the interests by the ~~general~~ partnership, all 4964
rights of the dissenting partner shall be restored and all 4965
distributions that, except for the suspension, would have been 4966
made shall be made to the holder of record of the interests at the 4967
time of termination. 4968

Sec. 1775.51. (A) When authorized by division (F) of section 4969
1775.50 of the Revised Code, a dissenting partner or ~~general~~ 4970
partnership may file a complaint under this section demanding the 4971

relief described in this section. A complaint filed under this 4972
section shall contain a brief statement of the facts, including 4973
the vote or action by the partners and the facts entitling the 4974
dissenting partner to the relief demanded. No answer to ~~such~~ a 4975
complaint is required. Upon the filing of ~~such~~ a complaint, the 4976
court, on motion of the petitioner, shall enter an order fixing a 4977
date for a hearing on the complaint and requiring that a copy of 4978
the complaint and a notice of the filing and of the date for the 4979
hearing be given to the respondent or defendant in the manner in 4980
which summons is required to be served or substituted service is 4981
required to be made in other cases. On the date fixed for the 4982
hearing on the complaint or any adjournment of it, the court shall 4983
determine from the complaint and from ~~such~~ evidence ~~as is~~ 4984
submitted by either party whether the dissenting partner is 4985
entitled to be paid the fair cash value of any interests and, if 4986
so, the number and class of ~~such~~ the interests. If the court finds 4987
that the dissenting partner is so entitled, it may appoint one or 4988
more persons as appraisers to receive evidence and to recommend a 4989
decision on the amount of the fair cash value. The appraisers have 4990
~~such~~ power and authority ~~as is~~ specified in the order of their 4991
appointment. The court thereupon shall make a finding as to the 4992
fair cash value of the interests and shall render judgment against 4993
the ~~general~~ partnership for the payment of it, with interest at 4994
~~such~~ a rate and from ~~such~~ a date as the court considers equitable. 4995
The costs of the proceeding, including reasonable compensation to 4996
the appraisers to be fixed by the court, shall be assessed or 4997
apportioned as the court considers equitable. The proceeding is a 4998
special proceeding and final orders in it may be vacated, 4999
modified, or reversed on appeal pursuant to the Rules of Appellate 5000
Procedure and, to the extent not in conflict with those rules, 5001
Chapter 2505. of the Revised Code. If, during the pendency of any 5002
proceeding under this section, a suit or proceeding is or has been 5003
instituted to enjoin or otherwise to prevent the carrying out of 5004

the action as to which the partner has dissented, the proceeding 5005
instituted under this section shall be stayed until the final 5006
determination of the other suit or proceeding. Unless any 5007
provision of division (G) of section 1775.50 of the Revised Code 5008
is applicable, the fair cash value of the interests that is agreed 5009
upon by the parties or fixed under this section shall be paid 5010
within thirty days after the date of final determination of such 5011
value under this division or the consummation of the merger ~~or~~, 5012
consolidation, or conversion, whichever occurs last. Upon the 5013
occurrence of the last ~~such~~ event, payment shall be made 5014
immediately to a holder of uncertificated interests entitled to 5015
~~such~~ payment. In the case of holders of interests represented by 5016
certificates, payment shall be made only upon and simultaneously 5017
with the surrender to the domestic ~~general~~ partnership of the 5018
certificates representing the interests for which the payment is 5019
made. 5020

(B) If the proposal of merger ~~or~~, consolidation, or 5021
conversion was submitted to the partners of the ~~general~~ 5022
partnership for a vote at a meeting, fair cash value as to those 5023
partners shall be determined as of the day before the day on which 5024
the vote by the partners was taken. If the proposal was submitted 5025
to the partners for written approval or other action, fair cash 5026
value as to those partners shall be determined as of the day 5027
before the day on which the request for the approval or action was 5028
sent. The fair cash value of an interest for purposes of this 5029
section is the amount that a willing seller who is under no 5030
compulsion to sell would be willing to accept and that a willing 5031
buyer who is under no compulsion to purchase would be willing to 5032
pay, but the fair cash value paid to any partner shall not exceed 5033
the amount specified in the demand of that partner. In computing 5034
~~such~~ fair cash value, any appreciation or depreciation in market 5035
value resulting from the merger ~~or~~, consolidation, or conversion 5036
shall be excluded. 5037

Sec. 1775.52. If a domestic ~~general~~ partnership is a 5038
constituent entity to a merger or consolidation that has become 5039
effective, and the domestic ~~general~~ partnership is not the 5040
surviving or resulting entity of the merger or consolidation, or 5041
if a domestic partnership is the converting entity in a 5042
conversion, a judgment creditor of a partner of that domestic 5043
~~general~~ partnership shall not levy execution against the assets of 5044
the partner to satisfy a judgment based on a claim against the 5045
surviving or resulting entity of the merger ~~or~~, consolidation, or 5046
conversion unless any of the following applies: 5047

(A) The claim is for an obligation of the domestic ~~general~~ 5048
partnership for which the partner is liable as provided in this 5049
chapter and one of the following applies: 5050

(1) A judgment based on the same claim has been obtained 5051
against the surviving or resulting entity of the merger or 5052
consolidation or the entity resulting from the conversion and a 5053
writ of execution on the judgment has been returned unsatisfied in 5054
whole or in part. 5055

(2) The surviving or resulting entity of the merger ~~or~~, 5056
consolidation, or conversion is a debtor in bankruptcy. 5057

(3) The partner has agreed that the creditor need not exhaust 5058
the assets of the domestic ~~general~~ partnership that was not the 5059
surviving or resulting entity of the merger or consolidation or 5060
the entity resulting from the conversion. 5061

(4) The partner has agreed that the creditor need not exhaust 5062
the assets of the surviving or resulting entity of the merger or 5063
consolidation or the entity resulting from the conversion. 5064

(B) A court grants permission to the judgment creditor to 5065
levy execution against the assets of the partner based on a 5066
finding that the assets of the surviving or resulting entity of 5067

the merger ~~or~~, consolidation, or conversion that are subject to 5068
execution are clearly insufficient to satisfy the judgment, that 5069
exhaustion of the assets of the surviving or resulting entity of 5070
the merger or consolidation or the entity resulting from the 5071
conversion is excessively burdensome, or that the grant of 5072
permission is an appropriate exercise of the court's equitable 5073
powers. 5074

(C) Liability is imposed on the partner by law or contract 5075
independent of the existence of the surviving or resulting entity 5076
of the merger or consolidation or the entity resulting from the 5077
conversion. 5078

Sec. 1775.53. (A) Subject to division (B)(2) of this section, 5079
pursuant to a written declaration of conversion as provided in 5080
this section, a domestic or foreign entity other than a domestic 5081
partnership may be converted into a domestic partnership. The 5082
conversion also must be permitted by the chapter of the Revised 5083
Code or by the laws under which the converting entity exists. 5084

