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Representatives Seitz, Fessler, Combs, Wagoner, Coley, Trakas, Reidelbach, Gilb, White, Schneider, Willamowski, Allen, Aslanides, Barrett, Book, Carano, Cassell, Collier, Core, DeGeeter, Domenick, Evans, C., Fende, Flowers, Garrison, Gibbs, Harwood, Healy, Hughes, Key, McGregor, J., McGregor, R., Miller, Mitchell, Oelslager, Otterman, Patton, T., Sayre, Seaver, Webster, Yuko, Beatty, Mason

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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, <u>division (E) of section 1701.811</u> , division (E)	152
of section 1705.38, <u>division (E) of section 1705.381</u> , division (D)	153
of section 1702.43, division (E) of section 1775.47, or <u>division</u>	154
<u>(E) of section 1775.55</u> , division (E) of section 1782.433, <u>or</u>	155
<u>division (E) of section 1782.4310</u> of the Revised Code, twenty-five	156
dollars.	157
(L) For a minister's license to solemnize marriages, ten	158
dollars;	159
(M) For examining documents to be filed at a later date for	160
the purpose of advising as to the acceptability of the proposed	161
filing, fifty dollars;	162
(N) Fifty dollars for filing and recording any of the	163
following:	164
(1) A certificate of dissolution and accompanying documents,	165
or a certificate of cancellation, under section 1701.86, 1702.47,	166
1705.43, or 1782.10 of the Revised Code;	167
(2) A notice of dissolution of a foreign licensed corporation	168

or a certificate of surrender of license by a foreign licensed corporation under section 1703.17 of the Revised Code;	169 170
(3) The withdrawal of registration of a foreign or domestic limited liability partnership under section 1775.61 or 1775.64 of the Revised Code, or the certificate of cancellation of registration of a foreign limited liability company under section 1705.57 of the Revised Code;	171 172 173 174 175
(4) The filing of a cancellation of disclaimer of general partner status under Chapter 1782. of the Revised Code.	176 177
(O) For filing a statement of continued existence by a nonprofit corporation, twenty-five dollars;	178 179
(P) For filing a restatement under section 1705.08 or 1782.09 of the Revised Code, an amendment to a certificate of cancellation under section 1782.10 of the Revised Code, an amendment under section 1705.08 or 1782.09 of the Revised Code, or a correction under section 1705.55, 1775.61, 1775.64, or 1782.52 of the Revised Code, fifty dollars;	180 181 182 183 184 185
(Q) For filing for reinstatement of an entity cancelled by operation of law, by the secretary of state, by order of the department of taxation, or by order of a court, twenty-five dollars;	186 187 188 189
(R) For filing a change of agent, resignation of agent, or change of agent's address under section 1701.07, 1702.06, 1703.041, 1703.27, 1705.06, 1705.55, 1746.04, 1747.03, or 1782.04 of the Revised Code, twenty-five dollars;	190 191 192 193
(S) For filing and recording any of the following:	194
(1) An application for the exclusive right to use a name or an application to reserve a name for future use under section 1701.05, 1702.05, 1703.31, 1705.05, or 1746.06 of the Revised Code, fifty dollars;	195 196 197 198

(2) A trade name or fictitious name registration or report,	199
fifty dollars;	200
(3) An application to renew any item covered by division	201
(S)(1) or (2) of this section that is permitted to be renewed,	202
twenty-five dollars;	203
(4) An assignment of rights for use of a name covered by	204
division (S)(1), (2), or (3) of this section, the cancellation of	205
a name registration or name reservation that is so covered, or	206
notice of a change of address of the registrant of a name that is	207
so covered, twenty-five dollars.	208
(T) For filing and recording a report to operate a business	209
trust or a real estate investment trust, either foreign or	210
domestic, one hundred twenty-five dollars; and for filing and	211
recording an amendment to a report or associated trust instrument,	212
or a surrender of authority, to operate a business trust or real	213
estate investment trust, fifty dollars;	214
(U)(1) For filing and recording the registration of a	215
trademark, service mark, or mark of ownership, one hundred	216
twenty-five dollars;	217
(2) For filing and recording the change of address of a	218
registrant, the assignment of rights to a registration, a renewal	219
of a registration, or the cancellation of a registration	220
associated with a trademark, service mark, or mark of ownership,	221
twenty-five dollars.	222
(V) For filing a service of process with the secretary of	223
state, five dollars, except as otherwise provided in any section	224
of the Revised Code.	225
Fees specified in this section may be paid by cash, check, or	226
money order, by credit card in accordance with section 113.40 of	227
the Revised Code, or by an alternative payment program in	228

accordance with division (B) of section 111.18 of the Revised Code. Any credit card number or the expiration date of any credit card is not subject to disclosure under Chapter 149. of the Revised Code.

Sec. 1701.01. As used in sections 1701.01 to 1701.98 of the Revised Code, unless the context otherwise requires:

(A) "Corporation" or "domestic corporation" means a corporation for profit formed under the laws of this state.

(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.

(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.

(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.

(E) "Incorporator" means a person who signed the original articles of incorporation.

(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 adopted by the shareholders, the regulations adopted by the directors pursuant to division (A)(1) of section 1701.10 of the Revised Code, or the contract of subscription otherwise provides, "shareholder"

includes a subscriber to shares, whether the subscription is 259
received by the incorporators or pursuant to authorization by the 260
directors, and such shares shall be deemed to be outstanding 261
shares. 262

(G) "Person" includes, without limitation, a natural person, 263
a corporation, whether nonprofit or for profit, a partnership, a 264
limited liability company, an unincorporated society or 265
association, and two or more persons having a joint or common 266
interest. 267

(H) The location of the "principal office" of a corporation 268
is the place named as the principal office in its articles. 269

(I) The "express terms" of shares of a class are the 270
statements expressed in the articles with respect to such shares. 271

(J) Shares of a class are "junior" to shares of another class 272
when any of their dividend or distribution rights are subordinate 273
to, or dependent or contingent upon, any right of, or dividend on, 274
or distribution to, shares of such other class. 275

(K) "Treasury shares" means shares belonging to the 276
corporation and not retired that have been either issued and 277
thereafter acquired by the corporation or paid as a dividend or 278
distribution in shares of the corporation on treasury shares of 279
the same class; such shares shall be deemed to be issued, but they 280
shall not be considered as an asset or a liability of the 281
corporation, or as outstanding for dividend or distribution, 282
quorum, voting, or other purposes, except, when authorized by the 283
directors, for dividends or distributions in authorized but 284
unissued shares of the corporation of the same class. 285

(L) To "retire" a share means to restore it to the status of 286
an authorized but unissued share. 287

(M) "Redemption price of shares" means the amount required by 288
the articles to be paid on redemption of shares. 289

(N) "Liquidation price" means the amount or portion of assets 290
required by the articles to be distributed to the holders of 291
shares of any class upon dissolution, liquidation, merger, or 292
consolidation of the corporation, or upon sale of all or 293
substantially all of its assets. 294

(O) "Insolvent" means that the corporation is unable to pay 295
its obligations as they become due in the usual course of its 296
affairs. 297

(P) "Parent corporation" or "parent" means a domestic or 298
foreign corporation that owns and holds of record shares of 299
another corporation, domestic or foreign, entitling the holder of 300
the shares at the time to exercise a majority of the voting power 301
in the election of the directors of the other corporation without 302
regard to voting power that may thereafter exist upon a default, 303
failure, or other contingency; "subsidiary corporation" or 304
"subsidiary" means a domestic or foreign corporation of which 305
another corporation, domestic or foreign, is the parent. 306

(Q) "Combination" means a transaction, other than a merger or 307
consolidation, wherein either of the following applies: 308

(1) Voting shares of a domestic corporation are issued or 309
transferred in consideration in whole or in part for the transfer 310
to itself or to one or more of its subsidiaries, domestic or 311
foreign, of all or substantially all the assets of one or more 312
corporations, domestic or foreign, with or without good will or 313
the assumption of liabilities; 314

(2) Voting shares of a foreign parent corporation are issued 315
or transferred in consideration in whole or in part for the 316
transfer of such assets to one or more of its domestic 317
subsidiaries. 318

"Transferee corporation" in a combination means the 319
corporation, domestic or foreign, to which the assets are 320

transferred, and "transferor corporation" in a combination means 321
the corporation, domestic or foreign, transferring such assets and 322
to which, or to the shareholders of which, the voting shares of 323
the domestic or foreign corporation are issued or transferred. 324

(R) "Majority share acquisition" means the acquisition of 325
shares of a corporation, domestic or foreign, entitling the holder 326
of the shares to exercise a majority of the voting power in the 327
election of directors of such corporation without regard to voting 328
power that may thereafter exist upon a default, failure, or other 329
contingency, by either of the following: 330

(1) A domestic corporation in consideration in whole or in 331
part, for the issuance or transfer of its voting shares; 332

(2) A domestic or foreign subsidiary in consideration in 333
whole or in part for the issuance or transfer of voting shares of 334
its domestic parent. 335

(S) "Acquiring corporation" in a combination means the 336
domestic corporation whose voting shares are issued or transferred 337
by it or its subsidiary or subsidiaries to the transferor 338
corporation or corporations or the shareholders of the transferor 339
corporation or corporations; and "acquiring corporation" in a 340
majority share acquisition means the domestic corporation whose 341
voting shares are issued or transferred by it or its subsidiary in 342
consideration for shares of a domestic or foreign corporation 343
entitling the holder of the shares to exercise a majority of the 344
voting power in the election of directors of such corporation. 345

(T) When used in connection with a combination or a majority 346
share acquisition, "voting shares" means shares of a corporation, 347
domestic or foreign, entitling the holder of the shares to vote at 348
the time in the election of directors of such corporation without 349
regard to voting power which may thereafter exist upon a default, 350
failure, or other contingency. 351

(U) "An emergency" exists when the governor, or any other person lawfully exercising the power and discharging the duties of the office of governor, proclaims that an attack on the United States or any nuclear, atomic, or other disaster has caused an emergency for corporations, and such an emergency shall continue until terminated by proclamation of the governor or any other person lawfully exercising the powers and discharging the duties of the office of governor.

(V) "Constituent corporation" means an existing corporation merging into or into which is being merged one or more other entities in a merger or an existing corporation being consolidated with one or more other entities into a new entity in a consolidation, whether any of the entities is domestic or foreign, and "constituent entity" means any entity merging into or into which is being merged one or more other entities in a merger, or an existing entity being consolidated with one or more other entities into a new entity in a consolidation, whether any of the entities is domestic or foreign.

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

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

(Y) "Issuing public corporation" means a domestic corporation with fifty or more shareholders that has its principal place of business, its principal executive offices, assets having substantial value, or a substantial percentage of its assets

within this state, and as to which no valid close corporation
agreement exists under division (H) of section 1701.591 of the
Revised Code. 383
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(Z)(1) "Control share acquisition" means the acquisition,
directly or indirectly, by any person of shares of an issuing
public corporation that, when added to all other shares of the
issuing public corporation in respect of which ~~such~~ the person may
exercise or direct the exercise of voting power as provided in
this division, would entitle ~~such~~ the person, immediately after
~~such~~ the acquisition, directly or indirectly, alone or with
others, to exercise or direct the exercise of the voting power of
the issuing public corporation in the election of directors within
any of the following ranges of such voting power: 386
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(a) One-fifth or more but less than one-third of such voting
power; 396
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(b) One-third or more but less than a majority of such voting
power; 398
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(c) A majority or more of such voting power. 400

A bank, broker, nominee, trustee, or other person ~~who~~ that
acquires shares in the ordinary course of business for the benefit
of others in good faith and not for the purpose of circumventing
section 1701.831 of the Revised Code shall, however, be deemed to
have voting power only of shares in respect of which such person
would be able, without further instructions from others, to
exercise or direct the exercise of votes on a proposed control
share acquisition at a meeting of shareholders called under
section 1701.831 of the Revised Code. 401
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(2) The acquisition by any person of any shares of an issuing
public corporation does not constitute a control share acquisition
for the purpose of section 1701.831 of the Revised Code if the
acquisition was or is consummated in, results from, or is the 410
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consequence of any of the following circumstances: 414

(a) Prior to November 19, 1982; 415

(b) Pursuant to a contract existing prior to November 19, 416
1982; 417

(c) By bequest or inheritance, by operation of law upon the 418
death of an individual, or by any other transfer without valuable 419
consideration, including a gift, that is made in good faith and 420
not for the purpose of circumventing section 1701.831 of the 421
Revised Code; 422

(d) Pursuant to the satisfaction of a pledge or other 423
security interest created in good faith and not for the purpose of 424
circumventing section 1701.831 of the Revised Code; 425

(e) Pursuant to a merger or consolidation adopted, or a 426
combination or majority share acquisition authorized, by vote of 427
the shareholders of the issuing public corporation in compliance 428
with section 1701.78, 1701.781, 1701.79, 1701.791, or 1701.83 of 429
the Revised Code, or pursuant to a merger adopted in compliance 430
with section 1701.802 of the Revised Code; 431

(f) The person's being entitled, immediately thereafter, to 432
exercise or direct the exercise of voting power of the issuing 433
public corporation in the election of directors within the same 434
range theretofore attained by that person either in compliance 435
with the provisions of section 1701.831 of the Revised Code or as 436
a result solely of the issuing public corporation's purchase of 437
shares issued by it. 438

The acquisition by any person of shares of an issuing public 439
corporation in a manner described under division (Z)(2) of this 440
section shall be deemed a control share acquisition authorized 441
pursuant to section 1701.831 of the Revised Code within the range 442
of voting power under division (Z)(1)(a), (b), or (c) of this 443

section that such person is entitled to exercise after ~~such~~ the 444
acquisition, provided, in the case of an acquisition in a manner 445
described under division (Z)(2)(c) or (d) of this section, the 446
transferor of shares to such person had previously obtained any 447
authorization of shareholders required under section 1701.831 of 448
the Revised Code in connection with ~~such~~ the transferor's 449
acquisition of shares of the issuing public corporation. 450

(3) The acquisition of shares of an issuing public 451
corporation in good faith and not for the purpose of circumventing 452
section 1701.831 of the Revised Code from any person whose control 453
share acquisition previously had been authorized by shareholders 454
in compliance with section 1701.831 of the Revised Code, or from 455
any person whose previous acquisition of shares of an issuing 456
public corporation would have constituted a control share 457
acquisition but for division (Z)(2) or (3) of this section, does 458
not constitute a control share acquisition for the purpose of 459
section 1701.831 of the Revised Code unless such acquisition 460
entitles the person making the acquisition, directly or 461
indirectly, alone or with others, to exercise or direct the 462
exercise of voting power of the corporation in the election of 463
directors in excess of the range of ~~such~~ voting power authorized 464
pursuant to section 1701.831 of the Revised Code, or deemed to be 465
so authorized under division (Z)(2) of this section. 466

(AA) "Acquiring person" means any person who has delivered an 467
acquiring person statement to an issuing public corporation 468
pursuant to section 1701.831 of the Revised Code. 469

(BB) "Acquiring person statement" means a written statement 470
that complies with division (B) of section 1701.831 of the Revised 471
Code. 472

(CC)(1) "Interested shares" means the shares of an issuing 473
public corporation in respect of which any of the following 474

persons may exercise or direct the exercise of the voting power of 475
the corporation in the election of directors: 476

(a) An acquiring person; 477

(b) Any officer of the issuing public corporation elected or 478
appointed by the directors of the issuing public corporation; 479

(c) Any employee of the issuing public corporation who is 480
also a director of such corporation; 481

(d) Any person that acquires such shares for valuable 482
consideration during the period beginning with the date of the 483
first public disclosure of a proposal for, or expression of 484
interest in, a control share acquisition of the issuing public 485
corporation; a transaction pursuant to section 1701.76, 1701.78, 486
1701.781, 1701.79, 1701.791, 1701.83, or 1701.86 of the Revised 487
Code that involves the issuing public corporation or its assets; 488
or any action that would directly or indirectly result in a change 489
in control of the issuing public corporation or its assets, and 490
ending on the record date established by the directors pursuant to 491
section 1701.45 and division (D) of section 1701.831 of the 492
Revised Code, if either of the following applies: 493

(i) The aggregate consideration paid or given by the person 494
who acquired the shares, and any other persons acting in concert 495
with the person, for all such shares exceeds two hundred fifty 496
thousand dollars; 497

(ii) The number of shares acquired by the person who acquired 498
the shares, and any other persons acting in concert with the 499
person, exceeds one-half of one per cent of the outstanding shares 500
of the corporation entitled to vote in the election of directors. 501

(e) Any person that transfers such shares for valuable 502
consideration after the record date described in division 503
(CC)(1)(d) of this section as to shares so transferred, if 504

accompanied by the voting power in the form of a blank proxy, an agreement to vote as instructed by the transferee, or otherwise.

(2) If any part of this division is held to be illegal or invalid in application, the illegality or invalidity does not affect any legal and valid application thereof or any other provision or application of this division or section 1701.831 of the Revised Code that can be given effect without the invalid or illegal provision, and the parts and applications of this division are severable.

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

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

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

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

(a) A business trust or association;

(b) A real estate investment trust;

(c) A common law trust;

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

(e) A limited liability company;

(f) A nonprofit corporation.

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

(1) If the initial directors are named in the articles, the initial directors shall hold an organizational meeting, at the call of a majority of the directors, to complete the organization

of the corporation by receiving subscriptions, appointing 533
officers, adopting regulations, and carrying on any other business 534
brought before the meeting. 535

(2) If the initial directors are not named in the articles, 536
the incorporator or incorporators either shall receive 537
subscriptions as provided in division (A) of section 1701.09 of 538
the Revised Code or shall hold an organizational meeting at the 539
call of a majority of the incorporators to elect directors who 540
shall complete the organization of the corporation as provided in 541
division (A)(1) of this section. If subscriptions for shares are 542
received by the incorporators, the incorporators, or a majority of 543
them, shall give not less than seven days' written notice to the 544
shareholders, unless written notice is waived by the shareholders, 545
to meet at a specified time and place for the purposes of adopting 546
regulations, electing directors, and transacting any other 547
business. The shareholders shall meet for those purposes at the 548
time and place specified. 549

(3) Notwithstanding divisions (A)(1) and (2) of this section, 550
if regulations have not been adopted within ninety days after the 551
formation of the corporation, regulations may be adopted only ~~by~~ 552
~~the shareholders in either of the following ways:~~ 553

~~(a) At a meeting of shareholders called for that purpose by 554
the directors or, if no directors have been named in the articles 555
or elected, at a meeting of shareholders called for that purpose 556
by at least a majority of the incorporators. The directors or 557
incorporators shall give not less than seven days' written notice 558
to the shareholders, unless written notice is waived by the 559
shareholders, to meet at a specified time and place for the 560
purposes of adopting regulations and transacting any other 561
business;~~ 562

~~(b) Without a meeting, by the written consent of the holders 563~~

~~of shares entitling them to exercise two thirds of the voting
power on the proposal.~~ 564
565

~~(4) In no event may the directors take any action to adopt or
amend regulations after the shareholders have adopted regulations
as provided in section 1701.11 of the Revised Code.~~ 566
567
568

(B) Action required or permitted by this chapter to be taken 569
by the incorporators at an organizational meeting may be taken 570
without a meeting if the action taken is evidenced by one or more 571
written consents describing the action taken and signed by each 572
incorporator. 573

(C) An organizational meeting may be held in or out of this 574
state. 575

Sec. 1701.11. (A)(1) Regulations for the government of a 576
corporation, the conduct of its affairs, and the management of its 577
property, consistent with law and the articles, may be adopted, 578
amended, or repealed in any of the following ways: 579

(a) Within ninety days after the corporation is formed, by 580
the directors in accordance with division (A)(1) of section 581
1701.10 of the Revised Code; 582

(b) By the shareholders at a meeting held for that purpose, 583
by the affirmative vote of the holders of shares entitling them to 584
exercise a majority of the voting power of the corporation on the 585
proposal, or if the articles or regulations that have been adopted 586
so provide, by the affirmative vote of the holders entitling them 587
to exercise a greater proportion than a majority of the voting 588
power of the corporation on the proposal; 589

(c) Without a meeting, by the written consent of the holders 590
of shares entitling them to exercise two-thirds of the voting 591
power of the corporation on the proposal. 592

~~(2) Except as otherwise provided in division (A)(4) of this~~ 593

~~section, the regulations may be amended, or new regulations may be~~ 594
~~adopted, in either of the following ways:~~ 595

~~(a) By the shareholders at a meeting held for that purpose,~~ 596
~~by the affirmative vote of the holders of shares entitling them to~~ 597
~~exercise a majority of the voting power of the corporation on the~~ 598
~~proposal;~~ 599

~~(b) Without a meeting, by the written consent of the holders~~ 600
~~of shares entitling them to exercise two thirds of the voting~~ 601
~~power of the corporation on the proposal.~~ 602

~~(3) Except as otherwise provided in division (A)(4) of this~~ 603
~~section, or if the articles or regulations that have been adopted~~ 604
~~so provide or permit, regulations may be adopted or amended or new~~ 605
~~regulations may be adopted by the affirmative vote or written~~ 606
~~consent of the holders of shares entitling them to exercise a~~ 607
~~greater or lesser proportion but not less than a majority of the~~ 608
~~voting power of the corporation on the proposal;~~ 609

~~(d) If and to the extent that the articles or regulations so~~ 610
~~provide or permit and unless a provision of the Revised Code~~ 611
~~reserves such authority to shareholders, by the directors,~~ 612
~~provided that no provision or permission in the articles or~~ 613
~~regulations may divest shareholders of the power, or limit the~~ 614
~~shareholders' power, to adopt, amend, or repeal regulations.~~ 615

~~(4)(2) Any amendment of regulations and any amended or new~~ 616
~~regulations adopted by shareholders of an issuing public~~ 617
~~corporation whose directors are classified pursuant to section~~ 618
~~1701.57 of the Revised Code that would change or eliminate the~~ 619
~~classification of directors shall be adopted only by the~~ 620
~~shareholders ~~only~~ at a meeting held for that purpose, by the~~ 621
~~affirmative vote of holders of shares entitling them to exercise~~ 622
~~the voting power of the corporation that is required for~~ 623
~~shareholders at a meeting under division ~~(A)(2)(a)~~ or (3)(A)(1)(b)~~ 624

of this section, and also by the affirmative vote of the holders 625
of a majority of disinterested shares voted on the proposal 626
determined as specified in division (C)(9) of section 1704.01 of 627
the Revised Code. 628

(B) Without limiting the generality of the authority 629
described in division (A) of this section, the regulations may 630
include provisions with respect to all of the following: 631

(1) The place, if any, and time for holding, the manner of 632
and authority for calling, giving notice of, and conducting, and 633
the requirements of a quorum for, meetings of shareholders; 634

(2) The taking of a record of shareholders or the temporary 635
closing of books against transfers of shares; 636

(3) The number, classification, manner of fixing or changing 637
the number, qualifications, term of office, and compensation or 638
manner of fixing compensation, of directors; 639

(4) The place, if any, and time for holding, the manner of 640
and authority for calling, giving notice of, and conducting, and 641
the requirements of a quorum for, meetings of the directors; 642

(5) The appointment of an executive and other committees of 643
the directors, and their authority; 644

(6) The titles, qualifications, duties, term of office, 645
compensation or manner of fixing compensation, and the removal, of 646
officers; 647

(7) The terms on which new certificates for shares may be 648
issued in the place of lost, stolen, or destroyed certificates; 649

(8) The manner in which and conditions upon which a 650
certificated security, and the conditions upon which an 651
uncertificated security, and the shares represented by a 652
certificated or uncertificated security, may be transferred, 653
restrictions on the right to transfer the shares, and reservations 654

of liens on the shares; 655

(9)(a) Restrictions on the transfer and the right to transfer 656
shares of either of the following: 657

(i) An issuing public corporation to any person in a control 658
share acquisition; 659

(ii) A corporation with fifty or more shareholders to any 660
person in an acquisition that would be a control share acquisition 661
if the corporation were an issuing public corporation. 662

(b) The restrictions on the transfer and the right to 663
transfer shares described in division (B)(9)(a)(i) and (ii) of 664
this section may include requirements and procedures for consent 665
to an acquisition of the shares by directors based on a 666
determination by the directors of the best interests of the 667
corporation and its shareholders, consent to an acquisition of the 668
shares by shareholders, and reasonable sanctions for a violation 669
of those requirements, including the right of the corporation to 670
refuse to transfer, to redeem, or to deny voting or other 671
shareholder rights appurtenant to shares acquired in an 672
acquisition of the shares. 673

(10) Defining, limiting, or regulating the exercise of the 674
authority of the corporation, the directors, or the officers, ~~or~~ 675
~~all the shareholders;~~ 676

(11) Defining, limiting, or regulating the exercise of the 677
authority of the shareholders; provided, that any amendment of the 678
regulations that would change or eliminate any such provision 679
shall be adopted only by the shareholders. 680

(C) The shareholders of a corporation may adopt and may 681
authorize the directors to adopt, either before or during an 682
emergency, as that term is defined in division (U) of section 683
1701.01 of the Revised Code, emergency regulations that shall be 684

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

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

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

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

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

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

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

(D) ~~¶ (1) Unless the corporation complies with division~~
~~(D)(2) of this section, if the regulations are amended or new~~
~~regulations are adopted, without a meeting of the shareholders~~
~~other than by the shareholders at a meeting held for that purpose,~~
the secretary of the corporation shall send a copy of the

amendment or the new regulations by mail, overnight delivery 715
service, or any other means of communication authorized by the 716
shareholder to whom a copy of the amendment or new regulations ~~are~~ 717
is sent, to each shareholder ~~who would have been entitled to vote~~ 718
~~on the adoption of the amendment or the new regulations and did~~ 719
~~not participate in~~ of record as of the date of the adoption of the 720
amendment or the new regulations. 721

(2) Any corporation that files periodic reports with the 722
United States securities and exchange commission pursuant to 723
section 13 of the "Securities Exchange Act of 1934," 48 Stat. 881, 724
15 U.S.C. 78m, as amended, or section 15(d) of the "Securities 725
Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78o(d), as amended, 726
may satisfy the notice to shareholders of record requirement of 727
division (D)(1) of this section by including a copy of the 728
amendment or the new regulations in a report filed in accordance 729
with those sections within twenty days after the adoption of the 730
amendment or the new regulations. 731

(E) No person dealing with the corporation shall be charged 732
with constructive notice of the regulations. 733

(F) Unless expressly prohibited by the articles or the 734
regulations or unless otherwise provided by the emergency 735
regulations, the following special rules shall be applicable 736
during an emergency notwithstanding any different provision 737
elsewhere in this chapter: 738

(1) Meetings of the directors may be called by any officer or 739
director. 740

(2) Notice of the time and place of each meeting of the 741
directors shall be given to such of the directors as it may be 742
feasible to reach at the time and by the means of communication, 743
written or oral, personal or mass, as may be practicable at the 744
time. 745

(3) The director or directors present at any meeting of the 746
directors that has been duly called and notice of which has been 747
duly given shall constitute a quorum for the meeting, and, in the 748
absence of one or more of the directors, the director or directors 749
present may appoint one or more of the officers of the corporation 750
directors for the meeting. 751

(4) If none of the directors attends a meeting of the 752
directors that has been duly called and notice of which has been 753
duly given, the officers of the corporation who are present, not 754
exceeding three, in order of rank, shall be directors for the 755
meeting, shall constitute a quorum for the meeting, and may 756
appoint one or more of the other officers of the corporation 757
directors for the meeting. 758

(5) If the chief executive officer dies, is missing, or for 759
any other reason is temporarily or permanently incapable of 760
discharging the duties of the office, the next ranking officer who 761
is available shall assume the duties and authority of the office 762
of the deceased, missing, or incapacitated chief executive officer 763
until such time as the directors ~~shall~~ otherwise order. 764

(6) The offices of secretary and treasurer shall be deemed to 765
be of equal rank, and, within the same office and as between the 766
offices of secretary and treasurer, rank shall be determined by 767
priority in time of the first election to the office or, if two or 768
more persons have been first elected to the office at the same 769
time, by seniority in age. 770

Sec. 1701.17. (A) A corporation by its directors, upon ~~such~~ 771
terms as it may impose, may provide and carry out plans for the 772
issuance, offering, or sale, or for the grant of options, to 773
employees of the corporation or of subsidiary corporations, or to 774
a trustee on their behalf, during the period of their employment 775
or other period, of, or with respect to, any unissued shares, 776

treasury shares, or shares to be purchased, which plans may 777
provide for the payment for such shares at one time or in 778
installments, or for the establishment of special funds in which 779
employees may participate. Shares otherwise subject to pre-emptive 780
rights may be offered or sold under ~~such~~ these plans only when 781
released from pre-emptive rights. 782

(B)(1) The directors, or a committee of the directors, may 783
delegate the authority described in division (A) of this section 784
to one or more officers if the resolution authorizing the 785
delegation specifies the total number of shares or options that 786
the officer or officers may award and the terms on which any 787
shares may be issued, offered, or sold or the terms of any 788
options. 789

(2) The directors may not authorize any officer described in 790
division (B)(1) of this section to designate that officer as a 791
recipient of any shares or options with respect to shares. 792

Sec. 1701.18. (A) Except as provided in the case of change of 793
shares, share dividends or distributions, reorganization, merger, 794
consolidation, combination, or conversion of shares or obligations 795
into shares, the following apply: 796

(1) ~~Payment~~ Consideration for shares ~~shall be made with money 797
or other property of any description, or any interest in property,
actually transferred to the corporation, or labor or services 798
actually rendered to the corporation may include cash, property,
services rendered, a promissory note, or any other binding 799
obligation to contribute cash or property or to perform services;
the provision of any other benefit to the corporation; or any 800
combination of these. 801~~
802
803
804

(2) In the case of shares with par value, other than treasury 805
shares, the consideration shall be not less than the par value of 806
the shares, provided that the shares may be ~~sold and~~ paid for at 807

such a discount from the par value of the shares that would amount 808
to or not exceed reasonable compensation for the sale, 809
underwriting, or purchase of the shares, and, regardless of the 810
discount, the shares shall be deemed to be fully paid. 811

(3) In the case of treasury shares with par value, the 812
consideration may be less than the par value of the shares. 813

(B) Promissory notes, drafts, or other obligations of a 814
subscriber or purchaser do not constitute payment for shares. 815

(C) An agreement by a person to perform services as the 816
consideration for shares does not, of itself, constitute ~~the~~ 817
~~person a shareholder and does not, of itself, constitute~~ payment 818
for such shares prior to the performance of the services. 819

(D) Except in the case of convertible shares or obligations, 820
shares with par value shall not be issued or disposed of upon 821
change of shares, share dividends or distributions, 822
reorganization, merger, consolidation, exchange of shares for 823
other shares or securities, or otherwise, if as a result the 824
aggregate liabilities of the corporation plus its stated capital 825
would exceed its aggregate assets or any existing excess would be 826
increased. 827

(E) When shares have been issued as provided in this chapter, 828
in the case of change of shares, share dividends or distributions, 829
reorganization, merger, consolidation, or conversion of shares or 830
obligations into shares, or when shares have been paid for in 831
conformity with this section, such shares shall be deemed fully 832
paid and nonassessable. 833

(F) Every person who subscribes for or purchases shares of a 834
corporation is liable to the corporation to pay or deliver to the 835
corporation the consideration agreed upon, and, except as provided 836
in division (A) of this section, if the shares are with par value, 837
the person is obligated to pay to the corporation ~~for the shares~~ 838

~~in money or other property or services~~ consideration not less than 839
the ~~full~~ par value of the shares. The person is not liable to the 840
corporation or its creditors in any other amount. 841

(G) Every holder, whether the original or a transferee, of 842
shares not paid for as provided in this section, who has acquired 843
them with actual knowledge of that fact, is personally liable to 844
the corporation for the amount unpaid on the shares, and the 845
holder's liability shall continue notwithstanding any transfer of 846
the shares, until the shares are paid in full; but no holder who 847
has acquired the shares without actual knowledge of the fact that 848
the shares are not paid for is under any liability in respect of 849
the shares. 850

(H) No pledgee or other holder of shares as collateral 851
security is personally liable as a shareholder. 852

(I) No person who in fact, whether disclosed on the records 853
of the corporation or otherwise, holds shares as executor, 854
administrator, guardian, trustee, trustee of a voting trust, 855
receiver, or in any other fiduciary capacity is personally liable 856
as a shareholder, but the estate or property in the hands of such 857
fiduciary is liable or the real or beneficial owner is liable 858
under this section as equity may require. This section does not 859
relieve a fiduciary from liability for a breach of trust. 860