(B)(1) The written declaration of conversion shall set forth 5085
all of the following: 5086

(a) The name and form of entity that is being converted, the 5087
name of the entity into which the entity will be converted, and 5088
the jurisdiction of formation of the converting entity; 5089

(b) If the converted entity is a limited liability 5090
partnership, its registration application; 5091

(c) The partnership agreement of the converted domestic 5092
partnership or a provision that the written agreement of the 5093
converting entity, a copy of which shall be attached to the 5094
declaration of conversion, with any amendments that are set forth 5095
in the declaration of conversion, is the agreement of the 5096
converted domestic partnership; 5097

<u>(d) The general partners of the converted partnership;</u>	5098
<u>(e) All statements and matters required to be set forth in an instrument of conversion by the laws under which the converting entity exists;</u>	5099 5100 5101
<u>(f) The terms of the conversion; the mode of carrying them into effect; and the manner and basis of converting the interests or shares of the converting entity into, or substituting the interests or shares in the converting entity for, interests, evidences of indebtedness, other securities, cash, rights, or any other property or any combination of interests, evidences of indebtedness, other securities, cash, rights, or any other property of the converted partnership.</u>	5102 5103 5104 5105 5106 5107 5108 5109
<u>(2) No conversion or substitution described in this section shall be effected if there are reasonable grounds to believe that the conversion or substitution would render the converted partnership unable to pay its obligations as they become due in the usual course of its affairs.</u>	5110 5111 5112 5113 5114
<u>(C) The written declaration of conversion may set forth any of the following:</u>	5115 5116
<u>(1) The effective date of the conversion, which date may be on or after the date of the filing of the certificate of conversion pursuant to section 1775.55 of the Revised Code;</u>	5117 5118 5119
<u>(2) A provision authorizing the converting entity to abandon the proposed conversion by action of authorized representatives of the converting entity taken prior to the filing of the certificate of conversion pursuant to section 1775.55 of the Revised Code;</u>	5120 5121 5122 5123
<u>(3) A statement of, or a statement of the method to be used to determine, the fair value of the assets owned by the converting entity at the time of the conversion;</u>	5124 5125 5126
<u>(4) The parties to the declaration of conversion in addition</u>	5127

to the converting entity; 5128

(5) Any additional provision necessary or desirable with 5129
respect to the proposed conversion or the converted entity. 5130

(D) At any time before the filing of the certificate of 5131
conversion pursuant to section 1775.55 of the Revised Code, the 5132
conversion may be abandoned by any representatives authorized to 5133
do so by the declaration of conversion, or by the same vote as was 5134
required to adopt the declaration of conversion. 5135

(E) Unless the converted entity is a limited liability 5136
partnership, each person that will be a partner of the partnership 5137
that is the converted entity specifically shall agree in writing 5138
to be a partner in the partnership that is the converted entity. 5139

Sec. 1775.54. (A) Subject to division (B)(2) of this section, 5140
pursuant to a written declaration of conversion as provided in 5141
this section, a domestic partnership may be converted into a 5142
domestic or foreign entity other than a domestic partnership. The 5143
conversion also must be permitted by the chapter of the Revised 5144
Code or by the laws under which the converted entity will exist. 5145

(B)(1) The written declaration of conversion shall set forth 5146
all of the following: 5147

(a) The name and form of entity that is being converted, the 5148
name of the entity into which the entity will be converted, the 5149
form of the converted entity, and the jurisdiction of formation of 5150
the converted entity; 5151

(b) If the converted entity is a domestic entity, the 5152
complete terms of all documents required under the applicable 5153
chapter of the Revised Code to form the converted entity; 5154

(c) If the converted entity is a foreign entity, all of the 5155
following: 5156

(i) The complete terms of all documents required under the law of its formation to form the converted entity; 5157
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(ii) The consent of the converted entity to be sued and served with process in this state, and the irrevocable appointment of the secretary of state as the agent of the converted entity to accept service of process in this state to enforce against the converted entity any obligation of the converting partnership or to enforce the rights of a dissenting partner of the converting partnership; 5159
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(iii) If the converted entity desires to transact business in this state, the information required to qualify or be licensed under the applicable chapter of the Revised Code; 5166
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(d) All other statements and matters required to be set forth in the declaration of conversion by the applicable chapter of the Revised Code if the converted entity is a domestic entity, or by the laws under which the converted entity will be formed, if the converted entity is a foreign entity; 5169
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(e) The terms of the conversion; the mode of carrying them into effect; and the manner and basis of converting the interests or shares of the converting partnership into, or substituting the interests in the converting partnership for, interests, evidences of indebtedness, other securities, cash, rights, or any other property or any combination of interests, evidences of indebtedness, other securities, cash, rights, or any other property of the converted entity. 5174
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(2) No conversion or substitution described in this section shall be effected if there are reasonable grounds to believe that the conversion or substitution would render the converted entity unable to pay its obligations as they become due in the usual course of its affairs. 5182
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(C) The written declaration of conversion may set forth any 5187

<u>of the following:</u>	5188
<u>(1) The effective date of the conversion, which date may be</u>	5189
<u>on or after the date of the filing of the certificate of</u>	5190
<u>conversion pursuant to section 1775.55 of the Revised Code;</u>	5191
<u>(2) A provision authorizing the converting partnership to</u>	5192
<u>abandon the proposed conversion by action of the partners of the</u>	5193
<u>converting partnership taken prior to the filing of the</u>	5194
<u>certificate of conversion pursuant to section 1775.55 of the</u>	5195
<u>Revised Code;</u>	5196
<u>(3) A statement of, or a statement of the method to be used</u>	5197
<u>to determine, the fair value of the assets owned by the converting</u>	5198
<u>partnership at the time of the conversion;</u>	5199
<u>(4) The parties to the declaration of conversion in addition</u>	5200
<u>to the converting entity;</u>	5201
<u>(5) Any additional provision necessary or desirable with</u>	5202
<u>respect to the proposed conversion or the converted entity.</u>	5203
<u>(D) The partners of the converting partnership must adopt the</u>	5204
<u>declaration of conversion to effect the conversion.</u>	5205
<u>(E)(1) All partners, whether or not they are entitled to vote</u>	5206
<u>or act, shall be given written notice of any meeting of partners</u>	5207
<u>of a partnership or of any proposed action by the partners, which</u>	5208
<u>meeting or action is to adopt a declaration of conversion. The</u>	5209
<u>notice shall be given to the partners either as provided in</u>	5210
<u>writing in the partnership agreement or by mail at the partners'</u>	5211
<u>addresses as they appear on the records of the partnership, or in</u>	5212
<u>person. Unless the partnership agreement provides a shorter or</u>	5213
<u>longer period, notice shall be given not less than seven and not</u>	5214
<u>more than sixty days before the meeting or the effective date of</u>	5215
<u>the action.</u>	5216
<u>(2) The notice described in division (E)(1) of this section</u>	5217

shall be accompanied by a copy or a summary of the material 5218
provisions of the declaration of conversion. 5219

(F) The unanimous vote or action of the partners of a 5220
converting partnership, or a different number or proportion as 5221
provided in writing in the partnership agreement, is required to 5222
adopt a declaration of conversion. 5223

If the declaration of conversion would have an effect or 5224
authorize any action that under any applicable law or the 5225
partnership agreement could be effected or authorized only by or 5226
pursuant to a specified vote or action of the partners, or of any 5227
class or group of partners, the declaration of conversion also 5228
must be adopted or approved by the same vote or action as would be 5229
required to effect that change or authorize that action. 5230

(G)(1) At any time before the filing of the certificate of 5231
conversion pursuant to section 1775.55 of the Revised Code, the 5232
conversion may be abandoned by all of the partners of the 5233
converting partnership or by any representatives authorized to do 5234
so by the declaration of conversion, or by the same vote as was 5235
required to adopt the declaration of conversion. 5236

(2) The declaration of conversion may contain a provision 5237
authorizing less than all of the partners to amend the declaration 5238
of conversion at any time before the filing of the certificate of 5239
conversion pursuant to section 1775.55 of the Revised Code, except 5240
that, after the adoption of the declaration of conversion by the 5241
partners, less than all the partners are not authorized to amend 5242
the declaration of conversion to do any of the following: 5243

(a) Alter or change the amount or kind of interests, shares, 5244
evidences of indebtedness, other securities, cash rights, or any 5245
other property to be received by the partners of the converting 5246
partnership in conversion of, or substitution for, their 5247
interests; 5248

(b) Alter or change any term of the organizational documents of the converted entity except for alterations or changes that are adopted with the vote or action of the persons the vote or action of which would be required for the alteration or change after the conversion; 5249
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(c) Alter or change any other terms and conditions of the declaration of conversion if any of the alterations or changes, alone or in the aggregate, materially and adversely would affect the partners or any class or group of partners of the converting partnership. 5254
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Sec. 1775.55. (A) Upon the adoption of a declaration of conversion pursuant to section 1775.53 or 1775.54 of the Revised Code, or at a later time as authorized by the declaration of conversion, a certificate of conversion that is signed by an authorized representative of the converting entity shall be filed with the secretary of state. The certificate shall be on a form prescribed by the secretary of state and shall set forth only the information required by this section. 5259
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(B)(1) The certificate of conversion shall set forth all of the following: 5267
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(a) The name and the form of entity of the converting entity and the state under the laws of which the converting entity exists; 5269
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(b) A statement that the converting entity has complied with all of the laws under which it exists and that those laws permit the conversion; 5272
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(c) The name and mailing address of the person or entity that is to provide a copy of the declaration of conversion in response to any written request made by a shareholder, partner, or member of the converting entity; 5275
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(d) The effective date of the conversion, which date may be 5279
on or after the date of the filing of the certificate pursuant to 5280
this section; 5281

(e) The signature of the representative or representatives 5282
authorized to sign the certificate on behalf of the converting 5283
entity and the office held or the capacity in which the 5284
representative is acting; 5285

(f) A statement that the declaration of conversion is 5286
authorized on behalf of the converting entity and that each person 5287
that signed the certificate on behalf of the converting entity is 5288
authorized to do so; 5289

(g) The name and the form of the converted entity and the 5290
state under the laws of which the converted entity will exist; 5291

(h) If the converted entity is a foreign entity that will not 5292
be licensed in this state, the name and address of the statutory 5293
agent upon whom any process, notice, or demand may be served. 5294

(2) In the case of a conversion into a new domestic 5295
corporation, limited liability company, limited partnership, or 5296
other partnership, any organizational document that would be filed 5297
upon the creation of the converted entity shall be filed with the 5298
certificate of conversion. 5299

(3) If the converted entity is a foreign entity that desires 5300
to transact business in this state, the certificate of conversion 5301
shall be accompanied by the information required by division 5302
(B)(7), (8), (9), or (10) of section 1775.46 of the Revised Code. 5303

(4) If a foreign or domestic corporation licensed to transact 5304
business in this state is the converting entity, the certificate 5305
of conversion shall be accompanied by the affidavits, receipts, 5306
certificates or other evidence required by division (H) of section 5307
1701.86 of the Revised Code with respect to a converting domestic 5308

corporation, or by the affidavits, receipts, certificates or other 5309
evidence required by division (C) or (D) of section 1703.17 of the 5310
Revised Code with respect to a foreign corporation. 5311

(C) If the converting entity or the converted entity is 5312
organized or formed under the laws of a state other than this 5313
state or under any chapter of the Revised Code other than this 5314
chapter, all documents required to be filed in connection with the 5315
conversion by the laws of that state or that chapter also shall be 5316
filed in the proper office. 5317

(D) Upon the filing of a certificate of conversion and other 5318
filings required by division (C) of this section, or at any later 5319
date that the certificate of conversion specifies, the conversion 5320
is effective, subject to the limitation that no conversion shall 5321
be effected if there are reasonable grounds to believe that the 5322
conversion would render the converted entity unable to pay its 5323
obligations as they become due in the usual course of its affairs. 5324

(E) The secretary of state shall furnish, upon request and 5325
payment of the fee specified in division (K)(2) of section 111.16 5326
of the Revised Code, the secretary of state's certificate setting 5327
forth all of the following: 5328

(1) The name and form of entity of the converting entity and 5329
the state under the laws of which it existed prior to the 5330
conversion; 5331

(2) The name and the form of entity of the converted entity 5332
and the state under the law of which it will exist; 5333

(3) The date of filing of the certificate of conversion with 5334
the secretary of state and the effective date of the conversion. 5335

(F) The certificate of the secretary of state, or a copy of 5336
the certificate of conversion certified by the secretary of state, 5337
may be filed for record in the office of the recorder of any 5338

county in this state and, if filed, shall be recorded in the 5339
records of deeds for that county. For the recording, the county 5340
recorder shall charge and collect the same fee as in the case of 5341
deeds. 5342

Sec. 1775.56. (A) Upon a conversion becoming effective, all 5343
of the following apply: 5344

(1) The converting entity is continued in the converted 5345
entity. 5346

(2) The converted entity exists, and the converting entity 5347
ceases to exist. 5348

(3) The converted entity possesses both of the following, and 5349
both of the following continue in the converted entity without any 5350
further act or deed: 5351

(a) Except to the extent limited by requirements of 5352
applicable law, both of the following: 5353

(i) All assets and property of every description of the 5354
converting entity and every interest in the assets and property of 5355
the converting entity, wherever the assets, property, and 5356
interests are located. Title to any real estate or any interest in 5357
real estate that was vested in the converting entity does not 5358
revert or in any way is impaired by reason of the conversion. 5359