(J) Except as set forth in any provision in Title LVII of the 861
Revised Code, neither a shareholder of a corporation nor a 862
subscriber to its shares is personally liable for any debts, 863
obligations, or liabilities of the corporation in the absence of a 864
written, enforceable agreement that is signed by the shareholder 865
or subscriber and that specifically undertakes liability for such 866
debts, obligations, or liabilities. 867

Sec. 1701.19. (A) When a determination of the fair value to a 868
corporation ~~of property other than money or of services~~ is made by 869

the incorporators, directors, or shareholders with respect to 870
~~property transferred or to be transferred, or services rendered or~~ 871
~~to be rendered, consideration, other than cash, paid or to be paid~~ 872
to the corporation ~~as consideration~~ for shares; or made by the 873
directors with respect to property voluntarily contributed to the 874
corporation; or made by the directors with respect to physical 875
assets of the corporation ~~which~~ that are reckoned by the directors 876
to have a fair value to the corporation in excess of the amount at 877
which they are carried on its books; or provided for in a ~~plan of~~ 878
~~reorganization confirmed~~ decree or order as provided in section 879
1701.75 of the Revised Code or set forth in an agreement of merger 880
or consolidation adopted as provided in section 1701.78, 1701.79, 881
1701.80, or 1701.801 of the Revised Code, then ~~such~~ the 882
determination shall be conclusive in any action or proceeding in 883
which it is claimed that the fair value to the corporation of such 884
consideration or property ~~or of such services~~ is or was less than 885
the value so determined, unless the party asserting ~~such~~ a claim 886
affirmatively proves by clear and convincing evidence, and 887
otherwise than by proving the difference between the value of such 888
consideration or property, ~~or of such services,~~ and the fair value 889
so determined, that ~~such~~ the determination was knowingly and 890
intentionally made, by the persons making the determination, at a 891
value greater than the fair value of such consideration or 892
property ~~or of such services~~ to the corporation. 893

(B) The making of an agreement to issue or dispose of shares 894
for property or consideration other than ~~money or for services~~ 895
cash or the issuance or disposition of shares in consummation of 896
any agreement or transaction referred to in division (A) of this 897
section shall be held to be a determination that the property or 898
~~the services~~ other consideration involved ~~have~~ has a fair value to 899
the corporation not less than the value required to justify the 900
issuance or disposition of such shares. 901

Sec. 1701.40. (A) Meetings of shareholders may be called by 902
any of the following: 903

(1) The chairperson of the board, the president, or, in case 904
of the president's absence, death, or disability, the 905
vice-president authorized to exercise the authority of the 906
president; 907

(2) The directors by action at a meeting, or a majority of 908
the directors acting without a meeting; 909

(3) Persons who hold twenty-five per cent of all shares 910
outstanding and entitled to vote at the meeting, unless the 911
articles ~~or~~, the regulations adopted by the shareholders, or the 912
regulations adopted by the directors pursuant to division (A)(1) 913
of section 1701.10 of the Revised Code specify for that purpose a 914
smaller or larger proportion but not in excess of fifty per cent; 915

(4) Such other officers or persons as the articles or the 916
regulations authorize to call the meetings. 917

(B) Meetings of shareholders may be held either within or 918
without this state if so provided in the articles or the 919
regulations. The articles or regulations may authorize the 920
directors to determine that the meeting shall not be held at any 921
physical place, but instead may be held solely by means of 922
communications equipment as authorized by division (C) of this 923
section. If the corporation is an issuing public corporation and 924
the articles or regulations do not require that a meeting be held 925
at a particular physical place and also authorize the directors to 926
fix the place of the meeting, the directors may determine that the 927
meeting shall not be held at any physical place, but instead may 928
be held solely by means of communications equipment as authorized 929
by division (C) of this section. In the absence of any such 930
provision, all meetings shall be held at the principal office of 931

the corporation in this state. 932

(C) If authorized by the directors, the shareholders and 933
proxyholders who are not physically present at a meeting of 934
shareholders may attend a meeting of shareholders by use of 935
communications equipment that enables the shareholder or 936
proxyholder an opportunity to participate in the meeting and to 937
vote on matters submitted to the shareholders, including an 938
opportunity to read or hear the proceedings of the meeting and to 939
speak or otherwise participate in the proceedings 940
contemporaneously with those physically present. Any shareholder 941
using communications equipment will be deemed present in person at 942
the meeting whether the meeting is to be held at a designated 943
place or solely by means of communications equipment. The 944
directors may adopt guidelines and procedures for the use of 945
communications equipment in connection with a meeting of 946
shareholders to permit the corporation to verify that a person is 947
a shareholder or proxyholder and to maintain a record of any vote 948
or other action. 949

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

regulations to give that notice. If mailed or sent by overnight 964
delivery service, the notice shall be sent to the shareholder at 965
the shareholder's address as it appears on the records of the 966
corporation. If sent by another means of communication authorized 967
by the shareholder, the notice shall be sent to the address 968
furnished by the shareholder for those transmissions. Notice of 969
adjournment of a meeting need not be given if the time and place, 970
if any, to which it is adjourned and the means, if any, by which 971
shareholders can be present and vote at the adjourned meeting 972
through the use of communications equipment are fixed and 973
announced at the meeting. 974

(B) Upon request in writing delivered either in person or by 975
registered mail to the president or the secretary by any persons 976
entitled to call a meeting of shareholders, that officer shall 977
forthwith cause to be given to the shareholders entitled to notice 978
of a meeting to be held on a date not less than seven nor more 979
than sixty days after the receipt of the request, as the officer 980
may fix, unless the articles ~~or~~, the regulations adopted by the 981
shareholders, or the regulations adopted by the directors pursuant 982
to division (A)(1) of section 1701.10 of the Revised Code specify 983
a longer period for this purpose. If the notice is not given 984
within fifteen days after the delivery or mailing of the request, 985
or that shorter or longer period as the articles ~~or~~, the 986
regulations adopted by the shareholders, or the regulations 987
adopted by the directors pursuant to division (A)(1) of section 988
1701.10 of the Revised Code specify for this purpose, the persons 989
calling the meeting may fix the time of meeting and give notice of 990
the time of meeting as provided in division (A) of this section, 991
or cause the notice to be given by any designated representative. 992

(C) Any authorization by a shareholder to send notices given 993
pursuant to this chapter by any means other than in person or by 994
mail or overnight delivery service is revocable by written notice 995

to the corporation either by personal delivery or by mail, 996
overnight delivery service, or any other means of communication 997
authorized by the corporation. If sent by another means of 998
communication authorized by the corporation, the notice shall be 999
sent to the address furnished by the corporation for those 1000
transmissions. Any authorization by a shareholder to send notices 1001
given pursuant to this chapter by any means other than in person 1002
or by mail or overnight delivery service will be deemed to have 1003
been revoked by the shareholder if (1) the corporation has 1004
attempted to make delivery of two consecutive notices in 1005
accordance with that authorization, and (2) the secretary or an 1006
assistant secretary of the corporation, or other person 1007
responsible for giving of notice, has received notice that, or 1008
otherwise believes that, delivery has not occurred. However, an 1009
inadvertent failure to treat the inability to deliver notice as a 1010
revocation will not invalidate any meeting of shareholders or 1011
other action. 1012

Sec. 1701.44. (A) Except to the extent that the voting rights 1013
of the shares of any class are increased, limited, or denied by 1014
the express terms of such shares, and except as provided in scrip 1015
issued in lieu of a certificate for a fraction of a share, each 1016
outstanding share regardless of class shall entitle the holder 1017
thereof to one vote on each matter properly submitted to the 1018
shareholders for their vote, consent, waiver, release, or other 1019
action, subject to the provisions with respect to cumulative 1020
voting in section 1701.55 of the Revised Code. 1021

(B) Unless the articles, the regulations adopted by the 1022
shareholders, the regulations adopted by the directors pursuant to 1023
division (A)(1) of section 1701.10 of the Revised Code, or the 1024
contract of subscription for shares otherwise provides, a 1025
shareholder shall be entitled to vote even though ~~his~~ the 1026

shareholder's shares have not been fully paid, but shares upon 1027
which an installment of the consideration for such shares is 1028
overdue and unpaid shall not be voted. 1029

Sec. 1701.51. (A) Unless the articles ~~or~~, the regulations 1030
adopted by the shareholders, or the regulations adopted by the 1031
directors pursuant to division (A)(1) of section 1701.10 of the 1032
Revised Code otherwise provide: 1033

~~(A) The~~, the shareholders present in person, by proxy, or by 1034
the use of communications equipment at any meeting of shareholders 1035
shall constitute a quorum for such meeting, but no action required 1036
by law, the articles, or the regulations to be authorized or taken 1037
by the holders of a designated proportion of the shares of any 1038
particular class or of each class, may be authorized or taken by a 1039
lesser proportion. 1040

(B) ~~The~~ Unless the articles or the regulations otherwise 1041
provide, the holders of a majority of the voting shares 1042
represented at a meeting, whether or not a quorum is present, may 1043
adjourn such meeting from time to time. 1044

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

records of the corporation. Any certificate with respect to the 1057
authorization or taking of any such action that is required to be 1058
filed in the office of the secretary of state shall recite that 1059
the authorization or taking of such action was in a writing or 1060
writings approved and signed as specified in this section. 1061

(B) A telegram, cablegram, electronic mail, or an electronic 1062
or other transmission capable of authentication that appears to 1063
have been sent by a person described in division (A) of this 1064
section and that contains an affirmative vote or approval of that 1065
person is a signed writing for the purposes of this section. The 1066
date on which that telegram, cablegram, electronic mail, or 1067
electronic or other transmission is sent is the date on which the 1068
writing is signed. 1069

Sec. 1701.57. (A) Unless the articles ~~or~~, the regulations 1070
adopted by the shareholders, or the regulations adopted by the 1071
directors pursuant to division (A)(1) of section 1701.10 of the 1072
Revised Code provide for a different term (which may not exceed 1073
three years from the date of ~~his~~ election and until ~~his~~ a 1074
successor is elected), each director shall hold office until the 1075
next annual meeting of the shareholders and until ~~his~~ a successor 1076
is elected, or until ~~his~~ the director's earlier resignation, 1077
removal from office, or death. 1078

(B) The articles ~~or~~, the regulations adopted by the 1079
shareholders, or the regulations adopted by the directors pursuant 1080
to division (A)(1) of section 1701.10 of the Revised Code may 1081
provide: 1082

(1) For the classification of directors into either two or 1083
three classes consisting of not less than three directors each, 1084
provided that where all shares of a corporation entitled to elect 1085
a class of directors are owned of record by one or two 1086
shareholders, the number of directors of each class may be less 1087

than three, but not less than the number of shareholders entitled
to elect directors of such class;

(2) That the terms of office of the several classes need not
be uniform, except that no term shall exceed the maximum period
specified in division (A) of this section.

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.

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

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

(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.

(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 1118
holders of a majority of the voting power entitling them to elect 1119
directors in place of those to be removed, except that, unless all 1120
the directors, or all the directors of a particular class, are 1121
removed, no individual director shall be removed if the votes of a 1122
sufficient number of shares are cast against the director's 1123
removal that, if cumulatively voted at an election of all the 1124
directors, or all the directors of a particular class, as the case 1125
may be, would be sufficient to elect at least one director. In the 1126
case of an issuing public corporation whose directors are 1127
classified pursuant to section 1701.57 of the Revised Code, the 1128
shareholders may effect a removal under this division only for 1129
cause. 1130

(D) If the shareholders do not have the right to vote 1131
cumulatively as a result of an amendment to the articles permitted 1132
by division (B)(10) of section 1701.69 of the Revised Code, then, 1133
unless the articles ~~or~~, the regulations adopted by the 1134
shareholders, or the regulations adopted by the directors pursuant 1135
to division (A)(1) of section 1701.10 of the Revised Code 1136
expressly provide that no director may be removed from office or 1137
that removal of directors requires a greater vote than that 1138
specified in this division, all the directors, all the directors 1139
of a particular class, or any individual director may be removed 1140
from office, without assigning any cause, by the vote of the 1141
holders of a majority of the voting power entitling them to elect 1142
directors in place of those to be removed; except that in the case 1143
of an issuing public corporation whose directors are classified 1144
pursuant to section 1701.57 of the Revised Code, the shareholders 1145
may effect that removal only for cause. 1146

(E) In case of any removal pursuant to division (C) or (D) of 1147
this section, a new director may be elected at the same meeting 1148
for the unexpired term of each director removed. Failure to elect 1149

a director to fill the unexpired term of any director removed is 1150
deemed to create a vacancy in the board. 1151

(F) Unless the articles or the regulations otherwise provide, 1152
the remaining directors, though less than a majority of the whole 1153
authorized number of directors, may, by the vote of a majority of 1154
their number, fill any vacancy in the board for the unexpired 1155
term. Under this section, a vacancy exists if the shareholders 1156
increase the authorized number of directors but fail at the 1157
meeting at which such increase is authorized, or an adjournment of 1158
that meeting, to elect the additional directors provided for, or 1159
if the shareholders fail at any time to elect the whole authorized 1160
number of directors. 1161

Sec. 1701.62. Unless the articles ~~or~~, the regulations adopted 1162
by the shareholders, or the regulations adopted by the directors 1163
pursuant to division (A)(1) of section 1701.10 of the Revised Code 1164
otherwise provide, and subject to the exceptions~~7~~, applicable 1165
during an emergency, as that term is defined in section 1701.01 of 1166
the Revised Code, for which provision is made in division (F) of 1167
section 1701.11 of the Revised Code, a majority of the whole 1168
authorized number of directors is necessary to constitute a quorum 1169
for a meeting of the directors, except that a majority of the 1170
directors in office constitutes a quorum for filling a vacancy in 1171
the board. The act of a majority of the directors present at a 1172
meeting at which a quorum is present is the act of the board, 1173
unless the act of a greater number is required by the articles, 1174
the regulations adopted by the shareholders, the regulations 1175
adopted by the directors pursuant to division (A)(1) of section 1176
1701.10 of the Revised Code, or the bylaws. 1177

Sec. 1701.63. (A) The regulations may provide for the 1178
creation by the directors of an executive committee or any other 1179

committee of the directors, to consist of one or more directors, 1180
and may authorize the delegation to any such committee of any of 1181
the authority of the directors, however conferred, other than the 1182
authority of filling vacancies among the directors or in any 1183
committee of the directors and other than the authority to adopt, 1184
amend, or repeal regulations. 1185

(B) The directors may appoint one or more directors as 1186
alternate members of any committee described in division (A) of 1187
this section, who may take the place of any absent member or 1188
members at any meeting of the particular committee. 1189

(C) Each committee described in division (A) of this section 1190
shall serve at the pleasure of the directors, shall act only in 1191
the intervals between meetings of the directors, and shall be 1192
subject to the control and direction of the directors. 1193

(D) Unless otherwise provided in the regulations or ordered 1194
by the directors, any committee described in division (A) of this 1195
section may act by a majority of its members at a meeting or by a 1196
writing or writings signed by all of its members. 1197

(E) Unless participation by members of any committee 1198
described in division (A) of this section at a meeting by means of 1199
communications equipment is prohibited by the articles, the 1200
regulations, or an order of the directors, meetings of the 1201
particular committee may be held through any communications 1202
equipment if all persons participating can hear each other. 1203
Participation in a meeting pursuant to this division constitutes 1204
presence at the meeting. 1205

(F) An act or authorization of an act by any committee 1206
described in division (A) of this section within the authority 1207
delegated to it shall be as effective for all purposes as the act 1208
or authorization of the directors. 1209

(G) Unless otherwise provided in the articles, the 1210

regulations, or the resolution of the directors creating a 1211
committee described in division (A) of this section, a committee 1212
described in division (A) of this section may create one or more 1213
subcommittees, each subcommittee to consist of one or more members 1214
of the committee, and may delegate to a subcommittee any or all of 1215
the powers and authority of the committee. 1216

Sec. 1701.73. (A)(1) Upon the adoption of any amendment or 1217
amended articles, a certificate containing a copy of the 1218
resolution adopting the amendment or amended articles, a statement 1219
of the manner of its adoption, and, in the case of adoption of the 1220
resolution by the incorporators or directors, a statement of the 1221
basis for such adoption, shall be filed with the secretary of 1222
state, and thereupon the articles shall be amended accordingly, 1223
any change of shares provided for in the amendment or amended 1224
articles shall become effective, and the amended articles shall 1225
supersede the existing articles. ~~When~~ 1226

(2) Except as provided in division (A)(3) of this section, 1227
when an amendment or amended articles are adopted by the directors 1228
pursuant to section 1701.70 of the Revised Code, the corporation 1229
shall send notice of the amendment or amended articles, and a copy 1230
or summary thereof, by mail, overnight delivery service, or any 1231
other means of communication authorized by the shareholder to whom 1232
the notice and copy or summary are sent, to each shareholder of 1233
the corporation of record as of the date on which the directors 1234
approved the amendment or amended articles. The notice shall be 1235
sent to the shareholders within twenty days after the filing of 1236
the certificate required by ~~this~~ division (A)(1) of this section. 1237

(3) Any corporation that files periodic reports with the 1238
United States securities and exchange commission pursuant to 1239
section 13 of the "Securities Exchange Act of 1934," 48 Stat. 881, 1240
15 U.S.C. 78m, as amended, or section 15(d) of the "Securities 1241

Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78o(d), as amended, 1242
may satisfy the notice to shareholders of record requirement of 1243
division (A)(2) of this section by including a copy or summary of 1244
the amendment or amended articles in a report filed in accordance 1245
with those provisions within twenty days after the filing of the 1246
certificate required by division (A)(1) of this section. 1247

(B) When an amendment or amended articles are adopted by the 1248
incorporators, the certificate described in division (A)(1) of 1249
this section shall be signed by each of them. 1250

(C) When an amendment or amended articles are adopted by the 1251
directors or by the shareholders, the certificate described in 1252
division (A)(1) of this section shall be signed by any authorized 1253
officer. 1254

(D) A copy of an amendment or amended articles changing the 1255
name of a corporation or its principal office in this state, 1256
certified by the secretary of state, may be filed for record in 1257
the office of the county recorder of any county in this state, and 1258
for such recording, the county recorder shall charge and collect 1259
the same fee as provided for in division (A) of section 317.32 of 1260
the Revised Code. ~~Such~~ The copy shall be recorded in the records 1261
of deeds. 1262

Sec. 1701.75. (A) ~~A corporation,~~ If an order of relief has 1263
been entered pursuant to the federal Bankruptcy Code, 11 U.S.C. 1264
101, as amended, or if a plan of reorganization of which shall 1265
~~have~~ has been confirmed by the decree or order of a court of 1266
competent jurisdiction pursuant to the provisions of any other 1267
applicable statute of the United States relating to reorganization 1268
of corporations, a corporation may put into effect and carry out 1269
~~the plan and the~~ any decrees and orders of the court ~~relative~~ 1270
~~thereto,~~ in the bankruptcy or reorganization proceeding and may 1271
take any ~~proceeding and do any act~~ corporate action provided ~~in~~ 1272

~~the plan~~ or directed by such decrees and orders, without further 1273
action by its directors or shareholders. ~~Such authority~~ Authority 1274
may be exercised, and ~~such proceedings and acts~~ corporate actions 1275
may be taken ~~or done~~, as directed by such decrees or orders, by 1276
the trustee or trustees of ~~such~~ the corporation appointed or 1277
elected in the bankruptcy or reorganization proceedings (or a 1278
majority thereof), or if none ~~shall~~ have been appointed or elected 1279
and acting, by designated officers of the corporation, or by a 1280
~~master or other~~ representative appointed by the court, with like 1281
effect as if exercised and taken by unanimous action of the 1282
directors and shareholders of the corporation. 1283

(B) ~~A corporation,~~ If authorized in the manner provided in 1284
division (A) of this section, but without limiting the generality 1285
thereof, a corporation may: amend its articles in any respect; 1286
amend or repeal its regulations or adopt new regulations; name, 1287
constitute, reconstitute, classify, or reclassify its directors 1288
and appoint directors and officers in place of or in addition to 1289
some or all of the directors or officers then in office; make any 1290
lawful change in its stated capital; make a determination of the 1291
fair value to the corporation of its assets; transfer all or a 1292
part of its assets; merge; consolidate; remove or appoint a 1293
statutory agent; authorize the granting of option rights in 1294
respect of shares and other securities; authorize the issuing of 1295
notes, bonds, and other evidences of indebtedness, whether or not 1296
convertible into shares or other securities; lease its property to 1297
any corporation; dissolve; or effect any other change authorized 1298
by this chapter. 1299

(C) If ~~a plan of reorganization provides for or effects~~ an 1300
amendment to the articles is adopted or the merger, consolidation, 1301
or dissolution of a corporation is authorized in the manner 1302
provided in division (A)(1) of this section, or if a ~~plan decree~~ 1303
or order having such a result is modified in respect of ~~such~~ an 1304

amendment, merger, consolidation, or dissolution, then a 1305
certificate of reorganization or an amended certificate of 1306
reorganization, as the case may be, setting forth such portions of 1307
the ~~plan of reorganization~~ decree or order or modification thereof 1308
as would otherwise be required to be set forth in a certificate of 1309
amendment, an agreement of merger or consolidation, or a 1310
certificate of dissolution (and, if desired, any other portions 1311
thereof) shall be filed in the office of the secretary of state 1312
and shall operate to effect ~~such~~ the amendment, merger, 1313
consolidation, or dissolution. ~~Such~~ The certificate shall be made, 1314
subscribed, and filed as may be directed by ~~such~~ the decrees or 1315
orders, or, in the absence of such direction, by the president or 1316
a vice-president and the secretary or an assistant secretary. The 1317
certificate shall contain a statement that ~~the plan of~~ 1318
~~reorganization~~ provision for making the certificate has been 1319
~~confirmed~~ authorized by the decree or order of the court 1320
designated in the certificate or that the ~~plan so confirmed~~ decree 1321
or order has been modified by order of ~~such~~ the court, as the case 1322
may be. 1323

(D) If a decree or order by the court in a bankruptcy or 1324
reorganization proceeding provides for or effects an amendment to 1325
the articles or the merger, consolidation, or dissolution of a 1326
corporation, or if after the filing in the office of the secretary 1327
of state of a certificate of reorganization, or an amended 1328
certificate, a decree or order of court is entered ~~which~~ that has 1329
the effect of vacating ~~said~~ the plan, a certified copy of ~~said~~ the 1330
decree or order shall be filed by the corporation in the office of 1331
the secretary of state. 1332

(E) Nonassenting or dissenting shareholders ~~shall~~ have only 1333
such rights as ~~are~~ provided ~~for~~ in the ~~plan of reorganization~~ 1334
decree or order. 1335

Sec. 1701.76. (A)(1) Provided the provisions of Chapter 1704. 1336
of the Revised Code do not prevent the transaction from being 1337
effected, a lease, sale, exchange, transfer, or other disposition 1338
of all, or substantially all, of the assets, with or without the 1339
good will, of a corporation, if not made in the usual and regular 1340
course of its business, may be made upon the terms and conditions 1341
and for the consideration, that may consist, in whole or in part, 1342
of money or other property of any description, including shares or 1343
other securities or promissory obligations of any other 1344
corporation, domestic or foreign, that may be authorized as 1345
follows: 1346

(a) By the directors, either before or after authorization by 1347
the shareholders as required in this section; and 1348

(b) At a meeting of the shareholders held for that purpose, 1349
by the affirmative vote of the holders of shares entitling them to 1350
exercise two-thirds of the voting power of the corporation on the 1351
proposal, or, if the articles so provide or permit, by the 1352
affirmative vote of a greater or lesser proportion, but not less 1353
than a majority, of the voting power, and by the affirmative vote 1354
of the holders of shares of any particular class that is required 1355
by the articles. 1356

(2) At the shareholder meeting described in division 1357
(A)(1)(b) of this section or at any subsequent shareholder 1358
meeting, shareholders, by the same vote that is required to 1359
authorize the lease, sale, exchange, transfer, or other 1360
disposition of all, or substantially all, of the assets, with or 1361
without the good will, of the corporation, may grant authority to 1362
the directors to establish or amend any of the terms and 1363
conditions of the transaction, except that the shareholders shall 1364
not authorize the directors to do any of the following: 1365

(a) Alter or change the amount or kind of shares, securities, 1366

money, property, or rights to be received in exchange for the 1367
assets; 1368

(b) Alter or change to any material extent the amount or kind 1369
of liabilities to be assumed in exchange for the assets; 1370

(c) Alter or change any other terms and conditions of the 1371
transaction if any of the alterations or changes, alone or in the 1372
aggregate, would materially adversely affect the shareholders or 1373
the corporation. 1374

(3) Notice of the meeting of the shareholders described in 1375
division (A)(1)(b) of this section shall be given to all 1376
shareholders whether or not entitled to vote at the meeting and 1377
shall be accompanied by a copy or summary of the terms of the 1378
transaction. 1379

(B) The corporation by its directors may abandon the 1380
transaction under this section, subject to the contract rights of 1381
other persons, if the power of abandonment is conferred upon the 1382
directors either by the terms of the transaction or by the same 1383
vote of shareholders and at the same meeting of shareholders as 1384
that referred to in division (A)(1)(b) of this section or at any 1385
subsequent meeting. 1386

(C) Dissenting holders of shares of any class, whether or not 1387
entitled to vote, shall be entitled to relief under section 1388
1701.85 of the Revised Code. 1389

(D) An action to set aside a conveyance by a corporation, on 1390
the ground that any section of the Revised Code applicable to the 1391
lease, sale, exchange, transfer, or other disposition of all, or 1392
substantially all, of the assets of that corporation has not been 1393
complied with, shall be brought within ninety days after that 1394
transaction, or the action shall be forever barred. 1395

(E) If a resolution of dissolution is adopted pursuant to 1396

section 1701.86 of the Revised Code, the directors may dispose of
all, or substantially all, of the corporation's assets without the
necessity of a shareholders' authorization under this section.

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

(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:

(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.

(2) Immediately prior to the time at which the distribution
becomes effective, the issuing public corporation has more than
one class of shares outstanding.

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.

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

(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;

(b) The articles of the converted corporation;

(c) All statements and matters required to be set forth in an instrument of conversion by the laws under which the converting entity exists; 1427
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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 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 corporation. 1430
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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 corporation unable to pay its obligations as they become due in the usual course of its affairs. 1438
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(C) The written declaration of conversion may set forth any of the following: 1443
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(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 1701.811 of the Revised Code; 1445
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(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 1701.811 of the Revised Code; 1448
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(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; 1452
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(4) The regulations of the converted corporation; 1455

(5) The identity of the directors of the converted 1456

<u>corporation;</u>	1457
<u>(6) The parties to the declaration of conversion in addition to the converting entity;</u>	1458
<u>(7) The stated capital, if any, of each class of shares of the converted corporation to be outstanding at the time that the conversion becomes effective;</u>	1459
<u>(8) Any additional provision necessary or desirable with respect to the proposed conversion or the converted entity.</u>	1460
<u>(D) At any time before the filing of the certificate of conversion pursuant to section 1701.811 of the Revised Code, the conversion may be abandoned by any representatives authorized to do so by the declaration of conversion, or by the same vote as was required to adopt the declaration of conversion.</u>	1461
<u>Sec. 1701.792. (A) Subject to division (B)(2) of this section, pursuant to a written declaration of conversion as provided in this section, a domestic corporation may be converted into a domestic or foreign entity other than a nonprofit corporation or a domestic corporation.</u>	1462
<u>(B)(1) The written declaration of conversion shall set forth all of the following:</u>	1463
<u>(a) The name and form of entity that is being converted, the name of the entity into which the entity will be converted, the form of the converted entity, and the jurisdiction of formation of the converted entity;</u>	1464
<u>(b) If the converted entity is a domestic entity, the complete terms of all documents required under the applicable chapter of the Revised Code to form the converted entity;</u>	1465
<u>(c) If the converted entity is a foreign entity, all of the following:</u>	1466
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<u>(i) The complete terms of all documents required under the</u>	1486
<u>law of its formation to form the converted entity;</u>	1487
<u>(ii) The consent of the converted entity to be sued and</u>	1488
<u>served with process in this state, and the irrevocable appointment</u>	1489
<u>of the secretary of state as the agent of the converted entity to</u>	1490
<u>accept service of process in this state to enforce against the</u>	1491
<u>converted entity any obligation of the converting corporation or</u>	1492
<u>to enforce the rights of a dissenting shareholder of the</u>	1493
<u>converting corporation;</u>	1494
<u>(iii) If the converted entity desires to transact business in</u>	1495
<u>this state, the information required to qualify or to be licensed</u>	1496
<u>under the applicable chapter of the Revised Code.</u>	1497
<u>(d) All other statements and matters required to be set forth</u>	1498
<u>in the declaration of conversion by the applicable chapter of the</u>	1499
<u>Revised Code, if the converted entity is a domestic entity, or by</u>	1500
<u>the laws under which the converted entity will be formed, if the</u>	1501
<u>converted entity is a foreign entity;</u>	1502
<u>(e) The terms of the conversion; the mode of carrying them</u>	1503
<u>into effect; and the manner and basis of converting the interests</u>	1504
<u>or shares of the converting corporation into, or substituting the</u>	1505
<u>interests or shares in the converting corporation for, interests,</u>	1506
<u>evidences of indebtedness, other securities, cash, rights, or any</u>	1507
<u>other property or any combination of interests, evidences of</u>	1508
<u>indebtedness, other securities, cash, rights, or any other</u>	1509
<u>property of the converted entity.</u>	1510
<u>(2) No conversion or substitution described in this section</u>	1511
<u>shall be effected if there are reasonable grounds to believe that</u>	1512
<u>the conversion or substitution would render the converted entity</u>	1513
<u>unable to pay its obligations as they become due in the usual</u>	1514
<u>course of its affairs.</u>	1515
<u>(C) The written declaration of conversion may set forth any</u>	1516

of the following: 1517

(1) The effective date of the conversion, which date may be 1518
on or after the date of the filing of the certificate of 1519
conversion; 1520

(2) A provision authorizing, prior to the filing of the 1521
certificate of conversion pursuant to section 1701.811 of the 1522
Revised Code, the converting corporation to abandon the proposed 1523
conversion by action of the directors of the converting 1524
corporation or by the same vote as was required to adopt the 1525
declaration of conversion; 1526

(3) A statement of, or a statement of the method to be used 1527
to determine, the fair value of the assets owned by the converting 1528
corporation at the time of the conversion; 1529

(4) The parties to the declaration of conversion in addition 1530
to the converting entity; 1531

(5) Any additional provision necessary or desirable with 1532
respect to the proposed conversion or the converted entity. 1533

(D) The directors of the domestic converting corporation must 1534
approve the declaration of conversion to effect the conversion, 1535
and the declaration of conversion must be adopted by the 1536
shareholders of the domestic converting corporation, at a meeting 1537
held for the purpose. 1538

(E) Notice of each meeting of shareholders of a domestic 1539
converting corporation at which a declaration of conversion is to 1540
be submitted shall be given to all shareholders of that 1541
corporation, whether or not they are entitled to vote, and shall 1542
be accompanied by a copy or a summary of the material provisions 1543
of the declaration of conversion. 1544

(F) The vote required to adopt a declaration of conversion at 1545
a meeting of the shareholders of a domestic converting corporation 1546

is the affirmative vote of the holders of shares of that 1547
corporation entitling them to exercise at least two-thirds of the 1548
voting power of the corporation on the proposal or a different 1549
proportion as provided in the articles, but not less than a 1550
majority, or, if the conversion is to a foreign corporation, a 1551
different proportion as the articles provide for a merger or 1552
consolidation, and the affirmative vote of the holders of shares 1553
of any particular class as required by the articles of the 1554
converting corporation. 1555

If the declaration of conversion would have an effect that, 1556
if accomplished through an amendment to the articles, would 1557
entitle the holders of shares of any particular class of a 1558
domestic converting corporation to vote as a class on the adoption 1559
of an amendment as provided in division (B) of section 1701.71 of 1560
the Revised Code, the declaration of conversion also must be 1561
adopted by the affirmative vote of the holders of at least 1562
two-thirds of the shares of such class, or a different proportion 1563
as the articles provide, but not less than a majority. However, if 1564
the declaration of conversion would have an effect that, if 1565
accomplished through an amendment to the articles, would entitle 1566
the holders of shares of any particular class of a domestic 1567
converting corporation to vote as a class on the adoption of an 1568
amendment pursuant to division (B)(2) or (4) of section 1701.71 of 1569
the Revised Code solely because those shares are to be converted 1570
into or substituted for the same number of shares of a class of a 1571
different corporation having express terms identical in all 1572
material respects to those of the class of shares so converted or 1573
substituted, the declaration of conversion does not need to be 1574
adopted by the affirmative vote of the holders of shares of that 1575
particular class voting as a class. 1576

If the declaration of conversion would authorize any 1577
particular corporate action that under any applicable provision of 1578

law or the articles could be authorized only by or pursuant to a 1579
specified vote of shareholders, the declaration of conversion also 1580
must be adopted by the same affirmative vote as required for such 1581
action. 1582

(G)(1) At any time before the filing of the certificate of 1583
conversion pursuant to section 1701.811 of the Revised Code, the 1584
conversion may be abandoned by the directors of the converting 1585
corporation, if the directors are authorized to do so by the 1586
declaration of conversion, or by the same vote of the shareholders 1587
as was required to adopt the declaration of conversion. 1588

(2) The declaration of conversion may contain a provision 1589
authorizing the directors of the converting corporation to amend 1590
the declaration of conversion at any time before the filing of the 1591
certificate of conversion pursuant to section 1701.811 of the 1592
Revised Code, except that, after the adoption of the declaration 1593
of conversion by the stockholders of the converting corporation, 1594
the directors may not amend the declaration of conversion to do 1595
any of the following: 1596

(a) Alter or change the amount or kind of interests, shares, 1597
evidences of indebtedness, other securities, cash, rights, or any 1598
other property to be received by the shareholders of the 1599
converting corporation in conversion of, or substitution for, 1600
their shares; 1601

(b) Alter or change any term of the organizational documents 1602
of the converted entity except for alterations or changes that are 1603
adopted with the vote or action of the persons, the vote or action 1604
of which would be required for the alteration or change after the 1605
conversion; 1606

(c) Alter or change any other terms and conditions of the 1607
declaration of conversion if any of the alterations or changes, 1608
alone or in the aggregate, materially and adversely would affect 1609

the holders of any class or series of shares of the converting corporation. 1610
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Sec. 1701.802. (A) For purposes of this section, a holding company is a domestic corporation that, from its formation until consummation of a merger governed by this section, was at all times a direct or indirect wholly owned subsidiary of the parent corporation and whose shares are issued in that merger solely to the shareholders of the parent corporation. 1612
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(B) Pursuant to an agreement of merger between the constituent corporations as provided in this section and provided that the provisions of Chapter 1704. of the Revised Code do not prevent the merger from being effected, a direct or indirect wholly owned domestic subsidiary may be merged with or into a domestic parent corporation if all of the following apply: 1618
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(1) The parent company and the direct or indirect wholly owned subsidiary are the only constituent entities to the merger. 1624
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(2) Each share or fraction of a share of the outstanding shares of the parent corporation outstanding immediately prior to the time at which the merger becomes effective is converted in the merger into a share or fraction of a share of a holding company having express terms identical in all material respects to those that were converted in the merger. 1626
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(3) The articles and regulations of the holding company immediately following the time at which the merger becomes effective contain provisions identical in all material respects to those contained in the articles and regulations of the parent corporation immediately prior to the time at which the merger becomes effective. 1632
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(4) As a result of the merger, the parent corporation becomes a direct or indirect wholly owned subsidiary of the holding 1638
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company. 1640

(5) The directors of the parent corporation become or remain 1641
the directors of the holding company immediately following the 1642
time at which the merger becomes effective. 1643

(C) A parent corporation, by action of its board of 1644
directors, may adopt a merger described in division (B) of this 1645
section without any vote of its shareholders. From and after the 1646
effective time of a merger adopted in this manner, all of the 1647
following apply: 1648

(1) To the extent the restrictions of Chapter 1704. of the 1649
Revised Code applied to the parent corporation and its 1650
shareholders at the effective time of the merger, such 1651
restrictions apply to the holding company and its shareholders 1652
immediately after the effective time of the merger as though it 1653
were the parent corporation. All shares of stock of the holding 1654
company acquired in the merger, for purposes of Chapter 1704. of 1655
the Revised Code, are deemed to have been acquired at the time 1656
that the shares of stock of the parent corporation converted in 1657
the merger were acquired, and any shareholder that immediately 1658
prior to the effective time of the merger was not an interested 1659
shareholder of the parent corporation within the meaning of 1660
Chapter 1704. of the Revised Code does not solely by reason of the 1661
merger become an interested shareholder of the holding company. 1662

(2) If the corporate name of the holding company immediately 1663
following the effective time of the merger is the same as the 1664
corporate name of the parent corporation immediately prior to the 1665
effective time of the merger, the shares of capital stock of the 1666
holding company into which the shares of capital stock of the 1667
parent corporation are converted in the merger shall be 1668
represented by the stock certificates that previously represented 1669
shares of capital stock of the parent corporation. 1670

(3) To the extent a shareholder of the parent corporation immediately prior to the time at which the merger became effective had standing to institute or maintain litigation by or in the right of the parent corporation, nothing in this section shall be deemed to limit or extinguish such standing. 1671
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(D) If the agreement of merger is adopted pursuant to division (C) of this section, the secretary or assistant secretary of the parent corporation shall certify on the agreement that the agreement has been adopted pursuant to this section and that the conditions specified in division (B) of this section have been satisfied. 1676
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(E) The agreement of merger shall set forth the designation and the number of the outstanding shares of each class of the subsidiary constituent corporation and the number of shares of each such class owned by the surviving corporation. It also shall set forth any statements and matters that are required, and may set forth any provision that is permitted, in a merger under section 1701.78 of the Revised Code. 1682
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(F)(1) Except as otherwise provided in division (F)(2) of this section, within twenty days after the approval of the agreement of merger by the directors of each domestic constituent corporation, the surviving corporation shall deliver or send notice of such approval and a copy or summary of the agreement to each shareholder of each domestic constituent corporation, other than the surviving corporation, of record as of the date on which the directors of the surviving corporation approved the agreement. The notice and copy or summary shall be delivered or sent 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. 1689
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(2) Any corporation that files periodic reports with the 1701

United States securities and exchange commission pursuant to 1702
section 13 of the "Securities Exchange Act of 1934," 116 Stat. 1703
787, 15 U.S.C. 78m, as amended, or section 15(d) of the 1704
"Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78o(d), 1705
as amended, may satisfy the notice requirement of division (F)(1) 1706
of this section by including a copy of the agreement of merger in 1707
a report filed in accordance with those provisions within twenty 1708
days after the approval of the agreement of merger by the 1709
directors of the corporation. 1710

(G) The approval of the agreement of merger by the directors 1711
of a domestic constituent corporation under this section 1712
constitutes adoption by that corporation. 1713

Sec. 1701.81. (A) Upon adoption by each constituent entity of 1714
an agreement of merger or consolidation pursuant to section 1715
1701.78, 1701.781, 1701.79, 1701.791, 1701.80, ~~or~~ 1701.801, or 1716
1701.802 of the Revised Code, a certificate of merger or 1717
consolidation shall be filed with the secretary of state that is 1718
signed by any authorized representative of each constituent 1719
corporation, partnership, or other entity. The certificate shall 1720
be on a form prescribed by the secretary of state and shall set 1721
forth only the information required by this section. 1722

(B)(1) The certificate of merger or consolidation shall set 1723
forth all of the following: 1724

(a) The name and the form of entity of each constituent 1725
entity and the state under the laws of which each constituent 1726
entity exists; 1727

(b) A statement that each constituent entity has complied 1728
with all of the laws under which it exists and that the laws 1729
permit the merger or consolidation; 1730

(c) The name and mailing address of the person or entity that 1731

is to provide, in response to any written request made by a 1732
shareholder, partner, or other equity holder of a constituent 1733
entity, a copy of the agreement of merger or consolidation; 1734

(d) The effective date of the merger or consolidation, which 1735
date may be on or after the date of the filing of the certificate; 1736

(e) The signature of each representative authorized to sign 1737
the certificate on behalf of each constituent entity and the 1738
office held or the capacity in which the representative is acting; 1739

(f) A statement that the agreement of merger or consolidation 1740
is authorized on behalf of each constituent entity and that each 1741
person who signed the certificate on behalf of each entity is 1742
authorized to do so; 1743

(g) In the case of a merger, a statement that one or more 1744
specified constituent entities will be merged into a specified 1745
surviving entity or, in the case of a consolidation, a statement 1746
that the constituent entities will be consolidated into a new 1747
entity; 1748

(h) In the case of a merger, if the surviving entity is a 1749
foreign entity not licensed to transact business in this state, 1750
the name and address of the statutory agent upon whom any process, 1751
notice, or demand against any constituent entity may be served; 1752

(i) In the case of a consolidation, the name and address of 1753
the statutory agent upon whom any process, notice, or demand 1754
against any constituent entity or the new entity may be served. 1755

(2) In the case of a consolidation into a new domestic 1756
corporation, limited liability company, or limited partnership, 1757
the articles of incorporation, the articles of organization, or 1758
the certificate of limited partnership of the new domestic entity 1759
shall be filed with the certificate of merger or consolidation. 1760

(3) In the case of a merger into a domestic corporation, 1761

limited liability company, or limited partnership, any amendments 1762
to the articles of incorporation, articles of organization, or 1763
certificate of limited partnership of the surviving domestic 1764
entity shall be filed with the certificate of merger or 1765
consolidation. 1766

(4) If the surviving or new entity is a foreign entity that 1767
desires to transact business in this state as a foreign 1768
corporation, limited liability company, or limited partnership, 1769
the certificate of merger or consolidation shall be accompanied by 1770
the information required by division (B)(8), (9), or (10) of 1771
section 1701.791 of the Revised Code. 1772

(5) If a foreign or domestic corporation licensed to transact 1773
business in this state is a constituent entity and the surviving 1774
or new entity resulting from the merger or consolidation is not a 1775
foreign or domestic corporation that is to be licensed to transact 1776
business in this state, the certificate of merger or consolidation 1777
shall be accompanied by the affidavits, receipts, certificates, or 1778
other evidence required by division (H) of section 1701.86 of the 1779
Revised Code, with respect to each domestic constituent 1780
corporation, and by the affidavits, receipts, certificates, or 1781
other evidence required by division (C) or (D) of section 1703.17 1782
of the Revised Code, with respect to each foreign constituent 1783
corporation licensed to transact business in this state. 1784

(C) If any constituent entity in a merger or consolidation is 1785
organized or formed under the laws of a state other than this 1786
state or under any chapter of the Revised Code other than this 1787
chapter, there also shall be filed in the proper office all 1788
documents that are required to be filed in connection with the 1789
merger or consolidation by the laws of that state or by that 1790
chapter. 1791

(D) Upon the filing of a certificate of merger or 1792

consolidation and other filings as described in division (C) of 1793
this section or at such later date as the certificate of merger or 1794
consolidation specifies, the merger or consolidation is effective. 1795

(E) The secretary of state shall furnish, upon request and 1796
payment of the fee specified in division (D) of section 111.16 of 1797
the Revised Code, the secretary of state's certificate setting 1798
forth the name and the form of entity of each constituent entity 1799
and the states under the laws of which each constituent entity 1800
existed prior to the merger or consolidation, the name and the 1801
form of entity of the surviving or new entity and the state under 1802
the laws of which the surviving entity exists or the new entity is 1803
to exist, the date of filing of the certificate of merger or 1804
consolidation with the secretary of state, and the effective date 1805
of the merger or consolidation. The certificate of the secretary 1806
of state, or a copy of the certificate of merger or consolidation 1807
certified by the secretary of state, may be filed for record in 1808
the office of the recorder of any county in this state and, if 1809
filed, shall be recorded in the records of deeds for that county. 1810
For that recording, the county recorder shall charge and collect 1811
the same fee as in the case of deeds. 1812

Sec. 1701.811. (A) Upon the adoption of a declaration of 1813
conversion pursuant to section 1701.782 or 1701.792 of the Revised 1814
Code, or at a later time as authorized by the declaration of 1815
conversion, a certificate of conversion that is signed by an 1816
authorized representative of the converting entity shall be filed 1817
with the secretary of state. The certificate shall be on a form 1818
prescribed by the secretary of state and shall set forth only the 1819
information required by this section. 1820

(B)(1) The certificate of conversion shall set forth all of 1821
the following: 1822

(a) The name and the form of entity of the converting entity 1823

<u>and the state under the laws of which the converting entity</u>	1824
<u>exists;</u>	1825
<u>(b) A statement that the converting entity has complied with</u>	1826
<u>all of the laws under which it exists and that the laws permit the</u>	1827
<u>conversion;</u>	1828
<u>(c) The name and mailing address of the person or entity that</u>	1829
<u>is to provide a copy of the declaration of conversion in response</u>	1830
<u>to any written request made by a shareholder, partner, or member</u>	1831
<u>of the converting entity;</u>	1832
<u>(d) The effective date of the conversion, which date may be</u>	1833
<u>on or after the date of the filing of the certificate pursuant to</u>	1834
<u>this section;</u>	1835
<u>(e) The signature of the representative or representatives</u>	1836
<u>authorized to sign the certificate on behalf of the converting</u>	1837
<u>entity and the office held or the capacity in which the</u>	1838
<u>representative is acting;</u>	1839
<u>(f) A statement that the declaration of conversion is</u>	1840
<u>authorized on behalf of the converting entity and that each person</u>	1841
<u>signing the certificate on behalf of the converting entity is</u>	1842
<u>authorized to do so;</u>	1843
<u>(g) The name and the form of the converted entity and the</u>	1844
<u>state under the laws of which the converted entity will exist;</u>	1845
<u>(h) If the converted entity is a foreign entity that will not</u>	1846
<u>be licensed in this state, the name and address of the statutory</u>	1847
<u>agent upon whom any process, notice, or demand may be served.</u>	1848
<u>(2) In the case of a conversion into a new domestic</u>	1849
<u>corporation, limited liability company, limited partnership, or</u>	1850
<u>other partnership, any organizational document, including a</u>	1851
<u>designation of agent, that would be filed upon the creation of the</u>	1852
<u>new entity shall be filed with the certificate of conversion.</u>	1853

(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)(8), (9), or (10) of section 1701.791 of the Revised Code. 1854
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(4) If a foreign or domestic corporation licensed to transact business in this state is the converting entity, the certificate of conversion 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 a converting domestic corporation, or 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 a foreign corporation. 1858
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(C) If the converting entity or the converted entity 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, all documents required to be filed in connection with the conversion by the laws of that state or that chapter shall be filed in the proper office. 1867
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(D) Upon the filing of a certificate of conversion and other filings required by division (C) of this section or at any later date that the certificate of conversion specifies, the conversion is effective, subject to the limitation that no conversion will be effective if there are reasonable grounds to believe that the conversion would render the converted entity unable to pay its obligations as they become due in the usual course of its affairs. 1873
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(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 all of the following: 1880
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(1) The name and form of entity of the converting entity and 1884

<u>the state under the laws of which it existed prior to the</u>	1885
<u>conversion;</u>	1886
<u>(2) The name and the form of entity of the converted entity</u>	1887
<u>and the state under the laws of which it will exist;</u>	1888
<u>(3) The date of filing of the certificate of conversion with</u>	1889
<u>the secretary of state and the effective date of the conversion.</u>	1890
<u>(F) The certificate of the secretary of state, or a copy of</u>	1891
<u>the certificate of conversion certified by the secretary of state,</u>	1892
<u>may be filed for record in the office of the recorder of any</u>	1893
<u>county in this state and, if filed, shall be recorded in the</u>	1894
<u>records of deeds for that county. For the recording, the county</u>	1895
<u>recorder shall charge and collect the same fee as in the case of</u>	1896
<u>deeds.</u>	1897
<u>Sec. 1701.821. (A) Upon a conversion becoming effective, all</u>	1898
<u>of the following apply:</u>	1899
<u>(1) The converting entity is continued in the converted</u>	1900
<u>entity.</u>	1901
<u>(2) The converted entity exists, and the converting entity</u>	1902
<u>ceases to exist.</u>	1903
<u>(3) The converted entity possesses both of the following, and</u>	1904
<u>both of the following continue in the converted entity without any</u>	1905
<u>further act or deed:</u>	1906
<u>(a) Except to the extent limited by the requirements of</u>	1907
<u>applicable law, both of the following:</u>	1908
<u>(i) All assets and property of every description of the</u>	1909
<u>converting entity and every interest in the assets and property of</u>	1910
<u>the converted entity, wherever the assets, property, and interests</u>	1911
<u>are located. Title to any real estate or any interest in real</u>	1912
<u>estate that was vested in the converting entity does not revert or</u>	1913

in any way is impaired by reason of the conversion. 1914

(ii) The rights, privileges, immunities, powers, franchises, and authority, whether of a public or a private nature, of the converting entity. 1915
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(b) All obligations belonging or due to the converting entity. 1918
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(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. 1920
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(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 1931
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application for registration prescribed for a foreign limited 1945
liability company, foreign limited partnership, or foreign limited 1946
liability partnership. 1947

(C) Any action to set aside a conversion on the ground that 1948
any section of the Revised Code applicable to the conversion has 1949
not been complied with shall be brought within ninety days after 1950
the effective date of the conversion or is forever barred. 1951

(D) In the case of a converting or converted entity organized 1952
or existing under the laws of any state other than this state, 1953
this section is subject to the laws of the state under which that 1954
entity exists or in which it has property. 1955

Sec. 1701.831. (A) Unless the articles ~~or~~, the regulations 1956
adopted by the shareholders, or the regulations adopted by the 1957
directors pursuant to division (A)(1) of section 1701.10 of the 1958
Revised Code of the issuing public corporation provide that this 1959
section does not apply to control share acquisitions of shares of 1960
such corporation, any control share acquisition of an issuing 1961
public corporation shall be made only with the prior authorization 1962
of the shareholders of such corporation in accordance with this 1963
section. 1964

(B) Any person who proposes to make a control share 1965
acquisition shall deliver an acquiring person statement to the 1966
issuing public corporation at the issuing public corporation's 1967
principal executive offices. Such acquiring person statement shall 1968
set forth all of the following: 1969

(1) The identity of the acquiring person; 1970

(2) A statement that the acquiring person statement is given 1971
pursuant to this section; 1972

(3) The number of shares of the issuing public corporation 1973
owned, directly or indirectly, by the acquiring person; 1974

(4) The range of voting power, described in division 1975
(Z)(1)(a), (b), or (c) of section 1701.01 of the Revised Code, 1976
under which the proposed control share acquisition would, if 1977
consummated, fall; 1978

(5) A description in reasonable detail of the terms of the 1979
proposed control share acquisition; 1980

(6) Representations of the acquiring person, together with a 1981
statement in reasonable detail of the facts upon which they are 1982
based, that the proposed control share acquisition, if 1983
consummated, will not be contrary to law, and that the acquiring 1984
person has the financial capacity to make the proposed control 1985
share acquisition. 1986

(C)(1) Within ten days after receipt of an acquiring person 1987
statement that complies with division (B) of this section, the 1988
directors of the issuing public corporation shall call a special 1989
meeting of shareholders of the issuing public corporation for the 1990
purpose of voting on the proposed control share acquisition. 1991
Subject to division (C)(2) of this section, unless the acquiring 1992
person and the issuing public corporation agree in writing to 1993
another date, such special meeting of shareholders shall be held 1994
within fifty days after receipt by the issuing public corporation 1995
of the acquiring person statement. If the acquiring person so 1996
requests in writing at the time of delivery of the acquiring 1997
person statement, such special meetings shall be held no sooner 1998
than thirty days after receipt by the issuing public corporation 1999
of the acquiring person statement. Subject to division (C)(2) of 2000
this section, such special meeting of shareholders shall be held 2001
no later than any other special meeting of shareholders that is 2002
called, after receipt by the issuing public corporation of the 2003
acquiring person statement, in compliance with this section or 2004
section 1701.76, 1701.78, 1701.781, 1701.79, 1701.791, 1701.801, 2005
or 1701.83 of the Revised Code. 2006

(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 this section. If the proposed control share acquisition is to be made pursuant to a tender offer, then the meeting may be rescheduled to a date that is not later than the expiration date of the offer. If the proposed control share acquisition is to be made other than pursuant to a tender offer, the meeting may be rescheduled to a date that is not later than ten business days after notice of the change is first given to the shareholders.

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

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

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

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

(1) The shareholders of the issuing public corporation who hold shares as of the record date of such corporation entitling

them to vote in the election of directors authorize the 2038
acquisition at the special meeting held for that purpose at which 2039
a quorum is present by an affirmative vote of a majority of the 2040
voting power of such corporation in the election of directors 2041
represented at the meeting in person or by proxy, and a majority 2042
of the portion of the voting power excluding the voting power of 2043
interested shares represented at the meeting in person or by 2044
proxy. A quorum shall be deemed to be present at the special 2045
meeting if at least a majority of the voting power of the issuing 2046
public corporation in the election of directors is represented at 2047
the meeting in person or by proxy. 2048

(2) The acquisition is consummated, in accordance with the 2049
terms so authorized, no later than three hundred sixty days 2050
following shareholder authorization of the control share 2051
acquisition. 2052

(F) Except as expressly provided in this section, nothing in 2053
this section shall be construed to affect or impair any right, 2054
remedy, obligation, duty, power, or authority of any acquiring 2055
person, any issuing public corporation, the directors of any 2056
acquiring person or issuing public corporation, or any other 2057
person under the laws of this or any other state or of the United 2058
States. 2059

(G) If any application of any provision of this section is 2060
for any reason held to be illegal or invalid, the illegality or 2061
invalidity shall not affect any legal and valid provision or 2062
application of this section, and the parts and applications of 2063
this section are severable. 2064

Sec. 1701.84. The following are entitled to relief as 2065
dissenting shareholders under section 1701.85 of the Revised Code: 2066

(A) Shareholders of a domestic corporation that is being 2067

merged or consolidated into a surviving or new entity, domestic or 2068
foreign, pursuant to section 1701.78, 1701.781, 1701.79, 1701.791, 2069
or 1701.801 of the Revised Code; 2070

(B) In the case of a merger into a domestic corporation, 2071
shareholders of the surviving corporation who under section 2072
1701.78 or 1701.781 of the Revised Code are entitled to vote on 2073
the adoption of an agreement of merger, but only as to the shares 2074
so entitling them to vote; 2075

(C) Shareholders, other than the parent corporation, of a 2076
domestic subsidiary corporation that is being merged into the 2077
domestic or foreign parent corporation pursuant to section 1701.80 2078
of the Revised Code; 2079

(D) In the case of a combination or a majority share 2080
acquisition, shareholders of the acquiring corporation who under 2081
section 1701.83 of the Revised Code are entitled to vote on such 2082
transaction, but only as to the shares so entitling them to vote; 2083

(E) Shareholders of a domestic subsidiary corporation into 2084
which one or more domestic or foreign corporations are being 2085
merged pursuant to section 1701.801 of the Revised Code; 2086

(F) Shareholders of a domestic corporation that is being 2087
converted pursuant to section 1701.792 of the Revised Code. 2088

Sec. 1701.85. (A)(1) A shareholder of a domestic corporation 2089
is entitled to relief as a dissenting shareholder in respect of 2090
the proposals described in sections 1701.74, 1701.76, and 1701.84 2091
of the Revised Code, only in compliance with this section. 2092

(2) If the proposal must be submitted to the shareholders of 2093
the corporation involved, the dissenting shareholder shall be a 2094
record holder of the shares of the corporation as to which ~~he~~ the 2095
dissenting shareholder seeks relief as of the date fixed for the 2096
determination of shareholders entitled to notice of a meeting of 2097

the shareholders at which the proposal is to be submitted, and 2098
such shares shall not have been voted in favor of the proposal. 2099
Not later than ten days after the date on which the vote on the 2100
proposal was taken at the meeting of the shareholders, the 2101
dissenting shareholder shall deliver to the corporation a written 2102
demand for payment to ~~him~~ the dissenting shareholder of the fair 2103
cash value of the shares as to which ~~he~~ the dissenting shareholder 2104
seeks relief, which demand shall state ~~his~~ the dissenting 2105
shareholder's address, the number and class of such shares, and 2106
the amount claimed by ~~him~~ the dissenting shareholder as the fair 2107
cash value of the shares. 2108

(3) The dissenting shareholder entitled to relief under 2109
division (C) of section 1701.84 of the Revised Code in the case of 2110
a merger pursuant to section 1701.80 of the Revised Code and a 2111
dissenting shareholder entitled to relief under division (E) of 2112
section 1701.84 of the Revised Code in the case of a merger 2113
pursuant to section 1701.801 of the Revised Code shall be a record 2114
holder of the shares of the corporation as to which ~~he~~ the 2115
dissenting shareholder seeks relief as of the date on which the 2116
agreement of merger was adopted by the directors of that 2117
corporation. Within twenty days after ~~he~~ the dissenting 2118
shareholder has been sent the notice provided in section 1701.80 2119
or 1701.801 of the Revised Code, the dissenting shareholder shall 2120
deliver to the corporation a written demand for payment with the 2121
same information as that provided for in division (A)(2) of this 2122
section. 2123

(4) In the case of a merger or consolidation, a demand served 2124
on the constituent corporation involved constitutes service on the 2125
surviving or the new entity, whether the demand is served before, 2126
on, or after the effective date of the merger or consolidation. In 2127
the case of a conversion, a demand served on the converting 2128
corporation constitutes service on the converted entity, whether 2129

the demand is served before, on, or after the effective date of 2130
the conversion. 2131

(5) If the corporation sends to the dissenting shareholder, 2132
at the address specified in ~~his~~ the dissenting shareholder's 2133
demand, a request for the certificates representing the shares as 2134
to which ~~he~~ the dissenting shareholder seeks relief, the 2135
dissenting shareholder, within fifteen days from the date of the 2136
sending of such request, shall deliver to the corporation the 2137
certificates requested so that the corporation may ~~forthwith~~ 2138
endorse on them a legend to the effect that demand for the fair 2139
cash value of such shares has been made. The corporation promptly 2140
shall return ~~such~~ the endorsed certificates to the dissenting 2141
shareholder. A dissenting shareholder's failure to deliver ~~such~~ 2142
the certificates terminates ~~his~~ the dissenting shareholder's 2143
rights as a dissenting shareholder, at the option of the 2144
corporation, exercised by written notice sent to the dissenting 2145
shareholder within twenty days after the lapse of the fifteen-day 2146
period, unless a court for good cause shown otherwise directs. If 2147
shares represented by a certificate on which such a legend has 2148
been endorsed are transferred, each new certificate issued for 2149
them shall bear a similar legend, together with the name of the 2150
original dissenting holder of ~~such~~ the shares. Upon receiving a 2151
demand for payment from a dissenting shareholder who is the record 2152
holder of uncertificated securities, the corporation shall make an 2153
appropriate notation of the demand for payment in its shareholder 2154
records. If uncertificated shares for which payment has been 2155
demanded are to be transferred, any new certificate issued for the 2156
shares shall bear the legend required for certificated securities 2157
as provided in this paragraph. A transferee of the shares so 2158
endorsed, or of uncertificated securities where such notation has 2159
been made, acquires only ~~such~~ the rights in the corporation as the 2160
original dissenting holder of such shares had immediately after 2161
the service of a demand for payment of the fair cash value of the 2162

shares. A request under this paragraph by the corporation is not 2163
an admission by the corporation that the shareholder is entitled 2164
to relief under this section. 2165

(B) Unless the corporation and the dissenting shareholder 2166
have come to an agreement on the fair cash value per share of the 2167
shares as to which the dissenting shareholder seeks relief, the 2168
dissenting shareholder or the corporation, which in case of a 2169
merger or consolidation may be the surviving or new entity, or in 2170
the case of a conversion may be the converted entity, within three 2171
months after the service of the demand by the dissenting 2172
shareholder, may file a complaint in the court of common pleas of 2173
the county in which the principal office of the corporation that 2174
issued the shares is located or was located when the proposal was 2175
adopted by the shareholders of the corporation, or, if the 2176
proposal was not required to be submitted to the shareholders, was 2177
approved by the directors. Other dissenting shareholders, within 2178
that three-month period, may join as plaintiffs or may be joined 2179
as defendants in any such proceeding, and any two or more such 2180
proceedings may be consolidated. The complaint shall contain a 2181
brief statement of the facts, including the vote and the facts 2182
entitling the dissenting shareholder to the relief demanded. No 2183
answer to ~~such~~ a complaint is required. Upon the filing of ~~such~~ a 2184
complaint, the court, on motion of the petitioner, shall enter an 2185
order fixing a date for a hearing on the complaint and requiring 2186
that a copy of the complaint and a notice of the filing and of the 2187
date for hearing be given to the respondent or defendant in the 2188
manner in which summons is required to be served or substituted 2189
service is required to be made in other cases. On the day fixed 2190
for the hearing on the complaint or any adjournment of it, the 2191
court shall determine from the complaint and from ~~such~~ evidence ~~as~~ 2192
~~is~~ submitted by either party whether the dissenting shareholder is 2193
entitled to be paid the fair cash value of any shares and, if so, 2194
the number and class of such shares. If the court finds that the 2195

dissenting shareholder is so entitled, the court may appoint one 2196
or more persons as appraisers to receive evidence and to recommend 2197
a decision on the amount of the fair cash value. The appraisers 2198
have ~~such~~ power and authority ~~as is~~ specified in the order of 2199
their appointment. The court thereupon shall make a finding as to 2200
the fair cash value of a share and shall render judgment against 2201
the corporation for the payment of it, with interest at ~~such a~~ 2202
rate and from ~~such a~~ date as the court considers equitable. The 2203
costs of the proceeding, including reasonable compensation to the 2204
appraisers to be fixed by the court, shall be assessed or 2205
apportioned as the court considers equitable. The proceeding is a 2206
special proceeding and final orders in it may be vacated, 2207
modified, or reversed on appeal pursuant to the Rules of Appellate 2208
Procedure and, to the extent not in conflict with those rules, 2209
Chapter 2505. of the Revised Code. If, during the pendency of any 2210
proceeding instituted under this section, a suit or proceeding is 2211
or has been instituted to enjoin or otherwise to prevent the 2212
carrying out of the action as to which the shareholder has 2213
dissented, the proceeding instituted under this section shall be 2214
stayed until the final determination of the other suit or 2215
proceeding. Unless any provision in division (D) of this section 2216
is applicable, the fair cash value of the shares that is agreed 2217
upon by the parties or fixed under this section shall be paid 2218
within thirty days after the date of final determination of such 2219
value under this division, the effective date of the amendment to 2220
the articles, or the consummation of the other action involved, 2221
whichever occurs last. Upon the occurrence of the last such event, 2222
payment shall be made immediately to a holder of uncertificated 2223
securities entitled to ~~such~~ payment. In the case of holders of 2224
shares represented by certificates, payment shall be made only 2225
upon and simultaneously with the surrender to the corporation of 2226
the certificates representing the shares for which the payment is 2227
made. 2228

(C) If the proposal was required to be submitted to the 2229
shareholders of the corporation, fair cash value as to those 2230
shareholders shall be determined as of the day prior to the day on 2231
which the vote by the shareholders was taken and, in the case of a 2232
merger pursuant to section 1701.80 or 1701.801 of the Revised 2233
Code, fair cash value as to shareholders of a constituent 2234
subsidiary corporation shall be determined as of the day before 2235
the adoption of the agreement of merger by the directors of the 2236
particular subsidiary corporation. The fair cash value of a share 2237
for the purposes of this section is the amount that a willing 2238
seller who is under no compulsion to sell would be willing to 2239
accept and that a willing buyer who is under no compulsion to 2240
purchase would be willing to pay, but in no event shall the fair 2241
cash value of a share exceed the amount specified in the demand of 2242
the particular shareholder. In computing ~~such~~ fair cash value, any 2243
appreciation or depreciation in market value resulting from the 2244
proposal submitted to the directors or to the shareholders shall 2245
be excluded. 2246

(D)(1) The right and obligation of a dissenting shareholder 2247
to receive ~~such~~ fair cash value and to sell such shares as to 2248
which ~~he~~ the dissenting shareholder seeks relief, and the right 2249
and obligation of the corporation to purchase such shares and to 2250
pay the fair cash value of them terminates if any of the following 2251
applies: 2252

(a) The dissenting shareholder has not complied with this 2253
section, unless the corporation by its directors waives such 2254
failure; 2255

(b) The corporation abandons the action involved or is 2256
finally enjoined or prevented from carrying it out, or the 2257
shareholders rescind their adoption of the action involved; 2258

(c) The dissenting shareholder withdraws ~~his~~ the dissenting 2259

shareholder's demand, with the consent of the corporation by its 2260
directors; 2261

(d) The corporation and the dissenting shareholder have not 2262
come to an agreement as to the fair cash value per share, and 2263
neither the shareholder nor the corporation has filed or joined in 2264
a complaint under division (B) of this section within the period 2265
provided in that division. 2266

(2) For purposes of division (D)(1) of this section, if the 2267
merger ~~or~~, consolidation, or conversion has become effective and 2268
the surviving ~~or~~, new, or converted entity is not a corporation, 2269
action required to be taken by the directors of the corporation 2270
shall be taken by the ~~general~~ partners of a surviving ~~or~~, new, or 2271
converted partnership or the comparable representatives of any 2272
other surviving ~~or~~, new, or converted entity. 2273