(ii) The rights, privileges, immunities, powers, franchises, 5360
and authority, whether of a public or a private nature, of the 5361
converting entity. 5362

(b) All obligations belonging or due to the converting 5363
entity. 5364

(4) All the rights of creditors of the converting entity are 5365
preserved unimpaired, and all liens upon the property of the 5366
converting entity are preserved unimpaired. If a general partner 5367

of a converting partnership is not a general partner of the entity 5368
resulting from the conversion, then the former general partner has 5369
no liability for any obligation incurred after the conversion 5370
except to the extent that a former creditor of the converting 5371
partnership in which the former general partner was a general 5372
partner extends credit to the converted entity reasonably 5373
believing that the former general partner continues as a general 5374
partner of the converted entity. 5375

(B) If a general partner of a converting partnership is not a 5376
general partner of the entity resulting from the conversion, then 5377
unless that general partner agrees otherwise in writing, the 5378
general partner shall be indemnified by the converted entity 5379
against all present or future liabilities of the converting 5380
partnership of which the general partner was a general partner. 5381
Any amount payable pursuant to section 1775.50 of the Revised Code 5382
to a partner of the converting partnership in which that general 5383
partner was a partner is a present liability of the converting 5384
partnership. 5385

(C) In the case of a conversion into a foreign corporation, 5386
limited liability company, or partnership that is not licensed or 5387
registered to transact business in this state, if the converted 5388
entity intends to transact business in this state, and the 5389
certificate of conversion is accompanied by the information 5390
described in division (B)(4) of section 1775.47 of the Revised 5391
Code, then on the effective date of the conversion, the converted 5392
entity is considered to have complied with the requirements for 5393
procuring a license or for registration to transact business in 5394
this state as a foreign corporation, limited liability company, 5395
limited partnership, or limited liability partnership as the case 5396
may be. In such a case, a copy of the certificate of conversion 5397
certified by the secretary of state constitutes the license 5398
certificate prescribed for a foreign corporation or the 5399

application for registration prescribed for a foreign limited 5400
liability company, foreign limited partnership, or foreign limited 5401
liability partnership. 5402

(D) Any action to set aside any conversion on the ground that 5403
any section of the Revised Code applicable to the conversion has 5404
not been complied with shall be brought within ninety days after 5405
the effective date of the conversion or is forever barred. 5406

(E) In the case of a converting or converted entity organized 5407
or existing under the laws of any state other than this state, 5408
this section is subject to the laws of the state under which that 5409
entity exists or in which it has property. 5410

Sec. 1782.435. (A) Unless otherwise provided in writing in 5411
the partnership agreement of a constituent domestic limited 5412
partnership, the following are entitled to relief as dissenting 5413
partners as provided in section 1782.436 of the Revised Code: 5414

(1) Partners of a domestic limited partnership that is being 5415
merged or consolidated into a surviving or new entity, domestic or 5416
foreign, pursuant to section 1782.431 or 1782.432 of the Revised 5417
Code; 5418

(2) In the case of a merger into a domestic limited 5419
partnership, partners of the surviving domestic limited 5420
partnership who under section 1782.431 of the Revised Code are 5421
entitled to vote or act on the adoption of an agreement or merger, 5422
but only as to the interests so entitling them to vote or act; 5423

(3) Partners of a domestic limited partnership that is being 5424
converted into a converted entity pursuant to section 1782.439 of 5425
the Revised Code. 5426

(B) Unless otherwise expressly agreed to in writing, a 5427
general partner of any constituent partnership shall be liable to 5428
the partners of the constituent partnership for any amount payable 5429

to them pursuant to section 1782.436 of the Revised Code as if the
amount ~~se~~ payable were an existing liability of the constituent
partnership at the time of the merger or consolidation.

Sec. 1782.436. (A) A partner of a domestic limited
partnership is entitled to relief as a dissenting partner in
respect of the proposals described in section 1782.435 of the
Revised Code only in compliance with this section.

(B) If the proposal of merger ~~or~~, consolidation, or
conversion is to be submitted to the partners at a meeting, the
dissenting partner shall be a partner and a record holder of the
partnership interests as to which ~~he~~ the dissenting partner seeks
relief as of the date fixed for the determination of partners
entitled to notice of the meeting, and such interests shall not
have been voted in favor of the proposal. Not later than ten days
after the date on which the vote on the proposal was taken at the
meeting of the partners, the dissenting partner shall deliver to
the limited partnership a written demand for payment to ~~him~~ the
dissenting partner of the fair cash value of the interests as to
which ~~he~~ the dissenting partner seeks relief that states ~~his~~ the
dissenting partner's address, the number and class of those
interests, and the amount claimed by ~~him~~ the dissenting partner as
the fair cash value of the interests.

(C) If the proposal of merger ~~or~~, consolidation, or
conversion is to be submitted to the partners for their written
approval or other action without meeting, the dissenting partner
shall be a partner and a record holder of the interests of the
partnership as to which ~~he~~ the dissenting partner seeks relief as
of the date ~~such~~ the writing was sent to the partners entitled to
act or otherwise approve the proposal, and the dissenting partner
shall not have indicated ~~his~~ approval of the proposal in ~~his~~ the
dissenting partner's capacity as a holder of such interests. Not

later than fifteen days after the date on which request for 5461
approval of the proposal was mailed to the partners, the 5462
dissenting partner shall deliver to the partnership a written 5463
demand for payment to ~~him~~ the dissenting partner of the fair cash 5464
value of the interests as to which ~~he~~ the dissenting partner seeks 5465
relief, which demand shall state ~~his~~ the dissenting partner's 5466
address, the number and class of such interests, and the amount 5467
claimed by ~~him~~ the dissenting partner as the fair cash value of 5468
those interests. 5469

(D) In the case of a merger or consolidation, a demand served 5470
on the constituent domestic limited partnership involved 5471
constitutes service on the surviving entity or the new entity, 5472
whether the demand is served before, on, or after the effective 5473
date of the merger or consolidation. In the case of a conversion, 5474
a demand served on the converting domestic limited partnership 5475
constitutes service on the converted entity, whether the demand is 5476
served before, on, or after the effective date of the conversion. 5477