(E) From the time of the dissenting shareholder's giving of 2274
the demand until either the termination of the rights and 2275
obligations arising from it or the purchase of the shares by the 2276
corporation, all other rights accruing from such shares, including 2277
voting and dividend or distribution rights, are suspended. If 2278
during the suspension, any dividend or distribution is paid in 2279
money upon shares of such class or any dividend, distribution, or 2280
interest is paid in money upon any securities issued in 2281
extinguishment of or in substitution for such shares, an amount 2282
equal to the dividend, distribution, or interest which, except for 2283
the suspension, would have been payable upon such shares or 2284
securities, shall be paid to the holder of record as a credit upon 2285
the fair cash value of the shares. If the right to receive fair 2286
cash value is terminated other than by the purchase of the shares 2287
by the corporation, all rights of the holder shall be restored and 2288
all distributions which, except for the suspension, would have 2289
been made shall be made to the holder of record of the shares at 2290
the time of termination. 2291

Sec. 1701.92. (A) A copy of the articles or amended articles 2292
filed in the office of the secretary of state, certified by the 2293
secretary of state, shall be conclusive evidence, except as 2294
against the state, that the corporation has been incorporated 2295
under the laws of this state; ~~and a.~~ A copy duly certified by the 2296
secretary of state of any certificate of amendment or other 2297
certificate filed in ~~his~~ the secretary of state's office shall be 2298
prima-facie evidence of ~~such~~ the amendment or of the facts stated 2299
in any such certificate, and of the observance and performance of 2300
all antecedent conditions necessary to the action which such 2301
certificate purports to evidence. 2302

(B) A copy of amended articles filed in the office of the 2303
secretary of state, certified by the secretary of state, shall be 2304
accepted in this state and other jurisdictions in lieu of the 2305
original articles, amendments thereto, and prior amended articles. 2306

(C) The original or a copy of the record of minutes of the 2307
proceedings of the incorporators of a corporation, or of the 2308
proceedings or meetings of the shareholders or any class of 2309
shareholders, or of the directors, or of any committee thereof, 2310
including any written consent, waiver, release, or agreement 2311
entered in ~~such~~ the record ~~or~~ of minutes, or the original or a 2312
copy of a statement that no specified proceeding was had or that 2313
no specified consent, waiver, release, or agreement exists, shall, 2314
when certified to be true by the secretary or an assistant 2315
secretary of a corporation, be received in the courts as 2316
prima-facie evidence of the facts stated therein. Every meeting 2317
referred to in ~~such~~ the certified original or copy shall be deemed 2318
duly called and held, ~~and~~ all motions and resolutions adopted and 2319
proceedings had at such meeting shall be deemed duly adopted and 2320
had, and all elections of directors and all elections or 2321
appointments of officers chosen at such meeting shall be deemed 2322

valid, until the contrary is proved; ~~and whenever.~~ Whenever a 2323
person who is not a shareholder of a corporation has acted in good 2324
faith in reliance upon any ~~such~~ certified original or copy, it is 2325
conclusive in ~~his~~ the person's favor. 2326

(D) A certificate issued by the secretary of state confirming 2327
that a corporation is in good standing, as defined in division (E) 2328
of this section, is, for seven days after the date on the 2329
certificate, conclusive evidence of both of the following: 2330

(1) The authority of a domestic corporation has not been 2331
limited as described in section 1701.88 or 1701.91 of the Revised 2332
Code, provided that both of the following apply: 2333

(a) The person relying on the certificate had no knowledge 2334
that the corporation's articles had been canceled. 2335

(b) The certificate is not presented as evidence against the 2336
state. 2337

(2) The license authorizing a foreign corporation to transact 2338
business in this state has not expired, been cancelled, or been 2339
surrendered. 2340

(E) For purposes of division (D) of this section, "good 2341
standing" means that the authority of the corporation to carry on 2342
business is not limited by section 1701.88 of the Revised Code. 2343

Sec. 1701.921. (A) Absent an express agreement to the 2344
contrary, a person providing goods to or performing services for a 2345
domestic or foreign corporation owes no duty to, incurs no 2346
liability or obligation to, and is not in privity with the 2347
shareholders or creditors of the corporation by reason of 2348
providing goods to or performing services for the corporation. 2349

(B) Absent an express agreement to the contrary, a person 2350
providing goods to or performing services for a shareholder or 2351
group of shareholders of a domestic or foreign corporation owes no 2352

duty to, incurs no liability or obligation to, and is not in 2353
privity with the corporation, any other shareholders of the 2354
corporation, or the creditors of the corporation by reason of 2355
providing goods to or performing services for the shareholder or 2356
group of shareholders. 2357

Sec. 1704.02. An issuing public corporation shall not engage 2358
in a Chapter 1704. transaction for three years after an interested 2359
shareholder's share acquisition date unless either of the 2360
following applies: 2361

(A) Prior to the interested shareholder's share acquisition 2362
date, the directors of the issuing public corporation have 2363
approved, for the purposes of this chapter, the Chapter 1704. 2364
transaction or the purchase of shares by the interested 2365
shareholder on the interested shareholder's share acquisition 2366
date; 2367

(B) Any of the provisions of section 1704.05 of the Revised 2368
Code makes this chapter inapplicable, except that if the Chapter 2369
1704. transaction is of a type described in section 1701.76, 2370
1701.78, 1701.79, 1701.80, 1701.801, 1701.802, or 1701.86 of the 2371
Revised Code, there also must be compliance with the provisions of 2372
that section. 2373

Sec. 1704.03. (A) At any time after the three-year period 2374
described in section 1704.02 of the Revised Code, the issuing 2375
public corporation may engage in a Chapter 1704. transaction, 2376
provided that if the Chapter 1704. transaction is of a type 2377
described in section 1701.76, 1701.78, 1701.79, 1701.80, 1701.801, 2378
1701.802, or 1701.86 of the Revised Code, there is compliance with 2379
the provisions of that section, and provided that at least one of 2380
the following is satisfied: 2381

(1) Any of the provisions of section 1704.05 of the Revised 2382

Code makes this chapter inapplicable;	2383
(2) Prior to the interested shareholder's share acquisition date, the directors of the issuing public corporation had approved the purchase of shares by the interested shareholder on the interested shareholder's share acquisition date;	2384 2385 2386 2387
(3) The Chapter 1704. transaction is approved, at a meeting held for that purpose, by the affirmative vote of the holders of shares of the issuing public corporation entitling them to exercise at least two-thirds of the voting power of the issuing public corporation in the election of directors, or of such different proportion as the articles may provide, provided the Chapter 1704. transaction <u>also</u> is also approved by the affirmative vote of the holders of at least a majority of the disinterested shares;	2388 2389 2390 2391 2392 2393 2394 2395 2396
(4) The Chapter 1704. transaction meets both of the following conditions:	2397 2398
(a) It results in the receipt per share by the holders of all outstanding shares of the issuing public corporation not beneficially owned by the interested shareholder of an amount of cash that, when added to the fair market value ₇ as of the consummation date of the Chapter 1704. transaction ₇ of noncash consideration, aggregates at least the higher of the following:	2399 2400 2401 2402 2403 2404
(i) The figure determined under division (B)(1) of this section;	2405 2406
(ii) The preferential amount per share, if any, to which holders of shares of that class or series of shares are entitled upon voluntary or involuntary dissolution of the issuing public corporation, plus the aggregate amount per share of dividends declared or due that those holders are entitled to receive before payment of dividends on another class or series of shares, unless the aggregate amount per share of those dividends is included in	2407 2408 2409 2410 2411 2412 2413

the preferential amount. 2414

(b) The form of consideration to be received by holders of 2415
each particular class or series of outstanding shares of the 2416
issuing public corporation in the Chapter 1704. transaction, apart 2417
from any portion that is interest, is in cash or, if the 2418
interested shareholder previously purchased shares of that class 2419
or series, is in the same form the interested shareholder 2420
previously paid to acquire the largest number of shares of that 2421
class or series, but in no event shall the fair market value of 2422
the consideration received by a holder of a share of a particular 2423
class or series of outstanding shares in the Chapter 1704. 2424
transaction be less than the current fair market value of a share 2425
of the issuing public corporation of the same class or series. 2426

(B)(1) For purposes of making a determination under division 2427
(A)(4)(a) of this section, the figure to be used in division 2428
(A)(4)(a)(i) of this section shall be the highest, after taking 2429
into account interest to the extent provided in division (B)(2) of 2430
this section, of the following: 2431

(a) The fair market value per share on the announcement date 2432
of the Chapter 1704. transaction; 2433

(b) The fair market value per share on the interested 2434
shareholder's share acquisition date; 2435

(c) The highest price per share paid, including brokerage 2436
commissions, transfer taxes, and soliciting dealers' fees, by the 2437
interested shareholder, or by an affiliate or associate of the 2438
interested shareholder, for shares of the same class or series 2439
within the three years immediately before and including the 2440
announcement date of the Chapter 1704. transaction; 2441

(d) The highest price per share paid, including brokerage 2442
commissions, transfer taxes, and soliciting dealers' fees, by the 2443
interested shareholder, or by an affiliate or associate of the 2444

interested shareholder, for shares of the same class or series 2445
within the three years immediately before and including the 2446
interested shareholder's share acquisition date. 2447

(2) Each determination under division (B)(1)(a), (b), (c), or 2448
(d) of this section shall include interest compounded annually 2449
from the earliest date as of which the per share fair market value 2450
was determined or on which that highest per share purchase price 2451
was paid through the consummation date of the Chapter 1704. 2452
transaction, at the rate of interest paid on one-year United 2453
States treasury obligations from time to time in effect, less the 2454
aggregate amount of any cash and the fair market value, as of the 2455
payment date, of any noncash dividends or other distributions paid 2456
per share since that date, up to the amount of the interest. 2457

Sec. 1705.09. (A) The contributions of a member may be made 2458
in cash, property, services rendered, a promissory note, or any 2459
other binding obligation to contribute cash or property or to 2460
perform services; by providing any other benefit to the limited 2461
liability company; or by any combination of these. 2462

(B) A promise by a member to contribute to the limited 2463
liability company is not enforceable unless it is set forth in a 2464
writing signed by the member. 2465

(C) Except as otherwise provided in the operating agreement, 2466
a member is obligated to the limited liability company to perform 2467
any enforceable promise to contribute cash or other property or to 2468
perform services, even if ~~he~~ the member is unable to perform the 2469
promise because of death, disability, or another reason. If a 2470
member fails to make a required contribution of property or 2471
services, then, at the option of the limited liability company, 2472
the member is obligated to contribute cash equal to the portion of 2473
the value as stated in the records required to be kept under 2474
section 1705.28 of the Revised Code of the stated contribution 2475

that ~~he~~ the member has failed to make. This right of the company 2476
is in addition to and not in lieu of any other rights, including, 2477
but not limited to, the right to specific performance, that the 2478
company may have against the member under the operating agreement 2479
or applicable law. 2480

(D) Unless otherwise provided in the operating agreement, the 2481
obligation of a member to make a contribution or to return money 2482
or other property paid or distributed in violation of this chapter 2483
may be compromised only by the consent of all of the members. 2484

Sec. 1705.19. If any judgment creditor of a member of a 2485
limited liability company applies to a court of common pleas to 2486
charge the membership interest of the member with payment of the 2487
unsatisfied amount of the judgment with interest, the court may so 2488
charge the membership interest. To the extent the membership 2489
interest is so charged, the judgment creditor has only the rights 2490
of an assignee of the membership interest. Nothing in this chapter 2491
deprives a member of ~~his~~ the member's statutory exemption. 2492

Sec. 1705.361. (A) Subject to division (B)(2) of this 2493
section, pursuant to a written declaration of conversion as 2494
provided in this section, a domestic or foreign entity other than 2495
a domestic limited liability company may be converted into a 2496
domestic limited liability company. The conversion also must be 2497
permitted by the chapter of the Revised Code or by the laws under 2498
which the converting entity exists. 2499

(B)(1) The written declaration of conversion shall set forth 2500
all of the following: 2501

(a) The name and form of entity that is being converted, the 2502
name of the entity into which the entity will be converted, and 2503
the jurisdiction of formation of the converting entity; 2504

(b) The articles of organization of the converted domestic 2505

<u>limited liability company;</u>	2506
<u>(c) The operating agreement of the converted domestic limited liability company or a provision that a written agreement of the converting entity, a copy of which is attached to the declaration of conversion, with any amendments set forth in the declaration of conversion, will be the operating agreement of the converted entity;</u>	2507 2508 2509 2510 2511 2512
<u>(d) If management of the converted entity is not reserved to its members, the names of the managers of the converted entity;</u>	2513 2514
<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>	2515 2516 2517
<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 company.</u>	2518 2519 2520 2521 2522 2523 2524 2525
<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 company unable to pay its obligations as they become due in the usual course of its affairs.</u>	2526 2527 2528 2529 2530
<u>(C) The written declaration of conversion may set forth any of the following:</u>	2531 2532
<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 1705.381 of the Revised Code;</u>	2533 2534 2535

(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 1705.381 of the Revised Code; 2536
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(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; 2540
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(4) The parties to the declaration of conversion in addition to the converting entity; 2543
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(5) Any additional provision necessary or desirable with respect to the proposed conversion or the converted entity. 2545
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(D) At any time before the filing of the certificate of conversion pursuant to section 1705.381 of the Revised Code, the conversion may be abandoned by any representatives authorized to do so by the declaration of conversion, or by the same vote as was required to adopt the declaration of conversion. 2547
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Sec. 1705.371. (A) Subject to division (B)(2) of this section, pursuant to a written declaration of conversion as provided in this section, a domestic limited liability company may be converted into a domestic or foreign entity other than a domestic limited liability company. The conversion also must be permitted by the chapter of the Revised Code or by the laws under which the converted entity will exist. 2552
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(B)(1) The written declaration of conversion shall set forth all of the following: 2559
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(a) The name of the domestic limited liability company that is being converted, the name of the entity into which the entity will be converted, the form of the converted entity, and the jurisdiction of formation of the converted entity; 2561
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(b) If the converted entity is a domestic entity, the 2565

<u>complete terms of all documents required under the applicable</u>	2566
<u>chapter of the Revised Code to form the converted entity;</u>	2567
<u>(c) If the converted entity is a foreign entity, all of the</u>	2568
<u>following:</u>	2569
<u>(i) The complete terms of all documents required under the</u>	2570
<u>law of its formation to form the converted entity;</u>	2571
<u>(ii) The consent of the converted entity to be sued and</u>	2572
<u>served with process in this state, and the irrevocable appointment</u>	2573
<u>of the secretary of state as the agent of the converted entity to</u>	2574
<u>accept service of process in this state to enforce against the</u>	2575
<u>converted entity any obligation of the converting company or to</u>	2576
<u>enforce the rights of a dissenting member of the converting</u>	2577
<u>company;</u>	2578
<u>(iii) If the converted entity desires to transact business in</u>	2579
<u>this state, the information required to qualify or be licensed</u>	2580
<u>under the applicable chapter of the Revised Code.</u>	2581
<u>(d) All other statements and matters required to be set forth</u>	2582
<u>in the declaration of conversion by the applicable chapter of the</u>	2583
<u>Revised Code if the converted entity is a domestic entity, or by</u>	2584
<u>the laws under which the converted entity will be formed, if the</u>	2585
<u>converted entity is a foreign entity;</u>	2586
<u>(e) The terms of the conversion; the mode of carrying them</u>	2587
<u>into effect; and the manner and basis of converting the interests</u>	2588
<u>or shares of the converting company into, or substituting the</u>	2589
<u>interests in the converting company for, interests, evidences of</u>	2590
<u>indebtedness, other securities, cash, rights, or any other</u>	2591
<u>property or any combination of interests, evidences of</u>	2592
<u>indebtedness, other securities, cash, rights, or any other</u>	2593
<u>property of the converted entity.</u>	2594
<u>(2) No conversion or substitution described in this section</u>	2595

shall be effected if there are reasonable grounds to believe that 2596
the conversion or substitution would render the converted entity 2597
unable to pay its obligations as they become due in the usual 2598
course of its affairs. 2599

(C) The written declaration of conversion may set forth any 2600
of the following: 2601

(1) The effective date of the conversion, which date may be 2602
on or after the date of the filing of the certificate of 2603
conversion pursuant to section 1705.381 of the Revised Code; 2604

(2) A provision authorizing the converting company to abandon 2605
the proposed conversion by action of the members or managers of 2606
the converting company taken prior to the filing of the 2607
certificate of conversion pursuant to section 1705.381 of the 2608
Revised Code; 2609

(3) A statement of, or a statement of the method to be used 2610
to determine, the fair value of the assets owned by the converting 2611
company at the time of the conversion; 2612

(4) The parties to the declaration of conversion in addition 2613
to the converting company; 2614

(5) Any additional provision necessary or desirable with 2615
respect to the proposed conversion or the converted entity. 2616

(D) The members of the converting domestic limited liability 2617
company and, if management is not reserved to its members, the 2618
managers of the converting entity must adopt the declaration of 2619
conversion in order to effect the conversion. 2620

(E)(1) All members, whether or not they are entitled to vote 2621
or act, shall be given written notice of any meeting of members or 2622
of any proposed action by members, which meeting or action is to 2623
adopt a declaration of conversion. The notice shall be given to 2624
the members either as provided in writing in the operating 2625

agreement or by mail at the members' addresses as they appear on 2626
the records of the company, or in person. Unless the operating 2627
agreement provides a shorter or longer period, notice described in 2628
division (E)(1) of this section shall be given not less than seven 2629
and not more than sixty days before the meeting or the effective 2630
date of the action. 2631

(2) The notice described in division (E)(1) of this section 2632
shall be accompanied by a copy or a summary of the material 2633
provisions of the declaration of conversion. 2634

(F) The unanimous vote or action by the members of a 2635
converting company, or a different number or proportion as 2636
provided in writing in the operating agreement, is required to 2637
adopt a declaration of conversion. 2638

If the declaration of conversion would have an effect or 2639
authorize any action that under any applicable provision of law or 2640
the operating agreement could be effected or authorized only by or 2641
pursuant to a specified vote or action of the members, or of any 2642
class or group of members, the declaration of conversion also must 2643
be adopted or approved by the same vote or action as would be 2644
required to effect that change or to authorize that action. 2645

(G)(1) At any time before the filing of the certificate of 2646
conversion pursuant to section 1705.381 of the Revised Code, the 2647
conversion may be abandoned by all of the members of the 2648
converting company or by any representatives authorized to do so 2649
by the declaration of conversion, or by the same vote as was 2650
required to adopt the declaration of conversion. 2651

(2) The declaration of conversion may contain a provision 2652
authorizing less than all of the members to amend the declaration 2653
of conversion at any time before the filing of the certificate of 2654
conversion pursuant to section 1705.381 of the Revised Code, 2655
except that, after the adoption of the declaration of conversion 2656

by the members, less than all of the members are not authorized to 2657
amend the declaration of conversion to do any of the following: 2658

(a) Alter or change the amount or kind of interests, shares, 2659
evidences of indebtedness, other securities, cash rights, or any 2660
other property to be received by the members of the converting 2661
company in conversion of, or substitution for, their interests; 2662

(b) Alter or change any term of the organizational documents 2663
of the converted entity except for alterations or changes that are 2664
adopted with the vote or action of the persons the vote or action 2665
of which would be required for the alteration or change after the 2666
conversion; 2667

(c) Alter or change any other terms and conditions of the 2668
declaration of conversion if any of the alterations or changes, 2669
alone or in the aggregate, materially and adversely would affect 2670
the members or any class or group of members of the converting 2671
company. 2672

Sec. 1705.381. (A) Upon the adoption of a declaration of 2673
conversion pursuant to section 1705.361 or 1705.371 of the Revised 2674
Code, or at a later time as authorized by the declaration of 2675
conversion, a certificate of conversion that is signed by an 2676
authorized representative of the converting entity shall be filed 2677
with the secretary of state. The certificate shall be on a form 2678
prescribed by the secretary of state and shall set forth only the 2679
information required by this section. 2680

(B)(1) The certificate of conversion shall set forth all of 2681
the following: 2682

(a) The name and the form of entity of the converting entity 2683
and the state under the laws of which the converting entity 2684
exists; 2685

(b) A statement that the converting entity has complied with 2686

<u>all of the laws under which it exists and that those laws permit</u>	2687
<u>the conversion;</u>	2688
<u>(c) The name and mailing address of the person or entity that</u>	2689
<u>is to provide a copy of the declaration of conversion in response</u>	2690
<u>to any written request made by a shareholder, partner, or member</u>	2691
<u>of the converting entity;</u>	2692
<u>(d) The effective date of the conversion, which date may be</u>	2693
<u>on or after the date of the filing of the certificate pursuant to</u>	2694
<u>this section;</u>	2695
<u>(e) The signature and title of the representative or</u>	2696
<u>representatives authorized to sign the certificate on behalf of</u>	2697
<u>the converting entity;</u>	2698
<u>(f) A statement that the declaration of conversion is</u>	2699
<u>authorized on behalf of the converting entity and that each person</u>	2700
<u>signing the certificate on behalf of the converting entity is</u>	2701
<u>authorized to do so;</u>	2702
<u>(g) The name and the form of the converted entity and the</u>	2703
<u>state under the laws of which the converted entity will exist;</u>	2704
<u>(h) If the converted entity is a foreign entity that will not</u>	2705
<u>be licensed in this state, the name and address of the statutory</u>	2706
<u>agent upon whom any process, notice or demand may be served.</u>	2707
<u>(2) In the case of a conversion into a new domestic</u>	2708
<u>corporation, limited liability company, limited partnership, or</u>	2709
<u>other partnership, any organizational document that would be filed</u>	2710
<u>upon the creation of the converted entity shall be filed with the</u>	2711
<u>certificate of conversion.</u>	2712
<u>(3) If the converted entity is a foreign entity that desires</u>	2713
<u>to transact business in this state, the certificate of conversion</u>	2714
<u>shall be accompanied by the information required by division</u>	2715
<u>(B)(8), (9), or (10) of section 1705.37 of the Revised Code.</u>	2716

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

(C) If the converting entity or the converted entity 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, all documents required to be filed in connection with the conversion by the laws of that state or that chapter shall be filed in the proper office.

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

(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 all of the following:

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

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

(3) The date of filing of the certificate of conversion with

<u>the secretary of state and the effective date of the conversion.</u>	2748
<u>(F) The certificate of the secretary of state, or a copy of</u>	2749
<u>the certificate of conversion certified by the secretary of state,</u>	2750
<u>may be filed for record in the office of the recorder of any</u>	2751
<u>county in this state and, if filed, shall be recorded in the</u>	2752
<u>records of deeds for that county. For the recording, the county</u>	2753
<u>recorder shall charge and collect the same fee as in the case of</u>	2754
<u>deeds.</u>	2755
<u>Sec. 1705.391. (A) Upon a conversion becoming effective, all</u>	2756
<u>of the following apply:</u>	2757
<u>(1) The converting entity is continued in the converted</u>	2758
<u>entity.</u>	2759
<u>(2) The converted entity exists, and the converting entity</u>	2760
<u>ceases to exist.</u>	2761
<u>(3) The converted entity possesses both of the following, and</u>	2762
<u>both of the following continue in the converted entity without any</u>	2763
<u>further act or deed:</u>	2764
<u>(a) Except to the extent limited by the requirements of</u>	2765
<u>applicable law, both of the following:</u>	2766
<u>(i) All assets and property of every description of the</u>	2767
<u>converting entity and every interest in the assets and property of</u>	2768
<u>the converting entity, wherever the assets, property, and</u>	2769
<u>interests are located. Title to any real estate or any interest in</u>	2770
<u>real estate that was vested in the converting entity does not</u>	2771
<u>revert or in any way is impaired by reason of the conversion.</u>	2772
<u>(ii) The rights, privileges, immunities, powers, franchises,</u>	2773
<u>and authority, whether of a public or a private nature, of the</u>	2774
<u>converting entity.</u>	2775
<u>(b) All obligations belonging or due to the converting</u>	2776

entity.

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(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.

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(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 1705.38 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.

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(C) Any action to set aside any 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

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the effective date of the conversion or is forever barred. 2809

(D) In the case of a converting or converted entity organized 2810
or existing under the laws of any state other than this state, 2811
this section is subject to the laws of the state under which that 2812
entity exists or in which it has property. 2813

Sec. 1705.40. Unless otherwise provided in writing in the 2814
operating agreement of a constituent domestic limited liability 2815
company, the following are entitled to relief as dissenting 2816
members as provided in section 1705.41 of the Revised Code: 2817

(A) Members of a domestic limited liability company that is 2818
being merged or consolidated into a surviving or new domestic or 2819
foreign entity pursuant to section 1705.36 or 1705.37 of the 2820
Revised Code; 2821

(B) In the case of a merger into a domestic limited liability 2822
company, members of the surviving domestic limited liability 2823
company who, under section 1705.36 of the Revised Code, are 2824
entitled to vote or act on the adoption or approval of the 2825
agreement of merger, but only as to the membership interests 2826
entitling them to so vote or act; 2827

(C) Members of a domestic limited liability company that is 2828
being converted pursuant to section 1705.371 of the Revised Code. 2829

Sec. 1705.41. (A) A member of a domestic limited liability 2830
company is entitled to relief as a dissenting member as described 2831
in section 1705.40 of the Revised Code only in compliance with 2832
this section. 2833

(B) If a proposal of merger or, consolidation proposal, or 2834
conversion is to be submitted to the members of a domestic limited 2835
liability company at a meeting, a dissenting member must be a 2836
member and a record holder of the membership interests as to which 2837

~~he~~ the dissenting member seeks relief as of the date fixed for the 2838
determination of members entitled to notice of the meeting, and 2839
those membership interests must not have been voted in favor of 2840
the proposal. Not later than ten days after the date on which the 2841
vote on the proposal was taken at the meeting of the members, the 2842
dissenting member shall deliver to the company a written demand 2843
for payment to ~~him~~ the dissenting member of the fair cash value of 2844
the membership interests as to which ~~he~~ the dissenting member 2845
seeks relief. The demand shall state the address of the dissenting 2846
member, the number and class of the membership interests, and the 2847
amount claimed by the dissenting member as the fair cash value of 2848
the membership interests. 2849

(C) If the proposal of merger or consolidation proposal, or 2850
conversion is to be submitted to the members of a domestic limited 2851
liability company for their written approval or other action 2852
without a meeting, a dissenting member must be a member and a 2853
record holder of the membership interests as to which ~~he~~ the 2854
dissenting member seeks relief as of the date that the written 2855
request for approval or other action is sent to the members 2856
entitled to act or otherwise approve the proposal, and the 2857
dissenting member must not have indicated ~~his~~ the dissenting 2858
member's approval of the proposal in ~~his~~ the dissenting member's 2859
capacity as record holder of the membership interests. Not later 2860
than fifteen days after the date on which the request for approval 2861
or other action was mailed to the members, the dissenting member 2862
shall deliver to the company a written demand for payment to ~~him~~ 2863
the dissenting member of the fair cash value of the membership 2864
interests as to which ~~he~~ the dissenting member seeks relief. The 2865
demand shall state the address of the dissenting member, the 2866
number and class of the membership interests, and the amount 2867
claimed by the dissenting member as the fair cash value of the 2868
membership interests. 2869

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

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

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

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

(2) Upon receiving from a dissenting member a demand for payment of the fair cash value of membership interests that are not represented by a certificate, a domestic limited liability company shall make an appropriate notation of the demand in its records. If uncertificated membership interests for which payment has been demanded are to be transferred, any writing sent to evidence the transfer shall bear the legend required for certificated membership interests as described in division (E)(1) of this section.

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

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

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

The complaint shall be filed in the court of common pleas of 2933
the county in which the principal office of the limited liability 2934
company that issued the membership interest is located or was 2935
located when the proposal for merger ~~or~~, consolidation, or 2936
conversion was adopted or approved by the members of that company. 2937
Within three months after the service of the demand for payment of 2938
the fair cash value of the membership interests of the dissenting 2939
member, other dissenting members may join as plaintiffs or may be 2940
joined as defendants in the proceeding described in section 2941
1705.42 of the Revised Code, and any two or more proceedings 2942
commenced by dissenting members may be consolidated. 2943

(G) The right of a dissenting member to receive the fair cash 2944
value for the membership interests as to which ~~he~~ the dissenting 2945
member seeks relief, the obligation of the dissenting member to 2946
sell those interests, the right of the domestic limited liability 2947
company to purchase those interests, and the obligation of the 2948
company to pay the fair cash value for those interests terminate 2949
if any of the following applies: 2950

(1) Unless the company waives the failure, the dissenting 2951
member fails to comply with this section. 2952

(2) The company abandons the merger ~~or~~, consolidation, or 2953
conversion or is finally enjoined or prevented from carrying it 2954
out, or the members rescind their adoption or approval of the 2955
merger ~~or~~, consolidation, or conversion. 2956

(3) The dissenting member withdraws ~~his~~ the dissenting 2957
member's demand for payment of the fair cash value of the 2958
membership interests with the consent of the company. 2959

(4) All of the following apply: 2960

(a) The operating agreement of the domestic limited liability 2961
company in which the dissenting member was a member does not 2962
provide a reasonable basis for determining and paying the 2963

dissenting member the fair cash value of ~~his~~ the dissenting
member's membership interests. 2964
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(b) The company and the dissenting member have not agreed 2966
upon the fair cash value of the membership interests. 2967

(c) Neither the dissenting member nor the company has filed, 2968
joined, or been joined in a complaint under division (F) of this 2969
section within the three-month period provided in that division. 2970

(H) Unless otherwise provided in the operating agreement of 2971
the domestic limited liability company in which the dissenting 2972
member was a member, from the time that the dissenting member 2973
delivers the demand for payment of the fair cash value of the 2974
membership interests as to which ~~he~~ the dissenting member seeks 2975
relief until the termination of the rights and obligations arising 2976
from that demand or the purchase of those interests by the 2977
company, all other rights accruing from those interests, including 2978
voting or distribution rights, are suspended. If, during the 2979
suspension, any distribution is paid in money upon membership 2980
interests of the class of those interests or any dividend, 2981
distribution, or interest is paid in money upon any securities 2982
issued in extinguishment of or in substitution for those 2983
interests, an amount equal to the dividend, distribution, or 2984
interest that, except for the suspension, would have been payable 2985
upon those interests or those securities shall be paid to the 2986
record holder of those interests or securities as a credit upon 2987
the fair cash value of those interests. If the right to receive 2988
the fair cash value of those interests is terminated other than by 2989
the purchase of those interests by the company, all rights of the 2990
dissenting member shall be restored and all distributions that, 2991
except for the suspension, would have been made shall be made to 2992
the record holder of those interests at the time of termination. 2993

Sec. 1705.42. (A)(1) When authorized by division (F) of 2994

section 1705.41 of the Revised Code, a dissenting member of a 2995
domestic limited liability company may file a complaint for the 2996
relief described in this section. The complaint shall contain a 2997
brief statement of the relevant facts, including the vote or 2998
action by the members of that company pertaining to the merger ~~or~~ 2999
consolidation, or conversion and the facts entitling the 3000
dissenting member to the relief described in this section, and a 3001
demand for that relief. When authorized by division (F) of section 3002
1705.41 of the Revised Code, the company, or a surviving or new 3003
entity or converted entity, also may file a complaint under this 3004
section. Notwithstanding the Rules of Civil Procedure, no answer 3005
to a complaint filed under this section is required. 3006

(2) Upon the filing of the complaint and upon motion of the 3007
complainant, the court shall enter an order that fixes a date for 3008
a hearing on the complaint and that requires the service of a copy 3009
of the complaint and a notice of its filing and the date for the 3010
hearing on the defendants in the manner prescribed in the Rules of 3011
Civil Procedure for the service of process. On the date fixed for 3012
the hearing or any adjournment of the hearing, the court shall 3013
determine from the complaint and from all evidence submitted at 3014
the hearing by the parties whether the dissenting member is 3015
entitled to be paid the fair cash value of any membership 3016
interests and, if ~~he~~ the dissenting member is to be so paid, the 3017
number and class of those interests. If the court finds that the 3018
dissenting member is to be so paid, it may appoint one or more 3019
persons as appraisers to receive evidence as to the fair cash 3020
value and to make recommendations to the court relative to the 3021
amount of the fair cash value. The appraisers shall have the power 3022
and authority that the court specifies in the order of 3023
appointment, and the court shall fix reasonable compensation for 3024
their services. 3025

After receiving the recommendations of any appointed 3026

appraisers or if appraisers are not appointed, the court shall 3027
make findings as to the fair cash value of the membership 3028
interests and render judgment against the limited liability 3029
company for the payment of that fair cash value and interest at 3030
the rate and from the date that the court considers equitable. The 3031
costs of the proceeding, including reasonable compensation to any 3032
appraisers as fixed by the court, shall be assessed or apportioned 3033
as the court considers equitable. 3034

(3) The proceeding described in this section is a special 3035
proceeding, and final orders in it may be vacated, modified, or 3036
reversed on appeal pursuant to the Rules of Appellate Procedure 3037
and, to the extent not in conflict with those rules, Chapter 2505. 3038
of the Revised Code. If, during the pendency of any proceeding 3039
described in this section, an action or proceeding is commenced to 3040
enjoin or otherwise prevent the carrying out of the merger or 3041
consolidation or other action as to which the member has 3042
dissented, the proceeding commenced under this section shall be 3043
stayed until the final determination of the other action or 3044
proceeding. 3045

(4) Unless division (G) of section 1705.41 of the Revised 3046
Code is applicable, the fair cash value of the membership 3047
interests that is agreed upon by the dissenting member and the 3048
limited liability company or fixed by a court in a proceeding 3049
under this section shall be paid within thirty days after the 3050
later of the final determination of the fair cash value in a 3051
proceeding under this section or the date of the consummation of 3052
the merger ~~or~~, consolidation, or conversion. Upon the occurrence 3053
of the later event, payment of the fair cash value shall be made 3054
to those entitled to the payment as follows: 3055

(a) Immediately to the holders of uncertificated membership 3056
interests; 3057

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

The fair cash value of a membership interest for 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 the fair cash value paid to any member shall not exceed the amount specified in the demand for payment of that member. In computing the fair cash value of a membership interest, any appreciation or depreciation in market value resulting from the merger or, consolidation, or conversion shall be excluded.

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

(B) Absent an express agreement to the contrary, a person

providing goods to or performing services for a member or group of 3089
members of a limited liability company owes no duty to, incurs no 3090
liability or obligation to, and is not in privity with the limited 3091
liability company, any other members of the limited liability 3092
company, or the creditors of the limited liability company by 3093
reason of providing goods to or performing services for the 3094
limited liability company. 3095

Sec. 1707.01. As used in this chapter: 3096

(A) Whenever the context requires it, "division" or "division 3097
of securities" may be read as "director of commerce" or as 3098
"commissioner of securities." 3099

(B) "Security" means any certificate or instrument, or any 3100
oral, written, or electronic agreement, understanding, or 3101
opportunity, that represents title to or interest in, or is 3102
secured by any lien or charge upon, the capital, assets, profits, 3103
property, or credit of any person or of any public or governmental 3104
body, subdivision, or agency. It includes shares of stock, 3105
certificates for shares of stock, an uncertificated security, 3106
membership interests in limited liability companies, voting-trust 3107
certificates, warrants and options to purchase securities, 3108
subscription rights, interim receipts, interim certificates, 3109
promissory notes, all forms of commercial paper, evidences of 3110
indebtedness, bonds, debentures, land trust certificates, fee 3111
certificates, leasehold certificates, syndicate certificates, 3112
endowment certificates, interests in or under profit-sharing or 3113
participation agreements, interests in or under oil, gas, or 3114
mining leases, preorganization or reorganization subscriptions, 3115
preorganization certificates, reorganization certificates, 3116
interests in any trust or pretended trust, any investment 3117
contract, any life settlement interest, any instrument evidencing 3118
a promise or an agreement to pay money, warehouse receipts for 3119

intoxicating liquor, and the currency of any government other than 3120
those of the United States and Canada, but sections 1707.01 to 3121
1707.45 of the Revised Code do not apply to the sale of real 3122
estate. 3123

(C)(1) "Sale" has the full meaning of "sale" as applied by or 3124
accepted in courts of law or equity, and includes every 3125
disposition, or attempt to dispose, of a security or of an 3126
interest in a security. "Sale" also includes a contract to sell, 3127
an exchange, an attempt to sell, an option of sale, a solicitation 3128
of a sale, a solicitation of an offer to buy, a subscription, or 3129
an offer to sell, directly or indirectly, by agent, circular, 3130
pamphlet, advertisement, or otherwise. 3131

(2) "Sell" means any act by which a sale is made. 3132

(3) The use of advertisements, circulars, or pamphlets in 3133
connection with the sale of securities in this state exclusively 3134
to the purchasers specified in division (D) of section 1707.03 of 3135
the Revised Code is not a sale when the advertisements, circulars, 3136
and pamphlets describing and offering those securities bear a 3137
readily legible legend in substance as follows: "This offer is 3138
made on behalf of dealers licensed under sections 1707.01 to 3139
1707.45 of the Revised Code, and is confined in this state 3140
exclusively to institutional investors and licensed dealers." 3141

(4) The offering of securities by any person in conjunction 3142
with a licensed dealer by use of advertisement, circular, or 3143
pamphlet is not a sale if that person does not otherwise attempt 3144
to sell securities in this state. 3145

(5) Any security given with, or as a bonus on account of, any 3146
purchase of securities is conclusively presumed to constitute a 3147
part of the subject of that purchase and has been "sold." 3148

(6) "Sale" by an owner, pledgee, or mortgagee, or by a person 3149
acting in a representative capacity, includes sale on behalf of 3150

such party by an agent, including a licensed dealer or 3151
salesperson. 3152

(D) "Person," except as otherwise provided in this chapter, 3153
means a natural person, firm, partnership, limited partnership, 3154
partnership association, syndicate, joint-stock company, 3155
unincorporated association, trust or trustee except where the 3156
trust was created or the trustee designated by law or judicial 3157
authority or by a will, and a corporation or limited liability 3158
company organized under the laws of any state, any foreign 3159
government, or any political subdivision of a state or foreign 3160
government. 3161

(E)(1) "Dealer," except as otherwise provided in this 3162
chapter, means every person, other than a salesperson, who engages 3163
or professes to engage, in this state, for either all or part of 3164
the person's time, directly or indirectly, either in the business 3165
of the sale of securities for the person's own account, or in the 3166
business of the purchase or sale of securities for the account of 3167
others in the reasonable expectation of receiving a commission, 3168
fee, or other remuneration as a result of engaging in the purchase 3169
and sale of securities. "Dealer" does not mean any of the 3170
following: 3171

(a) Any issuer, including any officer, director, employee, or 3172
trustee of, or member or manager of, or partner in, or any general 3173
partner of, any issuer, that sells, offers for sale, or does any 3174
act in furtherance of the sale of a security that represents an 3175
economic interest in that issuer, provided no commission, fee, or 3176
other similar remuneration is paid to or received by the issuer 3177
for the sale; 3178

(b) Any licensed attorney, public accountant, or firm of such 3179
attorneys or accountants, whose activities are incidental to the 3180
practice of the attorney's, accountant's, or firm's profession; 3181

(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 corporation in the election of directors;

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

(e) Any bank;

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

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

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

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

(3) "Licensed salesperson" means a salesperson licensed under

this chapter. 3212

(G) "Issuer" means every person who has issued, proposes to 3213
issue, or issues any security. 3214

(H) "Director" means each director or trustee of a 3215
corporation, each trustee of a trust, each general partner of a 3216
partnership, except a partnership association, each manager of a 3217
partnership association, and any person vested with managerial or 3218
directory power over an issuer not having a board of directors or 3219
trustees. 3220

(I) "Incorporator" means any incorporator of a corporation 3221
and any organizer of, or any person participating, other than in a 3222
representative or professional capacity, in the organization of an 3223
unincorporated issuer. 3224

(J) "Fraud," "fraudulent," "fraudulent acts," "fraudulent 3225
practices," or "fraudulent transactions" means anything recognized 3226
on or after July 22, 1929, as such in courts of law or equity; any 3227
device, scheme, or artifice to defraud or to obtain money or 3228
property by means of any false pretense, representation, or 3229
promise; any fictitious or pretended purchase or sale of 3230
securities; and any act, practice, transaction, or course of 3231
business relating to the purchase or sale of securities that is 3232
fraudulent or that has operated or would operate as a fraud upon 3233
the seller or purchaser. 3234

(K) Except as otherwise specifically provided, whenever any 3235
classification or computation is based upon "par value," as 3236
applied to securities without par value, the average of the 3237
aggregate consideration received or to be received by the issuer 3238
for each class of those securities shall be used as the basis for 3239
that classification or computation. 3240

(L)(1) "Intangible property" means patents, copyrights, 3241
secret processes, formulas, services, good will, promotion and 3242

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
intangible property and includes securities, accounts receivable,
and contract rights, when the securities, accounts receivable, or
contract rights have a readily determinable value.

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

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

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

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

(Q)(1) "Registration by description" means that the
requirements of section 1707.08 of the Revised Code have been

complied with. 3274

(2) "Registration by qualification" means that the 3275
requirements of sections 1707.09 and 1707.11 of the Revised Code 3276
have been complied with. 3277

(3) "Registration by coordination" means that there has been 3278
compliance with section 1707.091 of the Revised Code. Reference in 3279
this chapter to registration by qualification also ~~shall be deemed~~ 3280
~~to include~~ includes registration by coordination unless the 3281
context otherwise indicates. 3282

(R) "Intoxicating liquor" includes all liquids and compounds 3283
that contain more than three and two-tenths per cent of alcohol by 3284
weight and are fit for use for beverage purposes. 3285

(S) "Institutional investor" means any corporation, bank, 3286
insurance company, pension fund or pension fund trust, employees' 3287
profit-sharing fund or employees' profit-sharing trust, any 3288
association engaged, as a substantial part of its business or 3289
operations, in purchasing or holding securities, or any trust in 3290
respect of which a bank is trustee or cotrustee. "Institutional 3291
investor" does not include any business entity formed for the 3292
primary purpose of evading sections 1707.01 to 1707.45 of the 3293
Revised Code. 3294

(T) ~~"Securities Act of 1933," 48 Stat. 74, 15 U.S.C. 77a,~~ 3295
~~"Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78a,~~ 3296
~~"Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1,~~ 3297
~~"Investment Advisers Act of 1940," 54 Stat. 847, 15 U.S.C. 80b,~~ 3298
~~and "Investment Company Act of 1940," 54 Stat. 789, 15 U.S.C. 80a~~ 3299
~~mean the federal statutes of those names as amended before or~~ 3300
~~after March 18, 1999 A reference to a statute of the United States~~ 3301
~~or to a rule, regulation, or form promulgated by the securities~~ 3302
~~and exchange commission or by another federal agency means the~~ 3303
~~statute, rule, regulation, or form as it exists at the time of the~~ 3304

act, omission, event, or transaction to which it is applied under 3305
this chapter. 3306

(U) "Securities and exchange commission" means the securities 3307
and exchange commission established by the Securities Exchange Act 3308
of 1934. 3309

(V)(1) "Control bid" means the purchase of or offer to 3310
purchase any equity security of a subject company from a resident 3311
of this state if either of the following applies: 3312

(a) After the purchase of that security, the offeror would be 3313
directly or indirectly the beneficial owner of more than ten per 3314
cent of any class of the issued and outstanding equity securities 3315
of the issuer. 3316

(b) The offeror is the subject company, there is a pending 3317
control bid by a person other than the issuer, and the number of 3318
the issued and outstanding shares of the subject company would be 3319
reduced by more than ten per cent. 3320

(2) For purposes of division (V)(1) of this section, "control 3321
bid" does not include any of the following: 3322

(a) A bid made by a dealer for the dealer's own account in 3323
the ordinary course of business of buying and selling securities; 3324

(b) An offer to acquire any equity security solely in 3325
exchange for any other security, or the acquisition of any equity 3326
security pursuant to an offer, for the sole account of the 3327
offeror, in good faith and not for the purpose of avoiding the 3328
provisions of this chapter, and not involving any public offering 3329
of the other security within the meaning of Section 4 of Title I 3330
of the "Securities Act of 1933," 48 Stat. 77, 15 U.S.C.A. 77d(2), 3331
as amended; 3332

(c) Any other offer to acquire any equity security, or the 3333
acquisition of any equity security pursuant to an offer, for the 3334

sole account of the offeror, from not more than fifty persons, in 3335
good faith and not for the purpose of avoiding the provisions of 3336
this chapter. 3337

(W) "Offeror" means a person who makes, or in any way 3338
participates or aids in making, a control bid and includes persons 3339
acting jointly or in concert, or who intend to exercise jointly or 3340
in concert any voting rights attached to the securities for which 3341
the control bid is made and also includes any subject company 3342
making a control bid for its own securities. 3343

(X)(1) "Investment adviser" means any person who, for 3344
compensation, engages in the business of advising others, either 3345
directly or through publications or writings, as to the value of 3346
securities or as to the advisability of investing in, purchasing, 3347
or selling securities, or who, for compensation and as a part of 3348
regular business, issues or promulgates analyses or reports 3349
concerning securities. 3350

(2) "Investment adviser" does not mean any of the following: 3351

(a) Any attorney, accountant, engineer, or teacher, whose 3352
performance of investment advisory services described in division 3353
(X)(1) of this section is solely incidental to the practice of the 3354
attorney's, accountant's, engineer's, or teacher's profession; 3355

(b) A publisher of any bona fide newspaper, news magazine, or 3356
business or financial publication of general and regular 3357
circulation; 3358

(c) A person who acts solely as an investment adviser 3359
representative; 3360

(d) A bank holding company, as defined in the "Bank Holding 3361
Company Act of 1956," 70 Stat. 133, 12 U.S.C. 1841, that is not an 3362
investment company; 3363

(e) A bank, or any receiver, conservator, or other 3364

liquidating agent of a bank; 3365

(f) Any licensed dealer or licensed salesperson whose 3366
performance of investment advisory services described in division 3367
(X)(1) of this section is solely incidental to the conduct of the 3368
dealer's or salesperson's business as a licensed dealer or 3369
licensed salesperson and who receives no special compensation for 3370
the services; 3371

(g) Any person, the advice, analyses, or reports of which do 3372
not relate to securities other than securities that are direct 3373
obligations of, or obligations guaranteed as to principal or 3374
interest by, the United States, or securities issued or guaranteed 3375
by corporations in which the United States has a direct or 3376
indirect interest, and that have been designated by the secretary 3377
of the treasury as exempt securities as defined in the "Securities 3378
Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78c; 3379

(h) Any person that is excluded from the definition of 3380
investment adviser pursuant to section 202(a)(11)(A) to (E) of the 3381
"Investment Advisers Act of 1940," 15 U.S.C. 80b-2(a)(11), or that 3382
has received an order from the securities and exchange commission 3383
under section 202(a)(11)(F) of the "Investment Advisers Act of 3384
1940," 15 U.S.C. 80b-2(a)(11)(F), declaring that the person is not 3385
within the intent of section 202(a)(11) of the Investment Advisers 3386
Act of 1940. 3387

(i) A person who acts solely as a state retirement system 3388
investment officer or as a bureau of workers' compensation chief 3389
investment officer; 3390

(j) Any other person that the division designates by rule, if 3391
the division finds that the designation is necessary or 3392
appropriate in the public interest or for the protection of 3393
investors or clients and consistent with the purposes fairly 3394
intended by the policy and provisions of this chapter. 3395

(Y)(1) "Subject company" means an issuer that satisfies both 3396
of the following: 3397

(a) Its principal place of business or its principal 3398
executive office is located in this state, or it owns or controls 3399
assets located within this state that have a fair market value of 3400
at least one million dollars. 3401

(b) More than ten per cent of its beneficial or record equity 3402
security holders are resident in this state, more than ten per 3403
cent of its equity securities are owned beneficially or of record 3404
by residents in this state, or more than one thousand of its 3405
beneficial or record equity security holders are resident in this 3406
state. 3407

(2) The division of securities may adopt rules to establish 3408
more specific application of the provisions set forth in division 3409
(Y)(1) of this section. Notwithstanding the provisions set forth 3410
in division (Y)(1) of this section and any rules adopted under 3411
this division, the division, by rule or in an adjudicatory 3412
proceeding, may make a determination that an issuer does not 3413
constitute a "subject company" under division (Y)(1) of this 3414
section if appropriate review of control bids involving the issuer 3415
is to be made by any regulatory authority of another jurisdiction. 3416

(Z) "Beneficial owner" includes any person who directly or 3417
indirectly through any contract, arrangement, understanding, or 3418
relationship has or shares, or otherwise has or shares, the power 3419
to vote or direct the voting of a security or the power to dispose 3420
of, or direct the disposition of, the security. "Beneficial 3421
ownership" includes the right, exercisable within sixty days, to 3422
acquire any security through the exercise of any option, warrant, 3423
or right, the conversion of any convertible security, or 3424
otherwise. Any security subject to any such option, warrant, 3425
right, or conversion privilege held by any person shall be deemed 3426

to be outstanding for the purpose of computing the percentage of
outstanding securities of the class owned by that person, but
shall not be deemed to be outstanding for the purpose of computing
the percentage of the class owned by any other person. A person
shall be deemed the beneficial owner of any security beneficially
owned by any relative or spouse or relative of the spouse residing
in the home of that person, any trust or estate in which that
person owns ten per cent or more of the total beneficial interest
or serves as trustee or executor, any corporation or entity in
which that person owns ten per cent or more of the equity, and any
affiliate or associate of that person.

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

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

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

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

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

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

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

(3) If subsequent to March 18, 1999, amendments are enacted or adopted defining "investment adviser representative" for purposes of the Investment Advisers Act of 1940 or additional rules or regulations are promulgated by the securities and exchange commission regarding the definition of "investment adviser representative" for purposes of the Investment Advisers Act of 1940, the division of securities shall, by rule, adopt the substance of 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.	3490
(DD) "Supervised person" means a natural person who is any of the following:	3491 3492
(1) A partner, officer, or director of an investment adviser, or other person occupying a similar status or performing similar functions with respect to an investment adviser;	3493 3494 3495
(2) An employee of an investment adviser;	3496
(3) A person who provides investment advisory services described in division (X)(1) of this section on behalf of the investment adviser and is subject to the supervision and control of the investment adviser.	3497 3498 3499 3500
(EE) "Excepted person" means a natural person to whom any of the following applies:	3501 3502
(1) Immediately after entering into the investment advisory contract with the investment adviser, the person has at least seven hundred fifty thousand dollars under the management of the investment adviser.	3503 3504 3505 3506
(2) The investment adviser reasonably believes either of the following at the time the investment advisory contract is entered into with the person:	3507 3508 3509
(a) The person has a net worth, together with assets held jointly with a spouse, of more than one million five hundred thousand dollars.	3510 3511 3512
(b) The person is a qualified purchaser as defined in division (FF) of this section.	3513 3514
(3) Immediately prior to entering into an investment advisory contract with the investment adviser, the person is either of the following:	3515 3516 3517
(a) An executive officer, director, trustee, general partner,	3518

or person serving in a similar capacity, of the investment
adviser; 3519
3520

(b) An employee of the investment adviser, other than an 3521
employee performing solely clerical, secretarial, or 3522
administrative functions or duties for the investment adviser, 3523
which employee, in connection with the employee's regular 3524
functions or duties, participates in the investment activities of 3525
the investment adviser, provided that, for at least twelve months, 3526
the employee has been performing such nonclerical, nonsecretarial, 3527
or nonadministrative functions or duties for or on behalf of the 3528
investment adviser or performing substantially similar functions 3529
or duties for or on behalf of another company. 3530

If subsequent to March 18, 1999, amendments are enacted or 3531
adopted defining "excepted person" for purposes of the Investment 3532
Advisers Act of 1940 or additional rules or regulations are 3533
promulgated by the securities and exchange commission regarding 3534
the definition of "excepted person" for purposes of the Investment 3535
Advisers Act of 1940, the division of securities shall, by rule, 3536
adopt the substance of the amendments, rules, or regulations, 3537
unless the division finds that the amendments, rules, or 3538
regulations are not necessary for the protection of investors or 3539
in the public interest. 3540

(FF)(1) "Qualified purchaser" means either of the following: 3541

(a) A natural person who owns not less than five million 3542
dollars in investments as defined by rule by the division of 3543
securities; 3544

(b) A natural person, acting for the person's own account or 3545
accounts of other qualified purchasers, who in the aggregate owns 3546
and invests on a discretionary basis, not less than twenty-five 3547
million dollars in investments as defined by rule by the division 3548
of securities. 3549

(2) If subsequent to March 18, 1999, amendments are enacted 3550
or adopted defining "qualified purchaser" for purposes of the 3551
Investment Advisers Act of 1940 or additional rules or regulations 3552
are promulgated by the securities and exchange commission 3553
regarding the definition of "qualified purchaser" for purposes of 3554
the Investment Advisers Act of 1940, the division of securities 3555
shall, by rule, adopt the amendments, rules, or regulations, 3556
unless the division finds that the amendments, rules, or 3557
regulations are not necessary for the protection of investors or 3558
in the public interest. 3559

(GG)(1) "Purchase" has the full meaning of "purchase" as 3560
applied by or accepted in courts of law or equity and includes 3561
every acquisition of, or attempt to acquire, a security or an 3562
interest in a security. "Purchase" also includes a contract to 3563
purchase, an exchange, an attempt to purchase, an option to 3564
purchase, a solicitation of a purchase, a solicitation of an offer 3565
to sell, a subscription, or an offer to purchase, directly or 3566
indirectly, by agent, circular, pamphlet, advertisement, or 3567
otherwise. 3568

(2) "Purchase" means any act by which a purchase is made. 3569

(3) Any security given with, or as a bonus on account of, any 3570
purchase of securities is conclusively presumed to constitute a 3571
part of the subject of that purchase. 3572

(HH) "Life settlement interest" means the entire interest or 3573
any fractional interest in an insurance policy or certificate of 3574
insurance, or in an insurance benefit under such a policy or 3575
certificate, that is the subject of a life settlement contract. 3576

For purposes of this division, "life settlement contract" 3577
means an agreement for the purchase, sale, assignment, transfer, 3578
devise, or bequest of any portion of the death benefit or 3579
ownership of any life insurance policy or contract, in return for 3580

consideration or any other thing of value that is less than the 3581
expected death benefit of the life insurance policy or contract. 3582
"Life settlement contract" includes a viatical settlement contract 3583
as defined in section 3916.01 of the Revised Code, but does not 3584
include any of the following: 3585

(1) A loan by an insurer under the terms of a life insurance 3586
policy, including, but not limited to, a loan secured by the cash 3587
value of the policy; 3588

(2) An agreement with a bank that takes an assignment of a 3589
life insurance policy as collateral for a loan; 3590

(3) The provision of accelerated benefits as defined in 3591
section 3915.21 of the Revised Code; 3592

(4) Any agreement between an insurer and a reinsurer; 3593

(5) An agreement by an individual to purchase an existing 3594
life insurance policy or contract from the original owner of the 3595
policy or contract, if the individual does not enter into more 3596
than one life settlement contract per calendar year; 3597

(6) The initial purchase of an insurance policy or 3598
certificate of insurance from its owner by a viatical settlement 3599
provider, as defined in section 3916.01 of the Revised Code, that 3600
is licensed under Chapter 3916. of the Revised Code. 3601

(II) "State retirement system" means the public employees 3602
retirement system, Ohio police and fire pension fund, state 3603
teachers retirement system, school employees retirement system, 3604
and state highway patrol retirement system. 3605

(JJ) "State retirement system investment officer" means an 3606
individual employed by a state retirement system as a chief 3607
investment officer, assistant investment officer, or the person in 3608
charge of a class of assets or in a position that is substantially 3609
equivalent to chief investment officer, assistant investment 3610

officer, or person in charge of a class of assets. 3611

(KK) "Bureau of workers' compensation chief investment 3612
officer" means an individual employed by the bureau of workers' 3613
compensation as a chief investment officer in a position that is 3614
substantially equivalent to a chief investment officer. 3615

Sec. 1707.041. (A)(1) No control bid for any securities of a 3616
subject company shall be made pursuant to a tender offer or 3617
request or invitation for tenders until the offeror files with the 3618
division of securities the information prescribed in division 3619
(A)(2) of this section. The offeror shall deliver a copy of the 3620
information specified in division (A)(2) of this section, by 3621
personal service, to the subject company at its principal office 3622
not later than the time of the filing with the division. The 3623
offeror shall send or deliver to all offerees in this state, as 3624
soon as practicable after the filing, the material terms of the 3625
proposed offer and the information specified in division (A)(2) of 3626
this section. 3627

(2) The information to be filed with the division, with the 3628
subject company, and with any other offeror, pursuant to division 3629
(A)(1) of this section, shall include: 3630

(a) Copies of all prospectuses, brochures, advertisements, 3631
circulars, letters, or other matter by means of which the offeror 3632
proposes to disclose to offerees all information material to a 3633
decision to accept or reject the offer; 3634

(b) The identity and background of all persons on whose 3635
behalf the acquisition of any equity security of the subject 3636
company has been or is to be effected; 3637

(c) The source and amount of funds or other consideration 3638
used or to be used in acquiring any equity security, including a 3639
statement describing any securities, other than the existing 3640

capital stock or long term debt of the offeror, which are being 3641
offered in exchange for the equity securities of the subject 3642
company; 3643

(d) A statement of any plans or proposals that the offeror, 3644
upon gaining control, may have to liquidate the subject company, 3645
sell its assets, effect a merger or consolidation of it, 3646
establish, terminate, convert, or amend employee benefit plans, 3647
close any plant or facility of the subject company or of any of 3648
its subsidiaries or affiliates, change or reduce the work force of 3649
the subject company or any of its subsidiaries or affiliates, or 3650
make any other major change in its business, corporate structure, 3651
management personnel, or policies of employment; 3652

(e) The number of shares of any equity security of the 3653
subject company of which each offeror is beneficial or record 3654
owner or has a right to acquire, directly or indirectly, together 3655
with the name and address of each person defined in this section 3656
as an offeror; 3657

(f) Particulars as to any contracts, arrangements, or 3658
understandings to which an offeror is party with respect to any 3659
equity security of the subject company, including transfers of any 3660
equity security, joint ventures, loan or option arrangements, puts 3661
and calls, guarantees of loan, guarantees against loss, guarantees 3662
of profits, division of losses or profits, or the giving or 3663
withholding of proxies, naming the persons with whom such 3664
contracts, arrangements, or understandings have been entered into; 3665

(g) Complete information on the organization and operations 3666
of the offeror, including the year of organization; the form of 3667
organization; the jurisdiction in which it is organized; a 3668
description of each class of the offeror's capital stock and of 3669
its long term debt; financial statements for the current period 3670
and for the three most recent annual accounting periods, unless 3671

the division by rule determines that the financial statements are 3672
not material or permits the filing of financial statements for 3673
less than the three most recent annual accounting periods; a brief 3674
description of the location and general character of the principal 3675
physical properties of the offeror and its subsidiaries; a 3676
description of pending legal proceedings other than routine 3677
litigation to which the offeror or any of its subsidiaries is a 3678
party or of which any of their property is the subject; a brief 3679
description of the business done and projected by the offeror and 3680
its subsidiaries and the general development of such business over 3681
the past three years; the names of all directors and executive 3682
officers together with biographical summaries of each for the 3683
preceding three years to date; and the approximate amount of any 3684
material interest, direct or indirect, of any of the directors or 3685
officers in any material transaction during the past three years, 3686
or in any proposed material transactions, to which the offeror or 3687
any of its subsidiaries was or is to be a party; 3688

(h) Such other and further documents, exhibits, data, and 3689
information as ~~may be~~ required by regulations of the division, or 3690
as ~~may be~~ necessary to make fair, full, and effective disclosure 3691
to offerees of all information material to a decision to accept or 3692
reject the offer. 3693

(3) Within five calendar days of the date of filing by an 3694
offeror of information specified in division (A)(2) of this 3695
section, the division may by order summarily suspend the 3696
continuation of the control bid if the division determines that 3697
all of the information specified has not been provided by the 3698
offeror or that the control bid materials provided to offerees do 3699
not provide full disclosure to offerees of all material 3700
information concerning the control bid. Such a suspension shall 3701
remain in effect only until the determination following a hearing 3702
held pursuant to division (A)(4) of this section. 3703

(4) A hearing shall be scheduled and held by the division 3704
with respect to each suspension imposed under division (A)(3) of 3705
this section. The hearing shall be held within ten calendar days 3706
of the date on which the suspension is imposed. Chapter 119. of 3707
the Revised Code does not apply to a hearing held under ~~this~~ 3708
division (A)(4) of this section. The division may allow any 3709
interested party to appear at and participate in the hearing in a 3710
manner considered appropriate by the division. The determination 3711
of the division made following the hearing shall be made within 3712
three calendar days after the hearing has been completed, and no 3713
later than fourteen calendar days after the date on which the 3714
suspension is imposed. The division, by rule or order, may 3715
prescribe time limits for conducting the hearing and for the 3716
making of the determination that are shorter than those specified 3717
in this division. If, based upon the hearing, the division 3718
determines that all of the information required to be provided by 3719
division (A)(2) of this section has not been provided by the 3720
offeror, that the control bid materials provided to offerees do 3721
not provide full disclosure to offerees of all material 3722
information concerning the control bid, or that the control bid is 3723
in material violation of any provision of this chapter, the 3724
division shall maintain the suspension of the continuation of the 3725
control bid, subject to the right of the offeror to correct 3726
disclosure and other deficiencies identified by the division and 3727
to reinstitute the control bid by filing new or amended 3728
information pursuant to this section. 3729

(5)(a) If an offeror increases or decreases the percentage of 3730
the class of securities being sought, the consideration offered, 3731
or the dealer's soliciting fee in connection with a control bid 3732
for any securities of a subject company pursuant to a tender offer 3733
or request or invitation for tenders, or makes any other change in 3734
the terms or conditions of the tender offer or request or 3735

invitation for tenders that requires the offeror to hold the 3736
tender offer or request or invitation for tenders open for at 3737
least ten business days from the date that notice of the change is 3738
first published or sent to security holders in this state, the 3739
offeror shall file with the division both of the following: 3740

(i) All material information, including all information sent 3741
or otherwise provided to offerees in this state, pertaining to the 3742
increase, decrease, or other change; 3743

(ii) All material information required to update the 3744
information filed with the division pursuant to division (A)(2) of 3745
this section. 3746

(b) The offeror shall file the information described in 3747
division (A)(5)(a) with the division not later than the date on 3748
which the information regarding the increase, decrease, or other 3749
change first is published or sent to offerees in this state. The 3750
offeror shall deliver a copy of the information, by personal 3751
services, to the subject company at its principal office not later 3752
than the time of the filing with the division. 3753

(6) Within three calendar days of the date of filing by an 3754
offeror of the information specified in division (A)(5) of this 3755
section, the division, by order, may summarily suspend the 3756
continuation of the control bid if the division determines that 3757
all of the information specified has not been provided by the 3758
offeror or that the information provided to offerees does not 3759
provide full disclosure to offerees of all material information 3760
concerning the increase, decrease, or other change. The suspension 3761
shall remain in effect only until the determination following a 3762
hearing held pursuant to division (A)(7) of this section. 3763

(7) The division shall schedule and hold, within three 3764
calendar days of the date on which the suspension is imposed, a 3765
hearing with respect to each suspension imposed under division 3766

(A)(6) of this section. Chapter 119. of the Revised Code does not 3767
apply to a hearing held under division (A)(7) of this section. The 3768
division may allow any interested party to appear at and 3769
participate in the hearing in a manner considered appropriate by 3770
the division. The division shall make a determination following 3771
the hearing within three calendar days after the hearing has been 3772
completed, and not later than nine calendar days after the date on 3773
which the information regarding the increase, decrease, or other 3774
change first is published or sent to offerees in this state. The 3775
division, by rule or order, may prescribe time limits for 3776
conducting the hearing and for the making of the determination 3777
that are shorter than those specified in this division. If, based 3778
upon the hearing, the division determines that all of the 3779
information required to be provided by division (A)(5) of this 3780
section has not been provided by the offeror; that the information 3781
provided to offerees does not provide full disclosure to offerees 3782
of all material information concerning the increase, decrease, or 3783
other change; or that the control bid is in material violation of 3784
any provision of this chapter, the division shall maintain the 3785
suspension of the continuation of the control bid, subject to the 3786
right of the offeror to correct disclosure and other deficiencies 3787
identified by the division and to reinstate the control bid by 3788
filing new or amended information pursuant to this section. 3789

(B)(1) No control bid shall be made pursuant to a tender 3790
offer or request or invitation for tenders unless division (A) of 3791
section 1707.14 of the Revised Code has been complied with, and no 3792
offeror shall make a control bid that is not made to all holders 3793
residing in this state of the equity security that is the subject 3794
of the control bid, or that is not made to ~~such~~ holders on the 3795
same terms as the control bid is made to holders of such equity 3796
security not residing in this state. 3797

(2) No offeror may make a control bid pursuant to a tender 3798

offer or request or invitation for tenders or acquire any equity 3799
security in this state pursuant to a control bid at any time 3800
during which any proceeding by the division alleging a violation 3801
of any provision of this chapter is pending against the offeror. 3802

(3) No offeror may acquire from any resident of this state, 3803
in any manner, any equity security of any class of a subject 3804
company at any time within two years following the last 3805
acquisition of any security of the same class pursuant to a 3806
control bid pursuant to a tender offer or request or invitation 3807
for tenders by that offeror, whether the acquisition was made by 3808
purchase, exchange, merger, consolidation, partial or complete 3809
liquidation, redemption, reverse stock split, recapitalization, 3810
reorganization, or any other similar transaction, unless the 3811
resident is afforded, at the time of the later acquisition, a 3812
reasonable opportunity to dispose of the security to the offeror 3813
upon substantially the same terms as those provided in the earlier 3814
control bid. 3815

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

are changed before its expiration by increasing the consideration 3831
offered to offerees, the offeror shall pay the increased 3832
consideration for all equity securities taken up, whether the same 3833
are deposited or taken up before or after the change in the terms 3834
of the control bid. 3835

(C) If the offeror or the subject company is a banking 3836
corporation or savings and loan association subject to regulation 3837
by the division of financial institutions, or is a public utility 3838
corporation subject to regulation by the public utilities 3839
commission, the division of securities shall immediately, upon 3840
receipt of the filing required under division (A) of this section, 3841
furnish a copy of the filing to the regulatory body having 3842
jurisdiction over the offeror or subject company. 3843

(D) An offeror is subject to the liabilities and penalties 3844
applicable to a seller, and an offeree is entitled to the remedies 3845
applicable to a purchaser, as set forth in sections 1707.041 to 3846
1707.44 of the Revised Code. 3847

(E) The division of securities may, pursuant to Chapter 119. 3848
of the Revised Code, prescribe reasonable rules: 3849

(1) Defining fraudulent, evasive, deceptive, or grossly 3850
unfair practices in connection with control bids, and defining the 3851
terms used in this section; 3852

(2) Exempting from this section control bids not made for the 3853
purpose of, and not having the effect of, changing or influencing 3854
the control of a subject company; 3855

(3) Covering ~~such~~ other matters as ~~are~~ necessary to give 3856
effect to this section. 3857

(F) If the offeror or a subject company is an insurance 3858
company subject to regulation under Title XXXIX of the Revised 3859
Code, the superintendent of insurance shall for all purposes of 3860

this section be substituted for the division of securities. This 3861
section shall not be construed to limit or modify in any way any 3862
responsibility, authority, power, or jurisdiction of the division 3863
of securities or the superintendent of insurance pursuant to any 3864
other section of the Revised Code. 3865

(G) This section does not apply when: 3866

(1) The offeror or the subject company is a public utility or 3867
a public utility holding company as defined in section 2 of the 3868
"Public Utility Holding Company Act of 1935," 49 Stat. 803, 15 3869
U.S.C. 79, as amended, and the control bid is subject to approval 3870
by the appropriate federal agency as provided in such act; 3871

(2) The offeror or the subject company is a bank or a bank 3872
holding company as subject to the "Bank Holding Company Act of 3873
1956," 70 Stat. 133, 12 U.S.C. 1841, and subsequent amendments 3874
thereto, and the control bid is subject to approval by the 3875
appropriate federal agency as provided in such act; 3876

(3) The offeror or the subject company is a savings and loan 3877
holding company as defined in section 2 of the "Savings and Loan 3878
Holding Company Amendments of 1967," 82 Stat. 5, 12 U.S.C. 1730a, 3879
as amended, and the control bid is subject to approval by the 3880
appropriate federal agency as provided in such act; 3881

(4) The offeror and the subject company are banks and the 3882
offer is part of a merger transaction subject to approval by 3883
appropriate federal supervisory authorities. 3884

(H) If any application of any provision of this section is 3885
for any reason held to be illegal or invalid, the illegality or 3886
invalidity shall not affect any legal and valid provision or 3887
application of this section, and the parts and application of this 3888
section are severable. 3889

Sec. 1707.142. (A) Every dealer required to be licensed under 3890

section 1707.14 of the Revised Code shall comply with all broker
and dealer capital, custody, margin, financial responsibility,
record-making, record-keeping, bonding, financial reporting, and
operational reporting requirements contained in Section 15 of the
"Securities Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78o, as
amended, and section 17 of the "Securities Exchange Act of 1934,"
48 Stat. 881, 15 U.S.C. 78g, as amended, and the rules of the
securities and exchange commission promulgated under those
sections.