(E) If the interests as to which a dissenting partner seeks 5478
relief are represented by certificates and if the domestic limited 5479
partnership sends to the dissenting partner, at the address 5480
specified in ~~his~~ the dissenting partner's demand, a request for 5481
certificates representing the interests as to which ~~he~~ the 5482
dissenting partner seeks relief, the dissenting partner, within 5483
fifteen days from the date on which the request was sent, shall 5484
deliver to the limited partnership the certificates requested so 5485
that the limited partnership may endorse on them a legend to the 5486
effect that a demand for the fair cash value of such interests has 5487
been made. The limited partnership promptly shall return the 5488
endorsed certificates to the dissenting partner. The failure of a 5489
dissenting partner to deliver such certificates terminates ~~his~~ 5490
rights as a dissenting partner, at the option of the limited 5491
partnership, exercised by written notice sent to the dissenting 5492

partner within twenty days after the lapse of the fifteen-day 5493
period, unless a court for good cause shown otherwise directs. If 5494
interests represented by a certificate on which ~~such~~ a legend has 5495
been endorsed are transferred, each new certificate issued for 5496
them shall bear a similar legend, together with the name of the 5497
original dissenting holder of such interests. Upon receiving a 5498
demand for payment from a dissenting partner who is a record 5499
holder of uncertificated interests, the limited partnership shall 5500
make an appropriate notation of the demand for payment in its 5501
records. If uncertificated interests for which payment has been 5502
demanded are to be transferred, any writing sent to evidence the 5503
transfer shall bear the legend required for certificated 5504
securities as provided in this division. A transferee of the 5505
interests receiving a certificate so endorsed, or of 5506
uncertificated securities where such a notation has been made, 5507
acquires only ~~such~~ rights in the limited partnership as the 5508
original partner holding such interests had immediately after the 5509
service of a demand for payment of the fair cash value of the 5510
interests. A request under this division by the limited 5511
partnership is not an admission by it that the holder of the 5512
interest is entitled to relief under this section. 5513

(F) Unless the partnership agreement of the constituent 5514
domestic limited partnership in which the dissenting partner was a 5515
partner provides a reasonable basis for determining and paying the 5516
fair cash value of the interests as to which the dissenting 5517
partner seeks relief or unless the limited partnership and the 5518
dissenting partner have come to an agreement on the fair cash 5519
value of the interests as to which the dissenting partner seeks 5520
relief, the dissenting partner or the limited partnership, which 5521
in the case of a merger or consolidation may be the surviving or 5522
new entity, or in the case of a conversion is the converted 5523
entity, within three months after the service of the demand by the 5524
dissenting partner, may file a complaint under section 1782.437 of 5525

the Revised Code. The complaint shall be filed in the court of 5526
common pleas of the county in which the principal office of the 5527
limited partnership that issued the interests is located or was 5528
located when the proposal was adopted by the partners of the 5529
limited partnership. Other dissenting partners, within that 5530
three-month period, may join as plaintiffs or may be joined as 5531
defendants in any such proceeding, and any two or more such 5532
proceedings may be consolidated. 5533

(G) The right and obligation of a dissenting partner to 5534
receive ~~such~~ fair cash value and to sell such interests as to 5535
which ~~he~~ the dissenting partner seeks relief and the right and 5536
obligation of the domestic limited partnership to purchase such 5537
interests and to pay the fair cash value of them terminate if any 5538
of the following applies: 5539

(1) The dissenting partner has not complied with this 5540
section, unless the limited partnership waives such failure. 5541

(2) The limited partnership abandons the merger ~~or~~, 5542
consolidation, or conversion or is finally enjoined or prevented 5543
from carrying it out, or the partners rescind their adoption or 5544
approval of the merger ~~or~~, consolidation, or conversion. 5545

(3) The dissenting partner withdraws ~~his~~ the dissenting 5546
partner's demand, with the consent of the limited partnership. 5547

(4) All of the following apply: 5548

(a) The partnership agreement of the constituent domestic 5549
limited partnership in which the dissenting partner was a partner 5550
does not provide a reasonable basis for determining and paying the 5551
dissenting partner the fair cash value of ~~his~~ the dissenting 5552
partner's interest. 5553

(b) The limited partnership and the dissenting partner have 5554
not agreed upon the fair cash value of the interest. 5555

(c) Neither the dissenting partner nor the limited partnership has filed or joined in a complaint under division (F) of this section within the period provided in that division.

(H) Unless otherwise provided in the partnership agreement of the constituent domestic limited partnership in which the dissenting partner was a partner, from the time the dissenting partner gives the demand until either the termination of the rights and obligations arising from it or the purchase of the interests by the limited partnership, all other rights accruing from such interests, including voting or distribution rights, are suspended. If, during the suspension, any distribution is paid in money upon interests of ~~such~~ a class or any dividend, distribution, or interest is paid in money upon any securities issued in extinguishment of, or in substitution for, such interest, an amount equal to the dividend, distribution, or interest that, except for the suspension, would have been payable upon such interests or securities shall be paid to the holder of record as a credit upon the fair cash value of the interests. If the right to receive fair cash value is terminated other than by the purchase of the interests by the limited partnership, all rights of the dissenting partner shall be restored and all distributions that, except for the suspension, would have been made shall be made to the holder of record of the interests at the time of termination.

Sec. 1782.437. (A) When authorized by division (F) of section 1782.436 of the Revised Code, a dissenting partner or limited partnership may file a complaint under this section demanding the relief described in this section. A complaint filed under this section shall contain a brief statement of the facts, including the vote or action by the partners and the facts entitling the dissenting partner to the relief demanded. No answer to ~~such~~ a

complaint is required. Upon the filing of ~~such~~ a complaint, the 5587
court, on motion of the petitioner, shall enter an order fixing a 5588
date for a hearing on the complaint and requiring that a copy of 5589
the complaint and a notice of the filing and of the date for the 5590
hearing be given to the respondent or defendant in the manner in 5591
which summons is required to be served or substituted service is 5592
required to be made in other cases. On the date fixed for the 5593
hearing on the complaint or any adjournment of it, the court shall 5594
determine from the complaint and from ~~such~~ evidence ~~as is~~ 5595
submitted by either party whether the dissenting partner is 5596
entitled to be paid the fair cash value of any interests and, if 5597
so, the number and class of such interests. If the court finds 5598
that the dissenting partner is so entitled, it may appoint one or 5599
more persons as appraisers to receive evidence and to recommend a 5600
decision on the amount of the fair cash value. The appraisers have 5601
~~such~~ power and authority ~~as is~~ specified in the order of their 5602
appointment. The court thereupon shall make a finding as to the 5603
fair cash value of the interests and shall render judgment against 5604
the limited partnership for the payment of it, with interest at 5605
~~such~~ a rate and from ~~such~~ a date as the court considers equitable. 5606
The costs of the proceeding, including reasonable compensation to 5607
the appraisers to be fixed by the court, shall be assessed or 5608
apportioned as the court considers equitable. The proceeding is a 5609
special proceeding and final orders in it may be vacated, 5610
modified, or reversed on appeal pursuant to the Rules of Appellate 5611
Procedure and, to the extent not in conflict with those rules, 5612
Chapter 2505. of the Revised Code. If, during the pendency of any 5613
proceeding under this section, a suit or proceeding is or has been 5614
instituted to enjoin or otherwise to prevent the carrying out of 5615
the action as to which the partner has dissented, the proceeding 5616
instituted under this section shall be stayed until the final 5617
determination of the other suit or proceeding. Unless any 5618
provision of division (G) of section 1782.436 of the Revised Code 5619

is applicable, the fair cash value of the interests that is agreed 5620
upon by the parties or fixed under this section shall be paid 5621
within thirty days after the date of final determination of such 5622
value under this division or the consummation of the merger ~~or~~ 5623
consolidation, or conversion, whichever occurs last. Upon the 5624
occurrence of the last such event, payment shall be made 5625
immediately to a holder of uncertificated securities entitled to 5626
~~such~~ payment. In the case of holders of interests represented by 5627
certificates, payment shall be made only upon and simultaneously 5628
with the surrender to the domestic limited partnership of the 5629
certificates representing the interests for which the payment is 5630
made. 5631