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

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

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

(1) Elect one or more alternative financial and reporting
provisions that are acceptable to the division. For purposes of
division (C)(1) of this section, "alternative financial and
reporting provision" means any capital, custody, margin, financial

responsibility, record-making, record-keeping, bonding, financial 3922
reporting, or operational reporting provision that differs from 3923
those established by the securities and exchange commission. 3924

(2) Elect an exemption, the scope of which is acceptable to 3925
the division, from all or a specified part of the capital, 3926
custody, margin, financial responsibility, record-making, 3927
record-keeping, bonding, financial reporting, or operational 3928
reporting requirements contained in section 15 of the "Securities 3929
Exchange Act of 1934," 48 Stat. 881, 15 U.S.C. 78o, as amended, or 3930
section 17 of the "Securities Exchange Act of 1934," 48 Stat. 881, 3931
15 U.S.C. 78g, as amended, or the rules of the securities and 3932
exchange commission promulgated under those sections. 3933

(D) For purposes of division (C) of this section, in 3934
determining an acceptable alternative financial and reporting 3935
provision and in determining the acceptable scope of any exemption 3936
that is elected, the division shall consider the size, scope, and 3937
type of business of the dealers who will be permitted to elect the 3938
provision or exemption and shall consider the protection of 3939
investors and customers of the electing dealers. 3940

Sec. 1707.20. (A)(1) The division of securities may adopt, 3941
amend, and rescind such rules, forms, and orders as are necessary 3942
to carry out sections 1707.01 to 1707.45 of the Revised Code, 3943
including rules and forms governing registration statements, 3944
applications, and reports, and defining any terms, whether or not 3945
used in sections 1707.01 to 1707.45 of the Revised Code, insofar 3946
as the definitions are not inconsistent with these sections. For 3947
the purpose of rules and forms, the division may classify 3948
securities, persons, and matters within its jurisdiction, and 3949
prescribe different requirements for different classes. 3950

(2) Notwithstanding sections 121.71 to 121.76 of the Revised 3951
Code, the division may incorporate by reference into its rules any 3952

statute enacted by the United States congress or any rule, 3953
regulation, or form promulgated by the securities and exchange 3954
commission, or by another federal agency, in a manner that also 3955
incorporates all future amendments to the statute, rule, 3956
regulation, or form. 3957

(B) No rule, form, or order may be made, amended, or 3958
rescinded unless the division finds that the action is necessary 3959
or appropriate in the public interest or for the protection of 3960
investors, clients, prospective clients, state retirement systems, 3961
or the workers' compensation system and consistent with the 3962
purposes fairly intended by the policy and provisions of sections 3963
1707.01 to 1707.45 of the Revised Code. In prescribing rules and 3964
forms and in otherwise administering sections 1707.01 to 1707.45 3965
of the Revised Code, the division may cooperate with the 3966
securities administrators of the other states and the securities 3967
and exchange commission with a view of effectuating the policy of 3968
this section to achieve maximum uniformity in the form and content 3969
of registration statements, applications, reports, and overall 3970
securities regulation wherever practicable. 3971

(C) The division may by rule or order prescribe: 3972

(1) The form and content of financial statements required 3973
under sections 1707.01 to 1707.45 of the Revised Code; 3974

(2) The circumstances under which consolidated financial 3975
statements ~~shall~~ will be filed; 3976

(3) Whether any required financial statements shall be 3977
certified by independent or certified public accountants. All 3978
financial statements shall be prepared in accordance with 3979
generally accepted accounting practices. 3980

(D) All rules and forms of the division shall be published; 3981
and in addition to fulfilling the requirements of Chapter 119. of 3982
the Revised Code, the division shall prescribe, and shall publish 3983

and make available its rules regarding the sale of securities, the 3984
administration of sections 1707.01 to 1707.45 of the Revised Code, 3985
and the procedure and practice before the division. 3986

(E)(1) No provision of sections 1707.01 to 1707.45 of the 3987
Revised Code imposing any liability applies to any act done or 3988
omitted in good faith in conformity with any rule, form, or order 3989
of the division of securities, notwithstanding that the rule, 3990
form, or order may later be amended or rescinded or be determined 3991
by judicial or other authority to be invalid for any reason, 3992
except that the issuance of an order granting effectiveness to a 3993
registration under section 1707.09 or 1707.091 of the Revised Code 3994
for the purposes of this division shall not be deemed an order 3995
other than as the establishment of the fact of registration. 3996

(2) No provision of sections 1707.01 to 1707.45 of the 3997
Revised Code imposing any liability, penalty, sanction, or 3998
disqualification applies to any act done or omitted in good faith 3999
in conformity with either of the following: 4000

(a) Any provision of sections 1707.01 to 1707.45 of the 4001
Revised Code that incorporates by reference a federal statute, 4002
rule, regulation, or form; 4003

(b) Any rule, form, or order of the division that 4004
incorporates by reference a federal statute, rule, regulation, or 4005
form. 4006

Division (E)(2) of this section applies notwithstanding that 4007
the incorporation by reference, or any application of the 4008
incorporated provision, is later determined by judicial or other 4009
authority to be unconstitutional or invalid for any reason. 4010

Sec. 1707.44. (A)(1) No person shall engage in any act or 4011
practice that violates division (A), (B), or (C) of section 4012
1707.14 of the Revised Code, and no salesperson shall sell 4013

securities in this state without being licensed pursuant to 4014
section 1707.16 of the Revised Code. 4015

(2) No person shall engage in any act or practice that 4016
violates division (A) of section 1707.141 or section 1707.161 of 4017
the Revised Code. 4018

(3) No person shall engage in any act or practice that 4019
violates section 1707.162 of the Revised Code. 4020

(4) No person shall engage in any act or practice that 4021
violates section 1707.164 of the Revised Code. 4022

(B) No person shall knowingly make or cause to be made any 4023
false representation concerning a material and relevant fact, in 4024
any oral statement or in any prospectus, circular, description, 4025
application, or written statement, for any of the following 4026
purposes: 4027

(1) Registering securities or transactions, or exempting 4028
securities or transactions from registration, under this chapter; 4029

(2) Securing the qualification of any securities under this 4030
chapter; 4031

(3) Procuring the licensing of any dealer, salesperson, 4032
investment adviser, investment adviser representative, bureau of 4033
workers' compensation chief investment officer, or state 4034
retirement system investment officer under this chapter; 4035

(4) Selling any securities in this state; 4036

(5) Advising for compensation, as to the value of securities 4037
or as to the advisability of investing in, purchasing, or selling 4038
securities; 4039

(6) Submitting a notice filing to the division under division 4040
(X) of section 1707.03 or section 1707.092 or 1707.141 of the 4041
Revised Code. 4042

(C) No person shall knowingly sell, cause to be sold, offer 4043
for sale, or cause to be offered for sale, any security which 4044
comes under any of the following descriptions: 4045

(1) Is not exempt under section 1707.02 of the Revised Code, 4046
nor the subject matter of one of the transactions exempted in 4047
section 1707.03, 1707.04, or 1707.34 of the Revised Code, has not 4048
been registered by coordination or qualification, and is not the 4049
subject matter of a transaction that has been registered by 4050
description; 4051

(2) The prescribed fees for registering by description, by 4052
coordination, or by qualification have not been paid in respect to 4053
such security; 4054

(3) The person has been notified by the division, or has 4055
knowledge of the notice, that the right to buy, sell, or deal in 4056
such security has been suspended or revoked, or that the 4057
registration by description, by coordination, or by qualification 4058
under which it may be sold has been suspended or revoked; 4059

(4) The offer or sale is accompanied by a statement that the 4060
security offered or sold has been or is to be in any manner 4061
indorsed by the division. 4062

(D) No person who is an officer, director, or trustee of, or 4063
a dealer for, any issuer, and who knows such issuer to be 4064
insolvent in that the liabilities of the issuer exceed its assets, 4065
shall sell any securities of or for any such issuer, without 4066
disclosing the fact of the insolvency to the purchaser. 4067

(E) No person with intent to aid in the sale of any 4068
securities on behalf of the issuer, shall knowingly make any 4069
representation not authorized by such issuer or at material 4070
variance with statements and documents filed with the division by 4071
such issuer. 4072

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

(G) No person in purchasing or selling securities shall
knowingly engage in any act or practice that is, in this chapter,
declared illegal, defined as fraudulent, or prohibited.

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

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

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

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

It is an affirmative defense to a charge under this division
that, at the time the securities involved were pledged, sold, or

disposed of, the dealer had in the dealer's possession or control, 4104
and available for delivery, securities of the same kinds and in 4105
amounts sufficient to satisfy all customers entitled to the 4106
securities, upon demand and tender of any amount due on the 4107
securities. 4108

(J) No person, with purpose to deceive, shall make, issue, 4109
publish, or cause to be made, issued, or published any statement 4110
or advertisement as to the value of securities, or as to alleged 4111
facts affecting the value of securities, or as to the financial 4112
condition of any issuer of securities, when the person knows that 4113
~~such~~ the statement or advertisement is false in any material 4114
respect. 4115

(K) No person, with purpose to deceive, shall make, record, 4116
or publish or cause to be made, recorded, or published, a report 4117
of any transaction in securities which is false in any material 4118
respect. 4119

(L) No dealer shall engage in any act that violates the 4120
provisions of section 15(c) or 15(g) of the "Securities Exchange 4121
Act of 1934," 48 Stat. 881, 15 U.S.C.A. 78o(c) or (g), or any rule 4122
or regulation promulgated by the securities and exchange 4123
commission thereunder. ~~If, subsequent to October 11, 1994,~~ 4124
~~additional amendments to section 15(c) or 15(g) are adopted, or~~ 4125
~~additional rules or regulations are promulgated pursuant to such~~ 4126
~~sections, the division of securities shall, by rule, adopt the~~ 4127
~~amendments, rules, or regulations, unless the division finds that~~ 4128
~~the amendments, rules, or regulations are not necessary for the~~ 4129
~~protection of investors or in the public interest.~~ 4130

(M)(1) No investment adviser or investment adviser 4131
representative shall do any of the following: 4132

(a) Employ any device, scheme, or artifice to defraud any 4133
person; 4134

(b) Engage in any act, practice, or course of business that 4135
operates or would operate as a fraud or deceit upon any person; 4136

(c) In acting as principal for the investment adviser's or 4137
investment adviser representative's own account, knowingly sell 4138
any security to or purchase any security from a client, or in 4139
acting as salesperson for a person other than such client, 4140
knowingly effect any sale or purchase of any security for the 4141
account of such client, without disclosing to the client in 4142
writing before the completion of the transaction the capacity in 4143
which the investment adviser or investment adviser representative 4144
is acting and obtaining the consent of the client to the 4145
transaction. Division (M)(1)(c) of this section does not apply to 4146
any investment adviser registered with the securities and exchange 4147
commission under section 203 of the "Investment Advisers Act of 4148
1940," 15 U.S.C. 80b-3, or to any transaction with a customer of a 4149
licensed dealer or salesperson if the licensed dealer or 4150
salesperson is not acting as an investment adviser or investment 4151
adviser representative in relation to the transaction. 4152

(d) Engage in any act, practice, or course of business that 4153
is fraudulent, deceptive, or manipulative. The division of 4154
securities may adopt rules reasonably designed to prevent ~~such~~ 4155
acts, practices, or courses of business that are fraudulent, 4156
deceptive, or manipulative. 4157

(2) No investment adviser or investment adviser 4158
representative licensed or required to be licensed under this 4159
chapter shall take or have custody of any securities or funds of 4160
any person, except as provided in rules adopted by the division. 4161

(3) In the solicitation of clients or prospective clients, no 4162
person shall make any untrue statement of a material fact or omit 4163
to state a material fact necessary in order to make the statements 4164
made not misleading in light of the circumstances under which the 4165

statements were made. 4166

(N) No person knowingly shall influence, coerce, manipulate, 4167
or mislead any person engaged in the preparation, compilation, 4168
review, or audit of financial statements to be used in the 4169
purchase or sale of securities for the purpose of rendering the 4170
financial statements materially misleading. 4171

(O) No state retirement system investment officer shall do 4172
any of the following: 4173

(1) Employ any device, scheme, or artifice to defraud any 4174
state retirement system; 4175

(2) Engage in any act, practice, or course of business that 4176
operates or would operate as a fraud or deceit on any state 4177
retirement system; 4178

(3) Engage in any act, practice, or course of business that 4179
is fraudulent, deceptive, or manipulative. The division of 4180
securities may adopt rules reasonably designed to prevent such 4181
acts, practices, or courses of business as are fraudulent, 4182
deceptive, or manipulative; 4183

(4) Knowingly fail to comply with any policy adopted 4184
regarding the officer established pursuant to section 145.094, 4185
742.104, 3307.043, 3309.043, or 5505.065 of the Revised Code. 4186

(P) No bureau of workers' compensation chief investment 4187
officer shall do any of the following: 4188

(1) Employ any device, scheme, or artifice to defraud the 4189
workers' compensation system; 4190

(2) Engage in any act, practice, or course of business that 4191
operates or would operate as a fraud or deceit on the workers' 4192
compensation system; 4193

(3) Engage in any act, practice, or course of business that 4194
is fraudulent, deceptive, or manipulative. The division of 4195

securities may adopt rules reasonably designed to prevent such	4196
acts, practices, or courses of business as are fraudulent,	4197
deceptive, or manipulative;	4198
(4) Knowingly fail to comply with any policy adopted	4199
regarding the officer established pursuant to section 4123.441 of	4200
the Revised Code.	4201
Sec. 1775.01. As used in this chapter:	4202
(A) "Court" includes every court and judge having	4203
jurisdiction in the case.	4204
(B) "Business" includes every trade, occupation, or	4205
profession.	4206
(C) "Person" includes individuals, partnerships, trustees,	4207
executors, administrators, other fiduciaries, corporations, and	4208
other associations.	4209
(D) "Bankrupt" includes bankrupt under the federal bankruptcy	4210
act or insolvent under any state insolvency law.	4211
(E) "Conveyance" includes every assignment, lease, mortgage,	4212
or encumbrance.	4213
(F) "Real property" includes land and any interest or estate	4214
in land.	4215
<u>(G) "Entity" means either of the following:</u>	4216
<u>(1) A for profit corporation existing under the laws of this</u>	4217
<u>state or any other state;</u>	4218
<u>(2) Any of the following organizations existing under the</u>	4219
<u>laws of this state, the United States, or any other state:</u>	4220
<u>(a) A business trust or association;</u>	4221
<u>(b) A real estate investment trust;</u>	4222
<u>(c) A common law trust;</u>	4223

(d) An unincorporated business or for profit organization, 4224
including a general or limited partnership; 4225

(e) A limited liability company. 4226

Sec. 1775.05. (A) A partnership is an ~~association~~ entity of 4227
two or more persons to carry on as co-owners a business for profit 4228
and includes such an ~~association~~ entity that has limited liability 4229
as provided in this chapter and that is registered under section 4230
1775.61 of the Revised Code. 4231

(B) Any ~~association~~ entity formed under any other statute of 4232
this state, or any statute adopted by authority, other than the 4233
authority of this state, is not a partnership under sections 4234
1775.01 to 1775.65 of the Revised Code, unless ~~such association~~ 4235
the entity would have been a partnership in this state prior to 4236
September 14, 1949, but such sections apply to limited 4237
partnerships except in so far as the statutes relating to ~~such~~ 4238
these partnerships are inconsistent herewith. 4239

(C) Except as otherwise provided in the Ohio Constitution, 4240
the organization and internal affairs of a foreign limited 4241
liability partnership and the liability of the partners for the 4242
debts, obligations, or other liabilities of any kind of, or 4243
chargeable to, the foreign limited liability partnership shall be 4244
governed by the laws of the state under which the foreign limited 4245
liability partnership is organized. 4246

(D) For purposes of this chapter, "foreign limited liability 4247
partnership" means a limited liability partnership organized and 4248
registered as such pursuant to the laws of another state. 4249

Sec. 1775.14. (A) Subject to section 1339.65 of the Revised 4250
Code and except as provided in division (B) of this section, all 4251
partners are liable as follows: 4252

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

(2) Jointly for all other debts and obligations of the partnership, but any partner may enter into a separate obligation to perform a partnership contract.

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

(C)(1) Division (B) of this section does not affect the liability of a partner in a registered limited liability partnership for that partner's own negligence, wrongful acts, errors, omissions, or misconduct, including that partner's own

negligence, wrongful acts, errors, omissions, or misconduct in 4285
directly supervising any other partner or any employee, agent, or 4286
representative of the partnership. 4287

(2) Division (B) of this section shall not affect the 4288
liability of a partner for liabilities imposed by Chapters 5735., 4289
5739., 5743., and 5747. and section 3734.908 of the Revised Code. 4290

(D) A partner in a registered limited liability partnership 4291
is not a proper party to an action or proceeding by or against a 4292
registered limited liability partnership with respect to any debt, 4293
obligation, or other liability of any kind described in division 4294
(B) of this section, unless the partner is liable under divisions 4295
(C)(1) and (2) of this section. 4296

(E) A registered limited liability partnership is liable out 4297
of partnership assets for partnership debts, obligations, and 4298
liabilities. 4299

(F)(1) The personal liability of a partner solely by reason 4300
of being such a partner, or acting or omitting to act in such 4301
capacity, of a registered limited liability partnership organized 4302
and registered under the laws of this state shall be determined 4303
only under the laws of this state. 4304

(2) The only actions required of a registered limited 4305
liability partnership or of individual partners in such a 4306
partnership in order to avail themselves of the limited liability 4307
provisions of this section are those required by this chapter. 4308

Sec. 1775.45. (A) Pursuant to a written agreement of merger 4309
between the constituent entities as provided in this section, a 4310
domestic ~~general~~ partnership and one or more additional domestic 4311
~~general~~ partnerships or other domestic or foreign entities may be 4312
merged into a surviving domestic ~~general~~ partnership. Pursuant to 4313
a written agreement of consolidation between the constituent 4314

entities as provided in this section, two or more domestic or 4315
foreign entities may be consolidated into a new domestic ~~general~~ 4316
partnership formed by such consolidation. If any constituent 4317
entity is formed or organized under the laws of any state other 4318
than this state or under any chapter of the Revised Code other 4319
than this chapter, the merger or consolidation also must be 4320
permitted by the chapter of the Revised Code under which each 4321
domestic constituent entity exists and by the laws under which 4322
each foreign constituent entity exists. 4323

(B) The written agreement of merger or consolidation of 4324
constituent entities into a surviving or new domestic ~~general~~ 4325
partnership shall set forth all of the following: 4326

(1) The name and the form of entity of each constituent 4327
entity, the state under the laws of which each constituent entity 4328
exists, and the name of the surviving or new domestic ~~general~~ 4329
partnership; 4330

(2) In the case of a merger, that one or more specified 4331
constituent entities will be merged into a specified surviving 4332
domestic ~~general~~ partnership, and, in the case of a consolidation, 4333
that the constituent entities will be consolidated into a new 4334
domestic ~~general~~ partnership; 4335

(3) All statements and matters required to be set forth in 4336
such an agreement of merger or consolidation by the laws under 4337
which each constituent entity exists; 4338

(4) In the case of a consolidation, the partnership agreement 4339
of the new domestic ~~general~~ partnership or a provision that the 4340
written partnership agreement of a specified constituent ~~general~~ 4341
partnership, a copy of which shall be attached to the agreement of 4342
consolidation, with any amendments that are set forth in the 4343
agreement of consolidation, shall be the agreement of ~~general~~ 4344
partnership of the new domestic ~~general~~ partnership; 4345

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

(6) In the case of a merger, any changes in the general partners of the surviving domestic ~~general~~ partnership and, in the case of a consolidation, the general partners of the new domestic ~~general~~ partnership or a provision specifying the general partners of one or more specified constituent partnerships that shall constitute the initial general partners of the new domestic ~~general~~ partnership;

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

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

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

(2) A provision authorizing one or more of the constituent 4377
entities to abandon the proposed merger or consolidation prior to 4378
filing the certificate of merger or consolidation pursuant to 4379
section 1775.47 of the Revised Code by action of the ~~general~~ 4380
partners of a constituent partnership, the directors of a 4381
constituent corporation, or the comparable representatives of any 4382
other constituent entity; 4383

(3) In the case of a merger, any amendments to the agreement 4384
of ~~general~~ partnership of the surviving domestic ~~general~~ 4385
partnership, or a provision that the written partnership agreement 4386
of a specified constituent ~~general~~ partnership other than the 4387
surviving domestic ~~general~~ partnership, with any amendments that 4388
are set forth in the agreement of merger, shall be the partnership 4389
agreement of the surviving domestic ~~general~~ partnership; 4390

(4) A statement of, or a statement of the method of 4391
determining, the fair value of the assets to be owned by the 4392
surviving domestic ~~general~~ partnership; 4393

(5) The parties to the agreement of merger or consolidation 4394
in addition to the constituent entities; 4395

(6) Any additional provision necessary or desirable with 4396
respect to the proposed merger or consolidation. 4397

(D) To effect the merger or consolidation, the agreement of 4398
merger or consolidation shall be adopted by the ~~general~~ partners 4399
of each constituent domestic ~~general~~ partnership, including the 4400
surviving domestic ~~general~~ partnership in the case of a merger, 4401
and shall be adopted by or otherwise authorized by or on behalf of 4402
each other constituent entity in accordance with the laws under 4403
which it exists. 4404

(E) All partners, whether or not they are entitled to vote or 4405
act, shall be given written notice of any meeting of general 4406
partners of a constituent domestic ~~general~~ partnership or of any 4407

proposed action by general partners of a constituent domestic 4408
~~general~~ partnership, which meeting or action is to adopt an 4409
agreement of merger or consolidation. The notice shall be given to 4410
the partners either by mail at their addresses as they appear on 4411
the records of the partnership or in person and, unless the 4412
partnership agreement provides a shorter or longer period, shall 4413
be given not less than seven and not more than sixty days before 4414
the meeting or the effective date of the action. The notice shall 4415
be accompanied by a copy or a summary of the material provisions 4416
of the agreement of merger or consolidation. 4417

(F) The vote or action of the ~~general~~ partners of a 4418
constituent domestic ~~general~~ partnership that is required to adopt 4419
an agreement of merger or consolidation is the unanimous vote or 4420
action of the ~~general~~ partners or such different number or 4421
proportion as provided in writing in the partnership agreement. If 4422
the agreement of merger or consolidation would have an effect or 4423
authorize any action that under any applicable provision of law or 4424
the partnership agreement could be effected or authorized only by 4425
or pursuant to a specified vote or action of the partners, or of 4426
any class or group of partners, the agreement of merger or 4427
consolidation also shall be adopted or approved by the same vote 4428
or action as would be required to effect that change or authorize 4429
that action. Each person who will continue to be or who will 4430
become a general partner of a partnership that is the surviving or 4431
new entity in a merger or consolidation shall specifically agree 4432
in writing to continue or to become, as the case may be, a general 4433
partner of the partnership that is the surviving or new entity. 4434

(G) At any time before the filing of the certificate of 4435
merger or consolidation pursuant to section 1775.47 of the Revised 4436
Code, the merger or consolidation may be abandoned by the ~~general~~ 4437
partners of any constituent partnership, the directors of any 4438
constituent corporation, or the comparable representatives of any 4439

other constituent entity if the ~~general~~ partners, directors, or 4440
other representatives are authorized to do so by the agreement of 4441
merger or consolidation or by the same vote or action as was 4442
required to adopt the agreement of merger or consolidation. The 4443
agreement of merger or consolidation may contain a provision 4444
authorizing less than all of the ~~general~~ partners of any 4445
constituent partnership, the directors of any constituent 4446
corporation, or the comparable representatives of any other 4447
constituent entity to amend the agreement of merger or 4448
consolidation at any time before the filing of the certificate of 4449
merger or consolidation, except that, after the adoption of the 4450
agreement of merger or consolidation by the ~~general~~ partners of 4451
any constituent domestic ~~general~~ partnership, less than all of the 4452
~~general~~ partners shall not be authorized to amend the agreement of 4453
merger or consolidation to do any of the following: 4454

(1) Alter or change the amount or kind of interests, shares, 4455
evidences of indebtedness, other securities, cash, rights, or any 4456
other property to be received by ~~general~~ partners of the 4457
constituent domestic ~~general~~ partnership in conversion of, or in 4458
substitution for, their interests; 4459

(2) Alter or change any term of the partnership agreement of 4460
the surviving or new domestic ~~general~~ partnership, except for 4461
alterations or changes that could otherwise be adopted by the 4462
~~general~~ partners of the surviving or new domestic ~~general~~ 4463
partnership; 4464

(3) Alter or change any other terms and conditions of the 4465
agreement of merger or consolidation if any of the alterations or 4466
changes, alone or in the aggregate, would materially adversely 4467
affect the ~~general~~ partners or any class or group of ~~general~~ 4468
partners of the constituent domestic ~~general~~ partnership. 4469

Sec. 1775.46. (A) Pursuant to a written agreement of merger 4470

or consolidation between the constituent entities as provided in 4471
this section, a domestic ~~general~~ partnership and one or more 4472
additional domestic or foreign entities may be merged into a 4473
surviving entity other than a domestic ~~general~~ partnership, or a 4474
domestic ~~general~~ partnership together with one or more additional 4475
domestic or foreign entities may be consolidated into a new entity 4476
other than a domestic ~~general~~ partnership to be formed by such 4477
consolidation. The merger or consolidation must be permitted by 4478
the chapter of the Revised Code under which each domestic 4479
constituent entity exists and by the laws under which each foreign 4480
constituent entity exists. 4481

(B) The written agreement of merger or consolidation shall 4482
set forth all of the following: 4483

(1) The name and the form of entity of each constituent 4484
entity and the state under the laws of which each constituent 4485
entity exists; 4486

(2) In the case of a merger, that one or more specified 4487
constituent domestic ~~general~~ partnerships and other specified 4488
constituent entities will be merged into a specified surviving 4489
foreign entity or surviving domestic entity other than a domestic 4490
~~general~~ partnership, or, in the case of a consolidation, that the 4491
constituent entities will be consolidated into a new foreign 4492
entity or a new domestic entity other than a domestic ~~general~~ 4493
partnership; 4494

(3) If the surviving or new entity is a foreign ~~general~~ 4495
partnership, all statements and matters that would be required by 4496
section 1775.45 of the Revised Code if the surviving or new entity 4497
were a domestic ~~general~~ partnership; 4498

(4) The name and the form of entity of the surviving or new 4499
entity, the state under the laws of which the surviving entity 4500
exists or the new entity is to exist, and the location of the 4501

principal office of the surviving or new entity; 4502

(5) All additional statements and matters required to be set 4503
forth in ~~such~~ an agreement of merger or consolidation by the laws 4504
under which each constituent entity exists and, in the case of a 4505
consolidation, the new entity is to exist; 4506

(6) The consent of the surviving or new foreign entity to be 4507
sued and served with process in this state and the irrevocable 4508
appointment of the secretary of state as its agent to accept 4509
service of process in any proceeding in this state to enforce 4510
against the surviving or new foreign entity any obligation of any 4511
constituent domestic ~~general~~ partnership or to enforce the rights 4512
of a dissenting partner of any constituent domestic ~~general~~ 4513
partnership; 4514

(7) If the surviving or new entity is a foreign corporation 4515
that desires to transact business in this state as a foreign 4516
corporation, a statement to that effect, together with a statement 4517
regarding the appointment of a statutory agent and service of any 4518
process, notice, or demand upon that statutory agent or the 4519
secretary of state, as required when a foreign corporation applies 4520
for a license to transact business in this state; 4521

(8) If the surviving or new entity is a foreign limited 4522
partnership that desires to transact business in this state as a 4523
foreign limited partnership, a statement to that effect, together 4524
with all of the information required under section 1782.49 of the 4525
Revised Code when a foreign limited partnership registers to 4526
transact business in this state; 4527

(9) If the surviving or new entity is a foreign limited 4528
liability company that desires to transact business in this state 4529
as a foreign limited liability company, a statement to that 4530
effect, together with all of the information required under 4531
section 1705.54 of the Revised Code when a foreign limited 4532

liability company registers to transact business in this state; 4533

(10) If the surviving or new entity is a foreign limited liability partnership that desires to transact business in this state as a foreign limited liability partnership, a statement to that effect, together with all of the information required under section 1775.64 of the Revised Code when a foreign limited liability partnership registers to transact business in this state. 4534
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(C) The written agreement of merger or consolidation also may set forth any additional provision permitted by the laws of any state under the laws of which any constituent entity exists, consistent with the laws under which the surviving entity exists or the new entity is to exist. 4541
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(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, in the same manner and with the same notice to and vote or action of partners or of a particular class or group of partners as is required by section 1775.45 of the Revised Code. The agreement of merger or consolidation also shall be approved or otherwise authorized by or on behalf of each constituent entity in accordance with the laws under which it exists. Each person who will continue to be or who will become a general partner of a partnership that is the surviving or new entity in a merger or consolidation shall specifically agree in writing to continue or to become, as the case may be, a general partner of the surviving or new entity. 4546
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(E) At any time before the filing of the certificate of merger or consolidation pursuant to section 1775.47 of the Revised Code, the merger or consolidation may be abandoned by the ~~general~~ partners of any constituent partnership, the directors of any constituent corporation, or the comparable representatives of any 4559
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other constituent entity if the ~~general~~ partners, directors, or 4564
comparable representatives are authorized to do so by the 4565
agreement of merger or consolidation. The agreement of merger or 4566
consolidation may contain a provision authorizing less than all of 4567
the ~~general~~ partners of any constituent partnership, the directors 4568
of any constituent corporation, or the comparable representatives 4569
of any other constituent entity to amend the agreement of merger 4570
or consolidation at any time before the filing of the certificate 4571
of merger or consolidation, except that after the adoption of the 4572
agreement of merger or consolidation by the ~~general~~ partners of 4573
any constituent domestic ~~general~~ partnership, less than all of the 4574
~~general~~ partners shall not be authorized to amend the agreement of 4575
merger or consolidation to do any of the following: 4576

(1) Alter or change the amount or kind of interests, shares, 4577
evidences of indebtedness, other securities, cash, rights, or any 4578
other property to be received by ~~general~~ partners of the 4579
constituent domestic ~~general~~ partnership in conversion of or in 4580
substitution for their interests; 4581

(2) If the surviving or new entity is a partnership, alter or 4582
change any term of the partnership agreement of the surviving or 4583
new partnership, except for alterations or changes that otherwise 4584
could be adopted by the ~~general~~ partners of the surviving or new 4585
partnership; 4586

(3) If the surviving or new entity is a corporation or any 4587
other entity other than a partnership, alter or change any term of 4588
the articles or comparable instrument of the surviving or new 4589
corporation or entity, except for alterations or changes that 4590
otherwise could be adopted by the directors or comparable 4591
representatives of the surviving or new corporation or entity; 4592

(4) Alter or change any other terms and conditions of the 4593
agreement of merger or consolidation if any of the alterations or 4594
changes, alone or in the aggregate, would materially adversely 4595

affect the ~~general~~ partners or any class or group of ~~general~~ partners of the constituent domestic ~~general~~ partnership. 4596
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Sec. 1775.47. (A) Upon the adoption by each constituent 4598
entity of an agreement of merger or consolidation pursuant to 4599
section 1775.45 or 1775.46 of the Revised Code, a certificate of 4600
merger or consolidation shall be filed with the secretary of state 4601
that is signed by an authorized representative of each constituent 4602
entity. The certificate shall be on a form prescribed by the 4603
secretary of state and shall set forth only the information 4604
required by this section. 4605

(B)(1) The certificate of merger or consolidation shall set 4606
forth all of the following: 4607

(a) The name and the form of entity of each constituent 4608
entity and the state under the laws of which each constituent 4609
entity exists; 4610

(b) A statement that each constituent entity has complied 4611
with all of the laws under which it exists and that the laws 4612
permit the merger or consolidation; 4613

(c) The name and mailing address of the person or entity that 4614
is to provide, in response to any written request made by a 4615
shareholder, partner, or other equity holder of a constituent 4616
entity, a copy of the agreement of merger or consolidation; 4617

(d) The effective date of the merger or consolidation, which 4618
date may be on or after the date of the filing of the certificate; 4619

(e) The signature of the representative or representatives 4620
authorized to sign the certificate on behalf of each constituent 4621
entity and the office held or the capacity in which the 4622
representative is acting; 4623

(f) A statement that the agreement of merger or consolidation 4624
is authorized on behalf of each constituent entity and that the 4625

persons who signed the certificate on behalf of each entity are 4626
authorized to do so; 4627

(g) In the case of a merger, a statement that one or more 4628
specified constituent entities will be merged into a specified 4629
surviving entity or, in the case of a consolidation, a statement 4630
that the constituent entities will be consolidated into a new 4631
entity; 4632

(h) The name and form of the surviving entity in the case of 4633
a merger or the name and form of the new entity in the case of a 4634
consolidation; 4635

(i) In the case of a merger, if the surviving entity is a 4636
foreign entity not licensed to transact business in this state, 4637
the name and address of the statutory agent upon whom any process, 4638
notice, or demand may be served; 4639

(j) In the case of a consolidation, the name and address of 4640
the statutory agent upon whom any process, notice, or demand 4641
against any constituent entity or the new entity may be served. 4642

(2) In the case of a consolidation into a new domestic 4643
corporation, limited liability company, or limited partnership, 4644
the articles of incorporation, the articles of organization, or 4645
the certificate of limited partnership of the new domestic entity 4646
shall be filed with the certificate of consolidation. 4647

(3) In the case of a merger into a domestic corporation, 4648
limited liability company, or limited partnership, any amendments 4649
to the articles of incorporation, articles of organization, or 4650
certificate of limited partnership of the surviving domestic 4651
entity shall be filed with the certificate of merger. 4652

(4) If the surviving or new entity is a foreign entity that 4653
desires to transact business in this state as a foreign 4654
corporation, limited liability company, or limited partnership, 4655

the certificate of merger or consolidation shall be accompanied by 4656
the information required by division (B)(7), (8), ~~or (9)~~, or (10) 4657
of section 1775.46 of the Revised Code. 4658

(5) If a foreign or domestic corporation licensed to transact 4659
business in this state is a constituent entity and the surviving 4660
or new entity resulting from the merger or consolidation is not a 4661
foreign or domestic corporation that is to be licensed to transact 4662
business in this state, the certificate of merger or consolidation 4663
shall be accompanied by the affidavits, receipts, certificates, or 4664
other evidence required by division (H) of section 1701.86 of the 4665
Revised Code, with respect to each domestic constituent 4666
corporation, and by the affidavits, receipts, certificates, or 4667
other evidence required by division (C) or (D) of section 1703.17 4668
of the Revised Code, with respect to each foreign constituent 4669
corporation licensed to transact business in this state. 4670

(C) If any constituent entity in a merger or consolidation is 4671
organized or formed under the laws of a state other than this 4672
state or under any chapter of the Revised Code other than this 4673
chapter, there also shall be filed in the proper office all 4674
documents that are required to be filed in connection with the 4675
merger or consolidation by the laws of that state or by that 4676
chapter. 4677

(D) Upon the filing of a certificate of merger or 4678
consolidation and other filings as described in division (C) of 4679
this section or at any later date that the certificate of merger 4680
or consolidation specifies, the merger or consolidation is 4681
effective, subject to the limitation specified in division (B)(7) 4682
of section 1775.45 of the Revised Code. 4683

(E) The secretary of state shall furnish, upon request and 4684
payment of the fee specified in division (K)(2) of section 111.16 4685
of the Revised Code, the secretary of state's certificate setting 4686

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

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

(2) In the case of a consolidation, the new entity exists
when the consolidation becomes effective and, if the new entity is
a domestic ~~general~~ partnership, the written partnership agreement
contained in or provided for in the agreement of consolidation

shall be its original partnership agreement. 4718

(3) In the case of a merger in which the surviving entity is 4719
a ~~general~~ partnership, the written partnership agreement of the 4720
surviving ~~general~~ partnership in effect immediately prior to the 4721
time the merger becomes effective shall be its partnership 4722
agreement after the merger except as otherwise provided in the 4723
agreement of merger. 4724

(4) The surviving or new entity possesses all of the 4725
following, and all of the following are vested in the surviving or 4726
new entity without further act or deed: 4727

(a) Except to the extent limited by the mandatory provisions 4728
of applicable law, the following: 4729

(i) All assets and property of every description of each 4730
constituent entity, and every interest in the assets and property 4731
of each constituent entity, wherever the assets, property, and 4732
interests are located. Title to any real estate or any interest in 4733
real estate that was vested in any constituent entity shall not 4734
revert or in any way be impaired by reason of the merger or 4735
consolidation. 4736

(ii) The rights, privileges, immunities, powers, franchises, 4737
and authority, whether of a public or private nature, of each 4738
constituent entity. 4739

(b) All obligations belonging to or due to each constituent 4740
entity. 4741

(5) The surviving or new entity is liable for all the 4742
obligations of each constituent entity, including liability to 4743
dissenting partners, dissenting shareholders, or other dissenting 4744
equity holders. Any claim existing or any action or proceeding 4745
pending by or against any constituent entity may be prosecuted to 4746
judgment with right of appeal, as if the merger or consolidation 4747
had not taken place, or the surviving or new entity may be 4748

substituted in place of any constituent entity. 4749

(6) All the rights of creditors of each constituent entity 4750
are preserved unimpaired, and all liens upon the property of any 4751
constituent entity are preserved unimpaired, on only the property 4752
affected by such liens immediately before the effective date of 4753
the merger or consolidation. If a general partner of a constituent 4754
partnership is not a general partner of the entity surviving or 4755
the new entity resulting from the merger or consolidation, then 4756
the former general partner shall have no liability for any 4757
obligation incurred after the merger or consolidation except to 4758
the extent that a former creditor of the constituent partnership 4759
in which the former general partner was a general partner extends 4760
credit to the surviving or new entity reasonably believing that 4761
the former general partner continued as a general partner of the 4762
surviving or new entity. 4763

(B) If a general partner of a constituent partnership is not 4764
a general partner of the entity surviving or the new entity 4765
resulting from the merger or consolidation, then unless that 4766
general partner agrees otherwise in writing, the general partner 4767
shall be indemnified by the surviving or new entity against all 4768
present or future liabilities of the constituent partnership of 4769
which the general partner was a general partner. Any amount 4770
payable pursuant to section 1775.50 of the Revised Code to a 4771
partner of the constituent partnership in which that general 4772
partner was a partner shall be a present liability of that 4773
constituent partnership. 4774

(C) In the case of a merger of a constituent domestic ~~general~~ 4775
partnership into a foreign surviving corporation, limited 4776
liability company, or ~~general~~ partnership that is not licensed or 4777
registered to transact business in this state or in the case of a 4778
consolidation of a constituent domestic limited partnership into a 4779
new foreign corporation, limited liability company, ~~or~~ limited 4780

partnership, or limited liability partnership, if the surviving or 4781
new entity intends to transact business in this state and the 4782
certificate of merger or consolidation is accompanied by the 4783
information described in division (B)(4) of section 1775.47 of the 4784
Revised Code, then on the effective date of the merger or 4785
consolidation the surviving or new entity shall be considered to 4786
have complied with the requirements for procuring a license or for 4787
registration to transact business in this state as a foreign 4788
corporation, limited liability company, or limited partnership, as 4789
the case may be. In such a case, a copy of the certificate of 4790
merger or consolidation certified by the secretary of state 4791
constitutes the license certificate prescribed for a foreign 4792
corporation or the application for registration prescribed for a 4793
foreign limited liability company or foreign limited partnership. 4794

(D) Any action to set aside any merger or consolidation on 4795
the ground that any section of the Revised Code applicable to the 4796
merger or consolidation has not been complied with shall be 4797
brought within ninety days after the effective date of the merger 4798
or consolidation or forever be barred. 4799

(E) In the case of an entity organized or existing under the 4800
laws of any state other than this state, this section is subject 4801
to the laws of the state under the laws of which the entity exists 4802
or in which it has property. 4803

Sec. 1775.49. (A) Unless otherwise provided in writing in the 4804
partnership agreement of a constituent domestic ~~general~~ 4805
partnership, the following are entitled to relief as dissenting 4806
partners as provided in section 1775.50 of the Revised Code: 4807

(1) Partners of a domestic ~~general~~ partnership that is being 4808
merged or consolidated into a surviving or new entity, domestic or 4809
foreign, pursuant to section 1775.45 or 1775.46 of the Revised 4810
Code; 4811

(2) In the case of a merger into a domestic ~~general~~ 4812
partnership, partners of the surviving domestic ~~general~~ 4813
partnership who under section 1775.45 of the Revised Code are 4814
entitled to vote or act on the adoption of an agreement of merger, 4815
but only as to the interests so entitling them to vote or act; 4816

(3) Partners of a domestic partnership that is being 4817
converted into a converted entity pursuant to section 1775.53 of 4818
the Revised Code. 4819

(B) Unless otherwise expressly agreed to in writing, a 4820
general partner of any constituent partnership shall be liable to 4821
the partners of the constituent partnership for any amount payable 4822
to them pursuant to section 1775.50 of the Revised Code as if the 4823
amount ~~se~~ payable were an existing liability of the constituent 4824
partnership at the time of the merger ~~or~~, consolidation, or 4825
conversion. 4826

Sec. 1775.50. (A) A partner of a domestic ~~general~~ partnership 4827
is entitled to relief as a dissenting partner in respect of the 4828
proposals described in section 1775.49 of the Revised Code only in 4829
compliance with this section. 4830

(B) If the proposal of merger ~~or~~, consolidation, or 4831
conversion is to be submitted to the partners at a meeting, the 4832
dissenting partner shall be a partner and a record holder of the 4833
partnership interests as to which the dissenting partner seeks 4834
relief as of the date fixed for the determination of partners 4835
entitled to notice of the meeting, and such interests shall not 4836
have been voted in favor of the proposal. Not later than ten days 4837
after the date on which the vote on the proposal was taken at the 4838
meeting of the partners, the dissenting partner shall deliver to 4839
the ~~general~~ partnership a written demand for payment to the 4840
dissenting partner of the fair cash value of the interests as to 4841
which the dissenting partner seeks relief that states the 4842

dissenting partner's address, the number and class of those 4843
interests, and the amount claimed by the dissenting partner as the 4844
fair cash value of the interests. 4845

(C) If the proposal of merger ~~or~~, consolidation, or 4846
conversion is to be submitted to the partners for their written 4847
approval or other action without a meeting, the dissenting partner 4848
shall be a partner and a record holder of the interests of the 4849
partnership as to which the dissenting partner seeks relief as of 4850
the date the request for approval or action was sent to the 4851
partners entitled to act or otherwise approve the proposal, and 4852
the dissenting partner shall not have indicated approval of the 4853
proposal in the dissenting partner's capacity as a holder of such 4854
interests. Not later than fifteen days after the date on which the 4855
request for approval of or action on the proposal was mailed to 4856
the partners, the dissenting partner shall deliver to the 4857
partnership a written demand for payment to the dissenting partner 4858
of the fair cash value of the interests as to which the dissenting 4859
partner seeks relief, which demand shall state the dissenting 4860
partner's address, the number and class of such interests, and the 4861
amount claimed by the dissenting partner as the fair cash value of 4862
those interests. 4863

(D) In the case of a merger or consolidation, a demand served 4864
on the constituent domestic ~~general~~ partnership involved 4865
constitutes service on the surviving entity or the new entity, 4866
whether the demand is served before, on, or after the effective 4867
date of the merger or consolidation. In the case of a conversion, 4868
a demand served on the converting domestic partnership constitutes 4869
service on the converted entity, whether the demand is served 4870
before, on, or after the effective date of the conversion. 4871

(E) If the interests as to which a dissenting partner seeks 4872
relief are represented by certificates and if the domestic ~~general~~ 4873
partnership sends to the dissenting partner, at the address 4874

specified in the dissenting partner's demand, a request for 4875
certificates representing the interests as to which the dissenting 4876
partner seeks relief, the dissenting partner, within fifteen days 4877
from the date on which the request was sent, shall deliver to the 4878
~~general~~ partnership the certificates requested so that the ~~general~~ 4879
partnership may endorse on them a legend to the effect that a 4880
demand for the fair cash value of such interests has been made. 4881
The ~~general~~ partnership promptly shall return the endorsed 4882
certificates to the dissenting partner. The failure of a 4883
dissenting partner to deliver such certificates terminates rights 4884
as a dissenting partner, at the option of the ~~general~~ partnership, 4885
exercised by written notice sent to the dissenting partner within 4886
twenty days after the lapse of the fifteen-day period, unless a 4887
court for good cause shown otherwise directs. If interests 4888
represented by a certificate on which such a legend has been 4889
endorsed are transferred, each new certificate issued for them 4890
shall bear a similar legend, together with the name of the 4891
original dissenting holder of such interests. Upon receiving a 4892
demand for payment from a dissenting partner who is a record 4893
holder of uncertificated interests, the ~~general~~ partnership shall 4894
make an appropriate notation of the demand for payment in its 4895
records. If uncertificated interests for which payment has been 4896
demanded are to be transferred, any writing sent to evidence the 4897
transfer shall bear the legend required for certificated interests 4898
as provided in this division. A transferee of the interests 4899
receiving a certificate so endorsed, or of uncertificated 4900
interests where such a notation has been made, acquires only ~~such~~ 4901
the rights in the ~~general~~ partnership as the original partner 4902
holding ~~such~~ the interests had immediately after the service of a 4903
demand for payment of the fair cash value of the interests. A 4904
request under this division by the ~~general~~ partnership is not an 4905
admission by it that the holder of the interest is entitled to 4906
relief under this section. 4907

(F) Unless the partnership agreement of the constituent 4908
domestic ~~general~~ partnership in which the dissenting partner was a 4909
partner provides a reasonable basis for determining and paying the 4910
fair cash value of the interests as to which the dissenting 4911
partner seeks relief or unless that partnership and the dissenting 4912
partner have come to an agreement on the fair cash value of the 4913
interests as to which the dissenting partner seeks relief, the 4914
dissenting partner or the ~~general~~ partnership, which in the case 4915
of a merger or consolidation may be the surviving or new entity, 4916
or in the case of a conversion may be the converted entity, within 4917
ninety days after the service of the demand by the dissenting 4918
partner, may file a complaint under section 1775.51 of the Revised 4919
Code. The complaint shall be filed in the court of common pleas of 4920
the county in which the principal office of the ~~general~~ 4921
partnership that issued the interests is located or was located 4922
when the proposal of merger ~~or~~, consolidation, or conversion was 4923
adopted by the partners of the ~~general~~ partnership. Other 4924
dissenting partners, within that ninety-day period, may join as 4925
plaintiffs or may be joined as defendants in any such proceeding, 4926
and any two or more such proceedings may be consolidated. 4927

(G) The right and obligation of a dissenting partner to 4928
receive ~~such~~ fair cash value and to sell such interests as to 4929
which the dissenting partner seeks relief and the right and 4930
obligation of the domestic ~~general~~ partnership to purchase such 4931
interests and to pay the fair cash value of them terminate if any 4932
of the following applies: 4933

(1) The dissenting partner has not complied with this 4934
section, unless the ~~general~~ partnership waives such failure. 4935

(2) The ~~general~~ partnership abandons the merger ~~or~~, 4936
consolidation, or conversion or is finally enjoined or prevented 4937
from carrying it out, or the partners rescind their adoption or 4938
approval of the merger ~~or~~, consolidation, or conversion. 4939

(3) The dissenting partner withdraws the dissenting partner's demand, with the consent of the ~~general~~ partnership. 4940
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(4) All of the following apply: 4942

(a) The partnership agreement of the constituent domestic ~~general~~ partnership in which the dissenting partner was a partner does not provide a reasonable basis for determining and paying the dissenting partner the fair cash value of the dissenting partner's interest. 4943
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(b) The ~~general~~ partnership and the dissenting partner have not agreed upon the fair cash value of the interest. 4948
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(c) Neither the dissenting partner nor the ~~general~~ partnership has filed or joined in a complaint under division (F) of this section within the period provided in that division. 4950
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(H) Unless otherwise provided in the partnership agreement of the constituent domestic ~~general~~ 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 ~~general~~ 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~~ that 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 ~~general~~ partnership, all rights of the dissenting partner shall be restored and all 4953
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distributions that, except for the suspension, would have been 4971
made shall be made to the holder of record of the interests at the 4972
time of termination. 4973

Sec. 1775.51. (A) When authorized by division (F) of section 4974
1775.50 of the Revised Code, a dissenting partner or ~~general~~ 4975
partnership may file a complaint under this section demanding the 4976
relief described in this section. A complaint filed under this 4977
section shall contain a brief statement of the facts, including 4978
the vote or action by the partners and the facts entitling the 4979
dissenting partner to the relief demanded. No answer to ~~such~~ a 4980
complaint is required. Upon the filing of ~~such~~ a complaint, the 4981
court, on motion of the petitioner, shall enter an order fixing a 4982
date for a hearing on the complaint and requiring that a copy of 4983
the complaint and a notice of the filing and of the date for the 4984
hearing be given to the respondent or defendant in the manner in 4985
which summons is required to be served or substituted service is 4986
required to be made in other cases. On the date fixed for the 4987
hearing on the complaint or any adjournment of it, the court shall 4988
determine from the complaint and from ~~such~~ evidence ~~as is~~ 4989
submitted by either party whether the dissenting partner is 4990
entitled to be paid the fair cash value of any interests and, if 4991
so, the number and class of ~~such~~ the interests. If the court finds 4992
that the dissenting partner is so entitled, it may appoint one or 4993
more persons as appraisers to receive evidence and to recommend a 4994
decision on the amount of the fair cash value. The appraisers have 4995
~~such~~ power and authority ~~as is~~ specified in the order of their 4996
appointment. The court thereupon shall make a finding as to the 4997
fair cash value of the interests and shall render judgment against 4998
the ~~general~~ partnership for the payment of it, with interest at 4999
~~such~~ a rate and from ~~such~~ a date as the court considers equitable. 5000
The costs of the proceeding, including reasonable compensation to 5001
the appraisers to be fixed by the court, shall be assessed or 5002

apportioned as the court considers equitable. The proceeding is a 5003
special proceeding and final orders in it may be vacated, 5004
modified, or reversed on appeal pursuant to the Rules of Appellate 5005
Procedure and, to the extent not in conflict with those rules, 5006
Chapter 2505. of the Revised Code. If, during the pendency of any 5007
proceeding under this section, a suit or proceeding is or has been 5008
instituted to enjoin or otherwise to prevent the carrying out of 5009
the action as to which the partner has dissented, the proceeding 5010
instituted under this section shall be stayed until the final 5011
determination of the other suit or proceeding. Unless any 5012
provision of division (G) of section 1775.50 of the Revised Code 5013
is applicable, the fair cash value of the interests that is agreed 5014
upon by the parties or fixed under this section shall be paid 5015
within thirty days after the date of final determination of such 5016
value under this division or the consummation of the merger ~~or~~ 5017
consolidation, or conversion, whichever occurs last. Upon the 5018
occurrence of the last ~~such~~ event, payment shall be made 5019
immediately to a holder of uncertificated interests entitled to 5020
~~such~~ payment. In the case of holders of interests represented by 5021
certificates, payment shall be made only upon and simultaneously 5022
with the surrender to the domestic ~~general~~ partnership of the 5023
certificates representing the interests for which the payment is 5024
made. 5025

(B) If the proposal of merger ~~or~~ consolidation, or 5026
conversion was submitted to the partners of the ~~general~~ 5027
partnership for a vote at a meeting, fair cash value as to those 5028
partners shall be determined as of the day before the day on which 5029
the vote by the partners was taken. If the proposal was submitted 5030
to the partners for written approval or other action, fair cash 5031
value as to those partners shall be determined as of the day 5032
before the day on which the request for the approval or action was 5033
sent. The fair cash value of an interest for purposes of this 5034
section is the amount that a willing seller who is under no 5035

compulsion to sell would be willing to accept and that a willing 5036
buyer who is under no compulsion to purchase would be willing to 5037
pay, but the fair cash value paid to any partner shall not exceed 5038
the amount specified in the demand of that partner. In computing 5039
~~such~~ fair cash value, any appreciation or depreciation in market 5040
value resulting from the merger ~~or~~, consolidation, or conversion 5041
shall be excluded. 5042

Sec. 1775.52. If a domestic ~~general~~ partnership is a 5043
constituent entity to a merger or consolidation that has become 5044
effective, and the domestic ~~general~~ partnership is not the 5045
surviving or resulting entity of the merger or consolidation, or 5046
if a domestic partnership is the converting entity in a 5047
conversion, a judgment creditor of a partner of that domestic 5048
~~general~~ partnership shall not levy execution against the assets of 5049
the partner to satisfy a judgment based on a claim against the 5050
surviving or resulting entity of the merger ~~or~~, consolidation, or 5051
conversion unless any of the following applies: 5052

(A) The claim is for an obligation of the domestic ~~general~~ 5053
partnership for which the partner is liable as provided in this 5054
chapter and one of the following applies: 5055

(1) A judgment based on the same claim has been obtained 5056
against the surviving or resulting entity of the merger or 5057
consolidation or the entity resulting from the conversion and a 5058
writ of execution on the judgment has been returned unsatisfied in 5059
whole or in part. 5060

(2) The surviving or resulting entity of the merger ~~or~~, 5061
consolidation, or conversion is a debtor in bankruptcy. 5062

(3) The partner has agreed that the creditor need not exhaust 5063
the assets of the domestic ~~general~~ partnership that was not the 5064
surviving or resulting entity of the merger or consolidation or 5065
the entity resulting from the conversion. 5066

(4) The partner has agreed that the creditor need not exhaust the assets of the surviving or resulting entity of the merger or consolidation or the entity resulting from the conversion.

(B) A court grants permission to the judgment creditor to levy execution against the assets of the partner based on a finding that the assets of the surviving or resulting entity of the merger ~~or~~, consolidation, or conversion that are subject to execution are clearly insufficient to satisfy the judgment, that exhaustion of the assets of the surviving or resulting entity of the merger or consolidation or the entity resulting from the conversion is excessively burdensome, or that the grant of permission is an appropriate exercise of the court's equitable powers.

(C) Liability is imposed on the partner by law or contract independent of the existence of the surviving or resulting entity of the merger or consolidation or the entity resulting from the conversion.

Sec. 1775.53. (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 other than a domestic partnership may be converted into a domestic partnership. The conversion also must be permitted by the chapter of the Revised Code or by the laws under which the converting entity exists.

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

(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;

(b) If the converted entity is a limited liability partnership, its registration application;

(c) The partnership agreement of the converted domestic partnership or a provision that the written agreement of the converting entity, a copy of which shall be attached to the declaration of conversion, with any amendments that are set forth in the declaration of conversion, is the agreement of the converted domestic partnership; 5097
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(d) The general partners of the converted partnership; 5103

(e) All statements and matters required to be set forth in an instrument of conversion by the laws under which the converting entity exists; 5104
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(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. 5107
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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 partnership unable to pay its obligations as they become due in the usual course of its affairs. 5115
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(C) The written declaration of conversion may set forth any of the following: 5120
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(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; 5122
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(2) A provision authorizing the converting entity to abandon the proposed conversion by action of authorized representatives of 5125
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the converting entity taken prior to the filing of the certificate of conversion pursuant to section 1775.55 of the Revised Code; 5127
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(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; 5129
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(4) The parties to the declaration of conversion in addition to the converting entity; 5132
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(5) Any additional provision necessary or desirable with respect to the proposed conversion or the converted entity. 5134
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(D) At any time before the filing of the certificate of conversion pursuant to section 1775.55 of the Revised Code, the conversion may be abandoned by any representatives authorized to do so by the declaration of conversion, or by the same vote as was required to adopt the declaration of conversion. 5136
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(E) Unless the converted entity is a limited liability partnership, each person that will be a partner of the partnership that is the converted entity specifically shall agree in writing to be a partner in the partnership that is the converted entity. 5141
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Sec. 1775.54. (A) Subject to division (B)(2) of this section, pursuant to a written declaration of conversion as provided in this section, a domestic partnership may be converted into a domestic or foreign entity other than a domestic partnership. The conversion also must be permitted by the chapter of the Revised Code or by the laws under which the converted entity will exist. 5145
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(B)(1) The written declaration of conversion shall set forth all of the following: 5151
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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, the form of the converted entity, and the jurisdiction of formation of the converted entity; 5153
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(b) If the converted entity is a domestic entity, the 5157
complete terms of all documents required under the applicable 5158
chapter of the Revised Code to form the converted entity; 5159

(c) If the converted entity is a foreign entity, all of the 5160
following: 5161

(i) The complete terms of all documents required under the 5162
law of its formation to form the converted entity; 5163

(ii) The consent of the converted entity to be sued and 5164
served with process in this state, and the irrevocable appointment 5165
of the secretary of state as the agent of the converted entity to 5166
accept service of process in this state to enforce against the 5167
converted entity any obligation of the converting partnership or 5168
to enforce the rights of a dissenting partner of the converting 5169
partnership; 5170

(iii) If the converted entity desires to transact business in 5171
this state, the information required to qualify or be licensed 5172
under the applicable chapter of the Revised Code; 5173

(d) All other statements and matters required to be set forth 5174
in the declaration of conversion by the applicable chapter of the 5175
Revised Code if the converted entity is a domestic entity, or by 5176
the laws under which the converted entity will be formed, if the 5177
converted entity is a foreign entity; 5178

(e) The terms of the conversion; the mode of carrying them 5179
into effect; and the manner and basis of converting the interests 5180
or shares of the converting partnership into, or substituting the 5181
interests in the converting partnership for, interests, evidences 5182
of indebtedness, other securities, cash, rights, or any other 5183
property or any combination of interests, evidences of 5184
indebtedness, other securities, cash, rights, or any other 5185
property of the converted entity. 5186

(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. 5187
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(C) The written declaration of conversion may set forth any of the following: 5192
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(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; 5194
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(2) A provision authorizing the converting partnership to abandon the proposed conversion by action of the partners of the converting partnership taken prior to the filing of the certificate of conversion pursuant to section 1775.55 of the Revised Code; 5197
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(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 partnership at the time of the conversion; 5202
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(4) The parties to the declaration of conversion in addition to the converting entity; 5205
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(5) Any additional provision necessary or desirable with respect to the proposed conversion or the converted entity. 5207
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(D) The partners of the converting partnership must adopt the declaration of conversion to effect the conversion. 5209
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(E)(1) All partners, whether or not they are entitled to vote or act, shall be given written notice of any meeting of partners of a partnership or of any proposed action by the partners, which meeting or action is to adopt a declaration of conversion. The notice shall be given to the partners either as provided in writing in the partnership agreement or by mail at the partners' 5211
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addresses as they appear on the records of the partnership, or in 5217
person. Unless the partnership agreement provides a shorter or 5218
longer period, notice shall be given not less than seven and not 5219
more than sixty days before the meeting or the effective date of 5220
the action. 5221

(2) The notice described in division (E)(1) of this section 5222
shall be accompanied by a copy or a summary of the material 5223
provisions of the declaration of conversion. 5224

(F) The unanimous vote or action of the partners of a 5225
converting partnership, or a different number or proportion as 5226
provided in writing in the partnership agreement, is required to 5227
adopt a declaration of conversion. 5228

If the declaration of conversion would have an effect or 5229
authorize any action that under any applicable law or the 5230
partnership agreement could be effected or authorized only by or 5231
pursuant to a specified vote or action of the partners, or of any 5232
class or group of partners, the declaration of conversion also 5233
must be adopted or approved by the same vote or action as would be 5234
required to effect that change or authorize that action. 5235

(G)(1) At any time before the filing of the certificate of 5236
conversion pursuant to section 1775.55 of the Revised Code, the 5237
conversion may be abandoned by all of the partners of the 5238
converting partnership or by any representatives authorized to do 5239
so by the declaration of conversion, or by the same vote as was 5240
required to adopt the declaration of conversion. 5241

(2) The declaration of conversion may contain a provision 5242
authorizing less than all of the partners to amend the declaration 5243
of conversion at any time before the filing of the certificate of 5244
conversion pursuant to section 1775.55 of the Revised Code, except 5245
that, after the adoption of the declaration of conversion by the 5246
partners, less than all the partners are not authorized to amend 5247

the declaration of conversion to do any of the following: 5248

(a) Alter or change the amount or kind of interests, shares, evidences of indebtedness, other securities, cash rights, or any other property to be received by the partners of the converting partnership in conversion of, or substitution for, their interests; 5249
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(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; 5254
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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. 5259
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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. 5264
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(B)(1) The certificate of conversion shall set forth all of the following: 5272
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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; 5274
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(b) A statement that the converting entity has complied with 5277