(B) If the proposal was submitted to the partners of the 5632
limited partnership for a vote at a meeting, fair cash value as to 5633
those partners shall be determined as of the day before the day on 5634
which the vote by the partners was taken. If the proposal was 5635
submitted to the partners for written approval or other action, 5636
fair cash value as to those partners shall be determined as of the 5637
day before the day on which the request for the approval or action 5638
was sent. The fair cash value of an interest for purposes of this 5639
section is the amount that a willing seller who is under no 5640
compulsion to sell would be willing to accept and that a willing 5641
buyer who is under no compulsion to purchase would be willing to 5642
pay, but the fair cash value paid to any partner shall not exceed 5643
the amount specified in the demand of that partner. In computing 5644
~~such~~ fair cash value, any appreciation or depreciation in market 5645
value resulting from the merger ~~or~~ consolidation, or conversion 5646
shall be excluded. 5647

Sec. 1782.438. (A) Subject to division (B)(2) of this 5648
section, pursuant to a written declaration of conversion as 5649
provided in this section, a domestic or foreign entity other than 5650
a domestic limited partnership may be converted into a domestic 5651

limited partnership. The conversion also must be permitted by the 5652
chapter of the Revised Code or by the laws under which the 5653
converting entity exists. 5654

(B)(1) The written declaration of conversion shall set forth 5655
all of the following: 5656

(a) The name and form of entity that is being converted, the 5657
name of the entity into which the entity will be converted, and 5658
the jurisdiction of formation of the converting entity; 5659

(b) The certificate of limited partnership of the converted 5660
limited partnership; 5661

(c) The partnership agreement of the converted domestic 5662
limited partnership or a provision that the written agreement of 5663
the converting entity, a copy of which shall be attached to the 5664
declaration of conversion, with any amendments that are set forth 5665
in the declaration of conversion, is the agreement of the 5666
converted domestic limited partnership; 5667

(d) The general partners of the converted domestic limited 5668
partnership; 5669

(e) All statements and matters required to be set forth in an 5670
instrument of conversion by the laws under which the converting 5671
entity exists; 5672

(f) The terms of the conversion; the mode of carrying them 5673
into effect; and the manner and basis of converting the interests 5674
or shares of the converting entity into, or substituting the 5675
interests or shares in the converting entity for, interests, 5676
evidences of indebtedness, other securities, cash, rights, or any 5677
other property or any combination of interests, evidences of 5678
indebtedness, other securities, cash, rights, or any other 5679
property of the converted limited partnership. 5680

(2) No conversion or substitution described in this section 5681

shall be effected if there are reasonable grounds to believe that 5682
the conversion or substitution would render the converted limited 5683
partnership unable to pay its obligations as they become due in 5684
the usual course of its affairs. 5685

(C) The written declaration of conversion may set forth any 5686
of the following: 5687

(1) The effective date of the conversion, which date may be 5688
on or after the date of the filing of the certificate of 5689
conversion pursuant to section 1782.4310 of the Revised Code; 5690

(2) A provision authorizing the converting entity to abandon 5691
the proposed conversion by action of authorized representatives of 5692
the converting entity taken prior to the filing of the certificate 5693
of conversion pursuant to section 1782.4310 of the Revised Code; 5694

(3) A statement of, or a statement of the method to be used 5695
to determine, the fair value of the assets owned by the converting 5696
entity at the time of the conversion; 5697

(4) The parties to the declaration of conversion in addition 5698
to the converting entity; 5699

(5) Any additional provision necessary or desirable with 5700
respect to the proposed conversion or the converted entity. 5701

(D) At any time before the filing of the certificate of 5702
conversion pursuant to section 1782.4310 of the Revised Code, the 5703
conversion may be abandoned by any representatives authorized to 5704
do so by the declaration of conversion, or by the same vote as was 5705
required to adopt the declaration of conversion. 5706

(E) Each person that will be a general partner of the 5707
domestic limited partnership that is the converted entity 5708
specifically shall agree in writing to be a general partner in the 5709
domestic limited partnership that is the converted entity. 5710

Sec. 1782.439. (A) Subject to division (B)(2) of this 5711
section, pursuant to a written declaration of conversion as 5712
provided in this section, a domestic limited partnership may be 5713
converted into a domestic or foreign entity other than a domestic 5714
limited partnership. The conversion also must be permitted by the 5715
chapter of the Revised Code or by the laws under which the 5716
converted entity will exist. 5717

(B)(1) The written declaration of conversion shall set forth 5718
all of the following: 5719

(a) The name and form of entity that is being converted, the 5720
name of the entity into which the entity will be converted, the 5721
form of the converted entity, and the jurisdiction of formation of 5722
the converted entity; 5723

(b) If the converted entity is a domestic entity, the 5724
complete terms of all documents required under the applicable 5725
chapter of the Revised Code to form the converted entity; 5726

(c) If the converted entity is a foreign entity, all of the 5727
following: 5728

(i) The complete terms of all documents required under the 5729
law of its formation to form the converted entity; 5730

(ii) The consent of the converted entity to be sued and 5731
served with process in this state, and the irrevocable appointment 5732
of the secretary of state as the agent of the converted entity to 5733
accept service of process in this state to enforce against the 5734
converted entity any obligation of the converting limited 5735
partnership or to enforce the rights of a dissenting limited 5736
partner of the converting limited partnership; 5737

(iii) If the converted entity desires to transact business in 5738
this state, the information required to qualify or be licensed 5739
under the applicable chapter of the Revised Code; 5740

(d) All other statements and matters required to be set forth 5741
in the declaration of conversion by the applicable chapter of the 5742
Revised Code if the converted entity is a domestic entity, or by 5743
the laws under which the converted entity will be formed, if the 5744
converted entity is a foreign entity. 5745

(e) The terms of the conversion; the mode of carrying them 5746
into effect; and the manner and basis of converting the interests 5747
or shares of the converting limited partnership into, or 5748
substituting the interests in the converting partnership for, 5749
interests, evidences of indebtedness, other securities, cash, 5750
rights, or any other property or any combination of interests, 5751
evidences of indebtedness, other securities, cash, rights, or any 5752
other property of the converted entity. 5753

(2) No conversion or substitution described in this section 5754
shall be effected if there are reasonable grounds to believe that 5755
the conversion or substitution would render the converted entity 5756
unable to pay its obligations as they become due in the usual 5757
course of its affairs. 5758

(C) The written declaration of conversion may set forth any 5759
of the following: 5760

(1) The effective date of the conversion, which date may be 5761
on or after the date of the filing of the certificate of 5762
conversion pursuant to section 1782.4310 of the Revised Code; 5763

(2) A provision authorizing the converting limited 5764
partnership to abandon the proposed conversion by action of the 5765
general partners of the converting limited partnership taken prior 5766
to the filing of the certificate of conversion pursuant to section 5767
1782.4310 of the Revised Code; 5768

(3) A statement of, or a statement of the method to be used 5769
to determine, the fair value of the assets owned by the converting 5770
limited partnership at the time of the conversion; 5771

(4) The parties to the declaration of conversion in addition 5772
to the converting entity; 5773

(5) Any additional provision necessary or desirable with 5774
respect to the proposed conversion or the converted entity. 5775

(D) The general partners of the converting domestic limited 5776
partnership and, unless otherwise provided in writing in the 5777
agreement of limited partnership, the limited partners of the 5778
converting domestic limited partnership must adopt the declaration 5779
of conversion in order to effect the conversion. Notwithstanding 5780
that the limited partners of a converting domestic limited 5781
partnership are not required to vote on a conversion, the 5782
declaration of conversion also must be adopted by the limited 5783
partners if the declaration of conversion makes any change to the 5784
partnership agreement then in effect or to the documents governing 5785
the organization of the converted entity, or authorizes any action 5786
that, if it were made or authorized apart from the conversion, 5787
would require such approval or adoption. 5788

(E)(1) All partners, whether or not they are entitled to vote 5789
or act, shall be given written notice of any meeting of limited 5790
partners of a converting domestic limited partnership or of any 5791
proposed action by limited partners of a converting domestic 5792
limited partnership, which meeting or action is to adopt a 5793
declaration of conversion. The notice shall be given to the 5794
partners either as provided in writing in the limited partnership 5795
agreement or by mail at the partners' addresses as they appear on 5796
the records of the limited partnership, or in person. Unless the 5797
limited partnership agreement provides a shorter or longer period, 5798
notice shall be given not less than seven and not more than sixty 5799
days before the meeting or the effective date of the action. 5800

(2) The notice described in division (E)(1) of this section 5801
shall be accompanied by a copy or a summary of the material 5802

provisions of the declaration of conversion. 5803

(F) The unanimous vote or action of the general partners, or 5804
a different number or proportion as provided in writing in the 5805
partnership agreement, is required to adopt a declaration of 5806
conversion. 5807

If the declaration of conversion would have an effect or 5808
authorize any action that under any applicable provision of law or 5809
the partnership agreement could be effected or authorized only by 5810
or pursuant to a specified vote or action of the partners, or of 5811
any class or group of partners, the declaration of conversion also 5812
must be adopted or approved by the same vote or action as would be 5813
required to effect that change or authorize that action. 5814

(G) Each person that will continue to be or that will become 5815
a general partner of a partnership that is a converted entity in a 5816
conversion specifically shall agree to continue or to become, as 5817
the case may be, a general partner of the partnership that is the 5818
converted entity. 5819

(H)(1) At any time before the filing of the certificate of 5820
conversion pursuant to section 1782.4310 of the Revised Code, the 5821
conversion may be abandoned by all of the general partners of the 5822
converting limited partnership or by any representatives 5823
authorized to do so by the declaration of conversion, or by the 5824
same vote as was required to adopt the declaration of conversion. 5825

(2) The declaration of conversion may contain a provision 5826
authorizing less than all of the general partners to amend the 5827
declaration of conversion at any time before the filing of the 5828
certificate of conversion, except that, after the adoption of the 5829
declaration of conversion by the general partners, less than all 5830
the general partners are not authorized to amend the declaration 5831
of conversion to do any of the following: 5832

(a) Alter or change the amount or kind of interests, shares, 5833

evidences of indebtedness, other securities, cash rights, or any 5834
other property to be received by the partners of the converting 5835
limited partnership in conversion of, or substitution for, their 5836
interests; 5837

(b) Alter or change any term of the organizational documents 5838
of the converted entity except for alterations or changes that are 5839
adopted with the vote or action of the persons the vote or action 5840
of which would be required for the alteration or change after the 5841
conversion; 5842

(c) Alter or change any other terms and conditions of the 5843
declaration of conversion if any of the alterations or changes, 5844
alone or in the aggregate, materially and adversely would affect 5845
the partners or any class or group of partners of the converting 5846
partnership. 5847

Sec. 1782.4310. (A) Upon the adoption of a declaration of 5848
conversion pursuant to section 1782.438 or 1782.439 of the Revised 5849
Code, or at a later time as authorized by the declaration of 5850
conversion, a certificate of conversion that is signed by an 5851
authorized representative of the converting entity shall be filed 5852
with the secretary of state. The certificate shall be on a form 5853
prescribed by the secretary of state and shall set forth only the 5854
information required by this section. 5855

(B)(1) The certificate of conversion shall set forth all of 5856
the following: 5857

(a) The name and the form of entity of the converting entity 5858
and the state under the laws of which the converting entity 5859
exists; 5860

(b) A statement that the converting entity has complied with 5861
all of the laws under which it exists and that those laws permit 5862
the conversion; 5863

(c) The name and mailing address of the person or entity that is to provide a copy of the declaration of conversion in response to any written request made by a shareholder, partner, or member of the converting entity; 5864
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(d) The effective date of the conversion, which date may be on or after the date of the filing of the certificate pursuant to this section; 5868
5869
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(e) The signature of the representative or representatives authorized to sign the certificate on behalf of the converting entity and the office held or the capacity in which the representative is acting; 5871
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(f) A statement that the declaration of conversion is authorized on behalf of the converting entity and that each person that signed the certificate on behalf of the converting entity is authorized to do so; 5875
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(g) The name and the form of the converted entity and the state under the laws of which the converted entity will exist; 5879
5880

(h) If the converted entity is a foreign entity that will not be licensed in this state, the name and address of the statutory agent upon whom any process, notice, or demand may be served. 5881
5882
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(2) In the case of a conversion into a new domestic corporation, limited liability company, or partnership, any organizational document that would be filed upon the creation of the converted entity shall be filed with the certificate of conversion. 5884
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(3) If the converted entity is a foreign entity that desires to transact business in this state, the certificate of conversion shall be accompanied by the information required by division (B)(7), (8), or (9) of section 1782.432 of the Revised Code. 5889
5890
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(4) If a foreign or domestic corporation licensed to transact 5893

business in this state is the converting entity, the certificate 5894
of conversion shall be accompanied by the affidavits, receipts, 5895
certificates, or other evidence required by division (H) of 5896
section 1701.86 of the Revised Code with respect to a converting 5897
domestic corporation, or by the affidavits, receipts, 5898
certificates, or other evidence required by division (C) or (D) of 5899
section 1703.17 of the Revised Code with respect to a foreign 5900
corporation. 5901

(C) If the converting entity or the converted entity is 5902
organized or formed under the laws of a state other than this 5903
state or under any chapter of the Revised Code other than this 5904
chapter, all documents required to be filed in connection with the 5905
conversion by the laws of that state or that chapter shall be 5906
filed in the proper office. 5907

(D) Upon the filing of a certificate of conversion and other 5908
filings required by division (C) of this section, or at any later 5909
date that the certificate of conversion specifies, the conversion 5910
is effective, subject to the limitation that no conversion shall 5911
be effected if there are reasonable grounds to believe that the 5912
conversion would render the converted entity unable to pay its 5913
obligations as they become due in the usual course of its affairs. 5914

(E) The secretary of state shall furnish, upon request and 5915
payment of the fee specified in division (K)(2) of section 111.16 5916
of the Revised Code, the secretary of state's certificate setting 5917
forth all of the following: 5918

(1) The name and form of entity of the converting entity and 5919
the state under the laws of which it existed prior to the 5920
conversion; 5921

(2) The name and the form of entity of the converted entity 5922
and the state under the law of which it will exist; 5923

(3) The date of filing of the certificate of conversion with 5924

the secretary of state and the effective date of the conversion. 5925

(F) The certificate of the secretary of state, or a copy of 5926
the certificate of conversion certified by the secretary of state, 5927
may be filed for record in the office of the recorder of any 5928
county in this state and, if filed, shall be recorded in the 5929
records of deeds for that county. For the recording, the county 5930
recorder shall charge and collect the same fee as in the case of 5931
deeds. 5932

Sec. 1782.4311. (A) Upon a conversion becoming effective, all 5933
of the following apply: 5934

(1) The converting entity is continued in the converted 5935
entity. 5936

(2) The converted entity exists, and the converting entity 5937
ceases to exist. 5938

(3) The converted entity possesses both of the following, and 5939
both of the following continue in the converted entity without any 5940
further act or deed: 5941

(a) Except to the extent limited by requirements of 5942
applicable law, both of the following: 5943

(i) All assets and property of every description of the 5944
converting entity and every interest in the assets and property of 5945
the converting entity, wherever the assets, property, and 5946
interests are located. Title to any real estate or any interest in 5947
real estate that was vested in the converting entity does not 5948
revert or in any way is impaired by reason of the conversion. 5949

(ii) The rights, privileges, immunities, powers, franchises, 5950
and authority, whether of a public or a private nature, of the 5951
converting entity. 5952

(b) All obligations belonging or due to the converting 5953

entity. 5954

(4) All the rights of creditors of the converting entity are 5955
preserved unimpaired, and all liens upon the property of the 5956
converting entity are preserved unimpaired. If a general partner 5957
of a converting partnership is not a general partner of the entity 5958
resulting from the conversion, then the former general partner has 5959
no liability for any obligation incurred after the conversion 5960
except to the extent that a former creditor of the converting 5961
partnership in which the former general partner was a general 5962
partner extends credit to the converted entity reasonably 5963
believing that the former general partner continues as a general 5964
partner of the converted entity. 5965

(B) If a general partner of a converting limited partnership 5966
is not a general partner of the entity resulting from the 5967
conversion, then, unless that general partner agrees otherwise in 5968
writing, the general partner shall be indemnified by the converted 5969
entity against all present or future liabilities of the converting 5970
limited partnership of which the general partner was a general 5971
partner. Any amount payable pursuant to section 1782.435 of the 5972
Revised Code to a partner of the converting partnership in which 5973
that general partner was a partner is a present liability of the 5974
converted partnership. 5975

(C) In the case of a conversion into a foreign corporation, 5976
limited liability company, or partnership that is not licensed or 5977
registered to transact business in this state, if the converted 5978
entity intends to transact business in this state, and the 5979
certificate of conversion is accompanied by the information 5980
described in division (B)(4) of section 1782.433 of the Revised 5981
Code, then on the effective date of the conversion, the converted 5982
entity is considered to have complied with the requirements for 5983
procuring a license or for registration to transact business in 5984
this state as a foreign corporation, limited liability company, 5985

limited partnership, or limited liability partnership as the case 5986
may be. In such a case, a copy of the certificate of conversion 5987
certified by the secretary of state constitutes the license 5988
certificate prescribed for a foreign corporation or the 5989
application for registration prescribed for a foreign limited 5990
liability company, foreign limited partnership, or foreign limited 5991
liability partnership. 5992

(D) Any action to set aside any conversion on the ground that 5993
any section of the Revised Code applicable to the conversion has 5994
not been complied with shall be brought within ninety days after 5995
the effective date of the conversion or is forever barred. 5996

(E) In the case of a converting or converted entity organized 5997
or existing under the laws of any state other than this state, 5998
this section is subject to the laws of the state under which that 5999
entity exists or in which it has property. 6000

Sec. 1782.65. (A) Absent an express agreement to the 6001
contrary, a person providing goods to or performing services for a 6002
domestic or foreign limited partnership owes no duty to, incurs no 6003
liability or obligation to, and is not in privity with the general 6004
partners, limited partners, or creditors of the limited 6005
partnership by reason of providing goods to or performing services 6006
for the limited partnership. 6007

(B) Absent an express agreement to the contrary, a person 6008
providing goods to or performing services for a general or limited 6009
partner or a group of general or limited partners of a limited 6010
domestic or foreign limited partnership owes no duty to, incurs no 6011
liability or obligation to, and is not in privity with the limited 6012
partnership, any other general or limited partners of the limited 6013
partnership, or the creditors of the limited partnership by reason 6014
of providing goods to or performing services for the general or 6015
limited partner or group of general or limited partners. 6016

Section 2. That existing sections 111.16, 1701.01, 1701.10, 6017
1701.11, 1701.17, 1701.18, 1701.19, 1701.40, 1701.41, 1701.44, 6018
1701.51, 1701.54, 1701.57, 1701.58, 1701.62, 1701.63, 1701.73, 6019
1701.75, 1701.76, 1701.81, 1701.831, 1701.84, 1701.85, 1701.92, 6020
1704.02, 1704.03, 1705.09, 1705.19, 1705.40, 1705.41, 1705.42, 6021
1707.01, 1707.041, 1707.20, 1707.44, 1775.01, 1775.05, 1775.14, 6022
1775.45, 1775.46, 1775.47, 1775.48, 1775.49, 1775.50, 1775.51, 6023
1775.52, 1782.435, 1782.436, and 1782.437 of the Revised Code are 6024
hereby repealed. 6025

Section 3. Section 111.16 of the Revised Code, as amended by 6026
this act, shall take effect on the one hundred eightieth day after 6027
the effective date of this act. 6028