<u>all of the laws under which it exists and that those laws permit</u>	5278
<u>the conversion;</u>	5279
<u>(c) The name and mailing address of the person or entity that</u>	5280
<u>is to provide a copy of the declaration of conversion in response</u>	5281
<u>to any written request made by a shareholder, partner, or member</u>	5282
<u>of the converting entity;</u>	5283
<u>(d) The effective date of the conversion, which date may be</u>	5284
<u>on or after the date of the filing of the certificate pursuant to</u>	5285
<u>this section;</u>	5286
<u>(e) The signature of the representative or representatives</u>	5287
<u>authorized to sign the certificate on behalf of the converting</u>	5288
<u>entity and the office held or the capacity in which the</u>	5289
<u>representative is acting;</u>	5290
<u>(f) A statement that the declaration of conversion is</u>	5291
<u>authorized on behalf of the converting entity and that each person</u>	5292
<u>that signed the certificate on behalf of the converting entity is</u>	5293
<u>authorized to do so;</u>	5294
<u>(g) The name and the form of the converted entity and the</u>	5295
<u>state under the laws of which the converted entity will exist;</u>	5296
<u>(h) If the converted entity is a foreign entity that will not</u>	5297
<u>be licensed in this state, the name and address of the statutory</u>	5298
<u>agent upon whom any process, notice, or demand may be served.</u>	5299
<u>(2) In the case of a conversion into a new domestic</u>	5300
<u>corporation, limited liability company, limited partnership, or</u>	5301
<u>other partnership, any organizational document that would be filed</u>	5302
<u>upon the creation of the converted entity shall be filed with the</u>	5303
<u>certificate of conversion.</u>	5304
<u>(3) If the converted entity is a foreign entity that desires</u>	5305
<u>to transact business in this state, the certificate of conversion</u>	5306
<u>shall be accompanied by the information required by division</u>	5307

<u>(B)(7), (8), (9), or (10) of section 1775.46 of the Revised Code.</u>	5308
<u>(4) If a foreign or domestic corporation licensed to transact business in this state is the converting entity, the certificate of conversion 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 a converting domestic corporation, or 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 a foreign corporation.</u>	5309 5310 5311 5312 5313 5314 5315 5316
<u>(C) If the converting entity or the converted entity 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, all documents required to be filed in connection with the conversion by the laws of that state or that chapter also shall be filed in the proper office.</u>	5317 5318 5319 5320 5321 5322
<u>(D) Upon the filing of a certificate of conversion and other filings required by division (C) of this section, or at any later date that the certificate of conversion specifies, the conversion is effective, subject to the limitation that no conversion shall be effected if there are reasonable grounds to believe that the conversion would render the converted entity unable to pay its obligations as they become due in the usual course of its affairs.</u>	5323 5324 5325 5326 5327 5328 5329
<u>(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 all of the following:</u>	5330 5331 5332 5333
<u>(1) The name and form of entity of the converting entity and the state under the laws of which it existed prior to the conversion;</u>	5334 5335 5336
<u>(2) The name and the form of entity of the converted entity and the state under the law of which it will exist;</u>	5337 5338

(3) The date of filing of the certificate of conversion with 5339
the secretary of state and the effective date of the conversion. 5340

(F) The certificate of the secretary of state, or a copy of 5341
the certificate of conversion certified by the secretary of state, 5342
may be filed for record in the office of the recorder of any 5343
county in this state and, if filed, shall be recorded in the 5344
records of deeds for that county. For the recording, the county 5345
recorder shall charge and collect the same fee as in the case of 5346
deeds. 5347

Sec. 1775.56. (A) Upon a conversion becoming effective, all 5348
of the following apply: 5349

(1) The converting entity is continued in the converted 5350
entity. 5351

(2) The converted entity exists, and the converting entity 5352
ceases to exist. 5353

(3) The converted entity possesses both of the following, and 5354
both of the following continue in the converted entity without any 5355
further act or deed: 5356

(a) Except to the extent limited by requirements of 5357
applicable law, both of the following: 5358

(i) All assets and property of every description of the 5359
converting entity and every interest in the assets and property of 5360
the converting entity, wherever the assets, property, and 5361
interests are located. Title to any real estate or any interest in 5362
real estate that was vested in the converting entity does not 5363
revert or in any way is impaired by reason of the conversion. 5364

(ii) The rights, privileges, immunities, powers, franchises, 5365
and authority, whether of a public or a private nature, of the 5366
converting entity. 5367

(b) All obligations belonging or due to the converting entity. 5368
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(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. 5370
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(B) If a general partner of a converting partnership is not a general partner of the entity resulting from the conversion, then unless that general partner agrees otherwise in writing, the general partner shall be indemnified by the converted entity against all present or future liabilities of the converting partnership of which the general partner was a general partner. Liabilities of the converting partnership, for purposes of division (B) of this section, include any amount payable pursuant to section 1775.50 of the Revised Code to a partner of the converting partnership. 5381
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(C) 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 1775.47 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 5391
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this state as a foreign corporation, limited liability company, 5400
limited partnership, or limited liability partnership as the case 5401
may be. In such a case, a copy of the certificate of conversion 5402
certified by the secretary of state constitutes the license 5403
certificate prescribed for a foreign corporation or the 5404
application for registration prescribed for a foreign limited 5405
liability company, foreign limited partnership, or foreign limited 5406
liability partnership. 5407

(D) Any action to set aside any conversion on the ground that 5408
any section of the Revised Code applicable to the conversion has 5409
not been complied with shall be brought within ninety days after 5410
the effective date of the conversion or is forever barred. 5411

(E) In the case of a converting or converted entity organized 5412
or existing under the laws of any state other than this state, 5413
this section is subject to the laws of the state under which that 5414
entity exists or in which it has property. 5415

Sec. 1782.435. (A) Unless otherwise provided in writing in 5416
the partnership agreement of a constituent domestic limited 5417
partnership, the following are entitled to relief as dissenting 5418
partners as provided in section 1782.436 of the Revised Code: 5419

(1) Partners of a domestic limited partnership that is being 5420
merged or consolidated into a surviving or new entity, domestic or 5421
foreign, pursuant to section 1782.431 or 1782.432 of the Revised 5422
Code; 5423

(2) In the case of a merger into a domestic limited 5424
partnership, partners of the surviving domestic limited 5425
partnership who under section 1782.431 of the Revised Code are 5426
entitled to vote or act on the adoption of an agreement or merger, 5427
but only as to the interests so entitling them to vote or act; 5428

(3) Partners of a domestic limited partnership that is being 5429

converted into a converted entity pursuant to section 1782.439 of 5430
the Revised Code. 5431

(B) Unless otherwise expressly agreed to in writing, a 5432
general partner of any constituent partnership shall be liable to 5433
the partners of the constituent partnership for any amount payable 5434
to them pursuant to section 1782.436 of the Revised Code as if the 5435
amount ~~se~~ payable were an existing liability of the constituent 5436
partnership at the time of the merger or consolidation. 5437

Sec. 1782.436. (A) A partner of a domestic limited 5438
partnership is entitled to relief as a dissenting partner in 5439
respect of the proposals described in section 1782.435 of the 5440
Revised Code only in compliance with this section. 5441

(B) If the proposal of merger ~~or~~, consolidation, or 5442
conversion is to be submitted to the partners at a meeting, the 5443
dissenting partner shall be a partner and a record holder of the 5444
partnership interests as to which ~~he~~ the dissenting partner seeks 5445
relief as of the date fixed for the determination of partners 5446
entitled to notice of the meeting, and such interests shall not 5447
have been voted in favor of the proposal. Not later than ten days 5448
after the date on which the vote on the proposal was taken at the 5449
meeting of the partners, the dissenting partner shall deliver to 5450
the limited partnership a written demand for payment to ~~him~~ the 5451
dissenting partner of the fair cash value of the interests as to 5452
which ~~he~~ the dissenting partner seeks relief that states ~~his~~ the 5453
dissenting partner's address, the number and class of those 5454
interests, and the amount claimed by ~~him~~ the dissenting partner as 5455
the fair cash value of the interests. 5456

(C) If the proposal of merger ~~or~~, consolidation, or 5457
conversion is to be submitted to the partners for their written 5458
approval or other action without meeting, the dissenting partner 5459
shall be a partner and a record holder of the interests of the 5460

partnership as to which ~~he~~ the dissenting partner seeks relief as 5461
of the date ~~such~~ the writing was sent to the partners entitled to 5462
act or otherwise approve the proposal, and the dissenting partner 5463
shall not have indicated ~~his~~ approval of the proposal in ~~his~~ the 5464
dissenting partner's capacity as a holder of such interests. Not 5465
later than fifteen days after the date on which request for 5466
approval of the proposal was mailed to the partners, the 5467
dissenting partner shall deliver to the partnership a written 5468
demand for payment to ~~him~~ the dissenting partner of the fair cash 5469
value of the interests as to which ~~he~~ the dissenting partner seeks 5470
relief, which demand shall state ~~his~~ the dissenting partner's 5471
address, the number and class of such interests, and the amount 5472
claimed by ~~him~~ the dissenting partner as the fair cash value of 5473
those interests. 5474

(D) In the case of a merger or consolidation, a demand served 5475
on the constituent domestic limited partnership involved 5476
constitutes service on the surviving entity or the new entity, 5477
whether the demand is served before, on, or after the effective 5478
date of the merger or consolidation. In the case of a conversion, 5479
a demand served on the converting domestic limited partnership 5480
constitutes service on the converted entity, whether the demand is 5481
served before, on, or after the effective date of the conversion. 5482

(E) If the interests as to which a dissenting partner seeks 5483
relief are represented by certificates and if the domestic limited 5484
partnership sends to the dissenting partner, at the address 5485
specified in ~~his~~ the dissenting partner's demand, a request for 5486
certificates representing the interests as to which ~~he~~ the 5487
dissenting partner seeks relief, the dissenting partner, within 5488
fifteen days from the date on which the request was sent, shall 5489
deliver to the limited partnership the certificates requested so 5490
that the limited partnership may endorse on them a legend to the 5491
effect that a demand for the fair cash value of such interests has 5492

been made. The limited partnership promptly shall return the 5493
endorsed certificates to the dissenting partner. The failure of a 5494
dissenting partner to deliver such certificates terminates ~~his~~ 5495
rights as a dissenting partner, at the option of the limited 5496
partnership, exercised by written notice sent to the dissenting 5497
partner within twenty days after the lapse of the fifteen-day 5498
period, unless a court for good cause shown otherwise directs. If 5499
interests represented by a certificate on which ~~such~~ a legend has 5500
been endorsed are transferred, each new certificate issued for 5501
them shall bear a similar legend, together with the name of the 5502
original dissenting holder of such interests. Upon receiving a 5503
demand for payment from a dissenting partner who is a record 5504
holder of uncertificated interests, the limited partnership shall 5505
make an appropriate notation of the demand for payment in its 5506
records. If uncertificated interests for which payment has been 5507
demanded are to be transferred, any writing sent to evidence the 5508
transfer shall bear the legend required for certificated 5509
securities as provided in this division. A transferee of the 5510
interests receiving a certificate so endorsed, or of 5511
uncertificated securities where such a notation has been made, 5512
acquires only ~~such~~ rights in the limited partnership as the 5513
original partner holding such interests had immediately after the 5514
service of a demand for payment of the fair cash value of the 5515
interests. A request under this division by the limited 5516
partnership is not an admission by it that the holder of the 5517
interest is entitled to relief under this section. 5518

(F) Unless the partnership agreement of the constituent 5519
domestic limited partnership in which the dissenting partner was a 5520
partner provides a reasonable basis for determining and paying the 5521
fair cash value of the interests as to which the dissenting 5522
partner seeks relief or unless the limited partnership and the 5523
dissenting partner have come to an agreement on the fair cash 5524
value of the interests as to which the dissenting partner seeks 5525

relief, the dissenting partner or the limited partnership, which 5526
in the case of a merger or consolidation may be the surviving or 5527
new entity, or in the case of a conversion is the converted 5528
entity, within three months after the service of the demand by the 5529
dissenting partner, may file a complaint under section 1782.437 of 5530
the Revised Code. The complaint shall be filed in the court of 5531
common pleas of the county in which the principal office of the 5532
limited partnership that issued the interests is located or was 5533
located when the proposal was adopted by the partners of the 5534
limited partnership. Other dissenting partners, within that 5535
three-month period, may join as plaintiffs or may be joined as 5536
defendants in any such proceeding, and any two or more such 5537
proceedings may be consolidated. 5538

(G) The right and obligation of a dissenting partner to 5539
receive ~~such~~ fair cash value and to sell such interests as to 5540
which ~~he~~ the dissenting partner seeks relief and the right and 5541
obligation of the domestic limited partnership to purchase such 5542
interests and to pay the fair cash value of them terminate if any 5543
of the following applies: 5544

(1) The dissenting partner has not complied with this 5545
section, unless the limited partnership waives such failure. 5546

(2) The limited partnership abandons the merger ~~or~~, 5547
consolidation, or conversion or is finally enjoined or prevented 5548
from carrying it out, or the partners rescind their adoption or 5549
approval of the merger ~~or~~, consolidation, or conversion. 5550

(3) The dissenting partner withdraws ~~his~~ the dissenting 5551
partner's demand, with the consent of the limited partnership. 5552

(4) All of the following apply: 5553

(a) The partnership agreement of the constituent domestic 5554
limited partnership in which the dissenting partner was a partner 5555
does not provide a reasonable basis for determining and paying the 5556

dissenting partner the fair cash value of ~~his~~ the dissenting
partner's interest. 5557
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(b) The limited partnership and the dissenting partner have 5559
not agreed upon the fair cash value of the interest. 5560

(c) Neither the dissenting partner nor the limited 5561
partnership has filed or joined in a complaint under division (F) 5562
of this section within the period provided in that division. 5563

(H) Unless otherwise provided in the partnership agreement of 5564
the constituent domestic limited partnership in which the 5565
dissenting partner was a partner, from the time the dissenting 5566
partner gives the demand until either the termination of the 5567
rights and obligations arising from it or the purchase of the 5568
interests by the limited partnership, all other rights accruing 5569
from such interests, including voting or distribution rights, are 5570
suspended. If, during the suspension, any distribution is paid in 5571
money upon interests of ~~such a~~ class or any dividend, 5572
distribution, or interest is paid in money upon any securities 5573
issued in extinguishment of, or in substitution for, such 5574
interest, an amount equal to the dividend, distribution, or 5575
interest that, except for the suspension, would have been payable 5576
upon such interests or securities shall be paid to the holder of 5577
record as a credit upon the fair cash value of the interests. If 5578
the right to receive fair cash value is terminated other than by 5579
the purchase of the interests by the limited partnership, all 5580
rights of the dissenting partner shall be restored and all 5581
distributions that, except for the suspension, would have been 5582
made shall be made to the holder of record of the interests at the 5583
time of termination. 5584

Sec. 1782.437. (A) When authorized by division (F) of section 5585
1782.436 of the Revised Code, a dissenting partner or limited 5586
partnership may file a complaint under this section demanding the 5587

relief described in this section. A complaint filed under this 5588
section shall contain a brief statement of the facts, including 5589
the vote or action by the partners and the facts entitling the 5590
dissenting partner to the relief demanded. No answer to ~~such~~ a 5591
complaint is required. Upon the filing of ~~such~~ a complaint, the 5592
court, on motion of the petitioner, shall enter an order fixing a 5593
date for a hearing on the complaint and requiring that a copy of 5594
the complaint and a notice of the filing and of the date for the 5595
hearing be given to the respondent or defendant in the manner in 5596
which summons is required to be served or substituted service is 5597
required to be made in other cases. On the date fixed for the 5598
hearing on the complaint or any adjournment of it, the court shall 5599
determine from the complaint and from ~~such~~ evidence ~~as is~~ 5600
submitted by either party whether the dissenting partner is 5601
entitled to be paid the fair cash value of any interests and, if 5602
so, the number and class of such interests. If the court finds 5603
that the dissenting partner is so entitled, it may appoint one or 5604
more persons as appraisers to receive evidence and to recommend a 5605
decision on the amount of the fair cash value. The appraisers have 5606
~~such~~ power and authority ~~as is~~ specified in the order of their 5607
appointment. The court thereupon shall make a finding as to the 5608
fair cash value of the interests and shall render judgment against 5609
the limited partnership for the payment of it, with interest at 5610
~~such~~ a rate and from ~~such~~ a date as the court considers equitable. 5611
The costs of the proceeding, including reasonable compensation to 5612
the appraisers to be fixed by the court, shall be assessed or 5613
apportioned as the court considers equitable. The proceeding is a 5614
special proceeding and final orders in it may be vacated, 5615
modified, or reversed on appeal pursuant to the Rules of Appellate 5616
Procedure and, to the extent not in conflict with those rules, 5617
Chapter 2505. of the Revised Code. If, during the pendency of any 5618
proceeding under this section, a suit or proceeding is or has been 5619
instituted to enjoin or otherwise to prevent the carrying out of 5620

the action as to which the partner has dissented, the proceeding 5621
instituted under this section shall be stayed until the final 5622
determination of the other suit or proceeding. Unless any 5623
provision of division (G) of section 1782.436 of the Revised Code 5624
is applicable, the fair cash value of the interests that is agreed 5625
upon by the parties or fixed under this section shall be paid 5626
within thirty days after the date of final determination of such 5627
value under this division or the consummation of the merger ~~or~~ 5628
consolidation, or conversion, whichever occurs last. Upon the 5629
occurrence of the last such event, payment shall be made 5630
immediately to a holder of uncertificated securities entitled to 5631
~~such~~ payment. In the case of holders of interests represented by 5632
certificates, payment shall be made only upon and simultaneously 5633
with the surrender to the domestic limited partnership of the 5634
certificates representing the interests for which the payment is 5635
made. 5636

(B) If the proposal was submitted to the partners of the 5637
limited partnership for a vote at a meeting, fair cash value as to 5638
those partners shall be determined as of the day before the day on 5639
which the vote by the partners was taken. If the proposal was 5640
submitted to the partners for written approval or other action, 5641
fair cash value as to those partners shall be determined as of the 5642
day before the day on which the request for the approval or action 5643
was sent. The fair cash value of an interest for purposes of this 5644
section is the amount that a willing seller who is under no 5645
compulsion to sell would be willing to accept and that a willing 5646
buyer who is under no compulsion to purchase would be willing to 5647
pay, but the fair cash value paid to any partner shall not exceed 5648
the amount specified in the demand of that partner. In computing 5649
~~such~~ fair cash value, any appreciation or depreciation in market 5650
value resulting from the merger ~~or~~ consolidation, or conversion 5651
shall be excluded. 5652

Sec. 1782.438. (A) Subject to division (B)(2) of this 5653
section, pursuant to a written declaration of conversion as 5654
provided in this section, a domestic or foreign entity other than 5655
a domestic limited partnership may be converted into a domestic 5656
limited partnership. The conversion also must be permitted by the 5657
chapter of the Revised Code or by the laws under which the 5658
converting entity exists. 5659

(B)(1) The written declaration of conversion shall set forth 5660
all of the following: 5661

(a) The name and form of entity that is being converted, the 5662
name of the entity into which the entity will be converted, and 5663
the jurisdiction of formation of the converting entity; 5664

(b) The certificate of limited partnership of the converted 5665
limited partnership; 5666

(c) The partnership agreement of the converted domestic 5667
limited partnership or a provision that the written agreement of 5668
the converting entity, a copy of which shall be attached to the 5669
declaration of conversion, with any amendments that are set forth 5670
in the declaration of conversion, is the agreement of the 5671
converted domestic limited partnership; 5672

(d) The general partners of the converted domestic limited 5673
partnership; 5674

(e) All statements and matters required to be set forth in an 5675
instrument of conversion by the laws under which the converting 5676
entity exists; 5677

(f) The terms of the conversion; the mode of carrying them 5678
into effect; and the manner and basis of converting the interests 5679
or shares of the converting entity into, or substituting the 5680
interests or shares in the converting entity for, interests, 5681
evidences of indebtedness, other securities, cash, rights, or any 5682

other property or any combination of interests, evidences of 5683
indebtedness, other securities, cash, rights, or any other 5684
property of the converted limited partnership. 5685

(2) No conversion or substitution described in this section 5686
shall be effected if there are reasonable grounds to believe that 5687
the conversion or substitution would render the converted limited 5688
partnership unable to pay its obligations as they become due in 5689
the usual course of its affairs. 5690

(C) The written declaration of conversion may set forth any 5691
of the following: 5692

(1) The effective date of the conversion, which date may be 5693
on or after the date of the filing of the certificate of 5694
conversion pursuant to section 1782.4310 of the Revised Code; 5695

(2) A provision authorizing the converting entity to abandon 5696
the proposed conversion by action of authorized representatives of 5697
the converting entity taken prior to the filing of the certificate 5698
of conversion pursuant to section 1782.4310 of the Revised Code; 5699

(3) A statement of, or a statement of the method to be used 5700
to determine, the fair value of the assets owned by the converting 5701
entity at the time of the conversion; 5702

(4) The parties to the declaration of conversion in addition 5703
to the converting entity; 5704

(5) Any additional provision necessary or desirable with 5705
respect to the proposed conversion or the converted entity. 5706

(D) At any time before the filing of the certificate of 5707
conversion pursuant to section 1782.4310 of the Revised Code, the 5708
conversion may be abandoned by any representatives authorized to 5709
do so by the declaration of conversion, or by the same vote as was 5710
required to adopt the declaration of conversion. 5711

(E) Each person that will be a general partner of the 5712

domestic limited partnership that is the converted entity 5713
specifically shall agree in writing to be a general partner in the 5714
domestic limited partnership that is the converted entity. 5715

Sec. 1782.439. (A) Subject to division (B)(2) of this 5716
section, pursuant to a written declaration of conversion as 5717
provided in this section, a domestic limited partnership may be 5718
converted into a domestic or foreign entity other than a domestic 5719
limited partnership. The conversion also must be permitted by the 5720
chapter of the Revised Code or by the laws under which the 5721
converted entity will exist. 5722

(B)(1) The written declaration of conversion shall set forth 5723
all of the following: 5724

(a) The name and form of entity that is being converted, the 5725
name of the entity into which the entity will be converted, the 5726
form of the converted entity, and the jurisdiction of formation of 5727
the converted entity; 5728

(b) If the converted entity is a domestic entity, the 5729
complete terms of all documents required under the applicable 5730
chapter of the Revised Code to form the converted entity; 5731

(c) If the converted entity is a foreign entity, all of the 5732
following: 5733

(i) The complete terms of all documents required under the 5734
law of its formation to form the converted entity; 5735

(ii) The consent of the converted entity to be sued and 5736
served with process in this state, and the irrevocable appointment 5737
of the secretary of state as the agent of the converted entity to 5738
accept service of process in this state to enforce against the 5739
converted entity any obligation of the converting limited 5740
partnership or to enforce the rights of a dissenting limited 5741
partner of the converting limited partnership; 5742

(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; 5743
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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. 5746
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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 limited 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. 5751
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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. 5759
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(C) The written declaration of conversion may set forth any of the following: 5764
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(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 1782.4310 of the Revised Code; 5766
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(2) A provision authorizing the converting limited partnership to abandon the proposed conversion by action of the general partners of the converting limited partnership taken prior to the filing of the certificate of conversion pursuant to section 1782.4310 of the Revised Code; 5769
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(3) A statement of, or a statement of the method to be used 5774
to determine, the fair value of the assets owned by the converting 5775
limited partnership at the time of the conversion; 5776

(4) The parties to the declaration of conversion in addition 5777
to the converting entity; 5778

(5) Any additional provision necessary or desirable with 5779
respect to the proposed conversion or the converted entity. 5780

(D) The general partners of the converting domestic limited 5781
partnership and, unless otherwise provided in writing in the 5782
agreement of limited partnership, the limited partners of the 5783
converting domestic limited partnership must adopt the declaration 5784
of conversion in order to effect the conversion. Notwithstanding 5785
that the limited partners of a converting domestic limited 5786
partnership are not required to vote on a conversion, the 5787
declaration of conversion also must be adopted by the limited 5788
partners if the declaration of conversion makes any change to the 5789
partnership agreement then in effect or to the documents governing 5790
the organization of the converted entity, or authorizes any action 5791
that, if it were made or authorized apart from the conversion, 5792
would require such approval or adoption. 5793

(E)(1) All partners, whether or not they are entitled to vote 5794
or act, shall be given written notice of any meeting of limited 5795
partners of a converting domestic limited partnership or of any 5796
proposed action by limited partners of a converting domestic 5797
limited partnership, which meeting or action is to adopt a 5798
declaration of conversion. The notice shall be given to the 5799
partners either as provided in writing in the limited partnership 5800
agreement or by mail at the partners' addresses as they appear on 5801
the records of the limited partnership, or in person. Unless the 5802
limited partnership agreement provides a shorter or longer period, 5803
notice shall be given not less than seven and not more than sixty 5804

days before the meeting or the effective date of the action. 5805

(2) The notice described in division (E)(1) of this section shall be accompanied by a copy or a summary of the material provisions of the declaration of conversion. 5806
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(F) The unanimous vote or action of the general partners, or a different number or proportion as provided in writing in the partnership agreement, is required to adopt a declaration of conversion. 5809
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If the declaration of conversion would have an effect or authorize any action that under any applicable provision of law or the partnership agreement could be effected or authorized only by or pursuant to a specified vote or action of the partners, or of any class or group of partners, the declaration of conversion also must be adopted or approved by the same vote or action as would be required to effect that change or authorize that action. 5813
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(G) Each person that will continue to be or that will become a general partner of a partnership that is a converted entity in a conversion specifically shall agree to continue or to become, as the case may be, a general partner of the partnership that is the converted entity. 5820
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(H)(1) At any time before the filing of the certificate of conversion pursuant to section 1782.4310 of the Revised Code, the conversion may be abandoned by all of the general partners of the converting limited partnership or by any representatives authorized to do so by the declaration of conversion, or by the same vote as was required to adopt the declaration of conversion. 5825
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(2) The declaration of conversion may contain a provision authorizing less than all of the general partners to amend the declaration of conversion at any time before the filing of the certificate of conversion, except that, after the adoption of the declaration of conversion by the general partners, less than all 5831
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the general partners are not authorized to amend the declaration 5836
of conversion to do any of the following: 5837

(a) Alter or change the amount or kind of interests, shares, 5838
evidences of indebtedness, other securities, cash rights, or any 5839
other property to be received by the partners of the converting 5840
limited partnership in conversion of, or substitution for, their 5841
interests; 5842

(b) Alter or change any term of the organizational documents 5843
of the converted entity except for alterations or changes that are 5844
adopted with the vote or action of the persons the vote or action 5845
of which would be required for the alteration or change after the 5846
conversion; 5847

(c) Alter or change any other terms and conditions of the 5848
declaration of conversion if any of the alterations or changes, 5849
alone or in the aggregate, materially and adversely would affect 5850
the partners or any class or group of partners of the converting 5851
partnership. 5852

Sec. 1782.4310. (A) Upon the adoption of a declaration of 5853
conversion pursuant to section 1782.438 or 1782.439 of the Revised 5854
Code, or at a later time as authorized by the declaration of 5855
conversion, a certificate of conversion that is signed by an 5856
authorized representative of the converting entity shall be filed 5857
with the secretary of state. The certificate shall be on a form 5858
prescribed by the secretary of state and shall set forth only the 5859
information required by this section. 5860

(B)(1) The certificate of conversion shall set forth all of 5861
the following: 5862

(a) The name and the form of entity of the converting entity 5863
and the state under the laws of which the converting entity 5864
exists; 5865

(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; 5866
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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; 5869
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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; 5873
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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; 5876
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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; 5880
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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; 5884
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(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. 5886
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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. 5889
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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 5894
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shall be accompanied by the information required by division 5896
(B)(7), (8), or (9) of section 1782.432 of the Revised Code. 5897

(4) If a foreign or domestic corporation licensed to transact 5898
business in this state is the converting entity, the certificate 5899
of conversion shall be accompanied by the affidavits, receipts, 5900
certificates, or other evidence required by division (H) of 5901
section 1701.86 of the Revised Code with respect to a converting 5902
domestic corporation, or by the affidavits, receipts, 5903
certificates, or other evidence required by division (C) or (D) of 5904
section 1703.17 of the Revised Code with respect to a foreign 5905
corporation. 5906

(C) If the converting entity or the converted entity is 5907
organized or formed under the laws of a state other than this 5908
state or under any chapter of the Revised Code other than this 5909
chapter, all documents required to be filed in connection with the 5910
conversion by the laws of that state or that chapter shall be 5911
filed in the proper office. 5912

(D) Upon the filing of a certificate of conversion and other 5913
filings required by division (C) of this section, or at any later 5914
date that the certificate of conversion specifies, the conversion 5915
is effective, subject to the limitation that no conversion shall 5916
be effected if there are reasonable grounds to believe that the 5917
conversion would render the converted entity unable to pay its 5918
obligations as they become due in the usual course of its affairs. 5919

(E) The secretary of state shall furnish, upon request and 5920
payment of the fee specified in division (K)(2) of section 111.16 5921
of the Revised Code, the secretary of state's certificate setting 5922
forth all of the following: 5923

(1) The name and form of entity of the converting entity and 5924
the state under the laws of which it existed prior to the 5925
conversion; 5926

(2) The name and the form of entity of the converted entity 5927
and the state under the law of which it will exist; 5928

(3) The date of filing of the certificate of conversion with 5929
the secretary of state and the effective date of the conversion. 5930

(F) The certificate of the secretary of state, or a copy of 5931
the certificate of conversion certified by the secretary of state, 5932
may be filed for record in the office of the recorder of any 5933
county in this state and, if filed, shall be recorded in the 5934
records of deeds for that county. For the recording, the county 5935
recorder shall charge and collect the same fee as in the case of 5936
deeds. 5937

Sec. 1782.4311. (A) Upon a conversion becoming effective, all 5938
of the following apply: 5939

(1) The converting entity is continued in the converted 5940
entity. 5941

(2) The converted entity exists, and the converting entity 5942
ceases to exist. 5943

(3) The converted entity possesses both of the following, and 5944
both of the following continue in the converted entity without any 5945
further act or deed: 5946

(a) Except to the extent limited by requirements of 5947
applicable law, both of the following: 5948

(i) All assets and property of every description of the 5949
converting entity and every interest in the assets and property of 5950
the converting entity, wherever the assets, property, and 5951
interests are located. Title to any real estate or any interest in 5952
real estate that was vested in the converting entity does not 5953
revert or in any way is impaired by reason of the conversion. 5954

(ii) The rights, privileges, immunities, powers, franchises, 5955

and authority, whether of a public or a private nature, of the 5956
converting entity. 5957

(b) All obligations belonging or due to the converting 5958
entity. 5959

(4) All the rights of creditors of the converting entity are 5960
preserved unimpaired, and all liens upon the property of the 5961
converting entity are preserved unimpaired. If a general partner 5962
of a converting partnership is not a general partner of the entity 5963
resulting from the conversion, then the former general partner has 5964
no liability for any obligation incurred after the conversion 5965
except to the extent that a former creditor of the converting 5966
partnership in which the former general partner was a general 5967
partner extends credit to the converted entity reasonably 5968
believing that the former general partner continues as a general 5969
partner of the converted entity. 5970

(B) If a general partner of a converting limited partnership 5971
is not a general partner of the entity resulting from the 5972
conversion, then, unless that general partner agrees otherwise in 5973
writing, the general partner shall be indemnified by the converted 5974
entity against all present or future liabilities of the converting 5975
limited partnership of which the general partner was a general 5976
partner. Liabilities of the converting limited partnership, for 5977
purposes of division (B) of this section, include any amount 5978
payable pursuant to section 1782.435 of the Revised Code to a 5979
partner of the converting partnership. 5980

(C) In the case of a conversion into a foreign corporation, 5981
limited liability company, or partnership that is not licensed or 5982
registered to transact business in this state, if the converted 5983
entity intends to transact business in this state, and the 5984
certificate of conversion is accompanied by the information 5985
described in division (B)(4) of section 1782.433 of the Revised 5986

Code, then on the effective date of the conversion, the converted 5987
entity is considered to have complied with the requirements for 5988
procuring a license or for registration to transact business in 5989
this state as a foreign corporation, limited liability company, 5990
limited partnership, or limited liability partnership as the case 5991
may be. In such a case, a copy of the certificate of conversion 5992
certified by the secretary of state constitutes the license 5993
certificate prescribed for a foreign corporation or the 5994
application for registration prescribed for a foreign limited 5995
liability company, foreign limited partnership, or foreign limited 5996
liability partnership. 5997

(D) Any action to set aside any conversion on the ground that 5998
any section of the Revised Code applicable to the conversion has 5999
not been complied with shall be brought within ninety days after 6000
the effective date of the conversion or is forever barred. 6001

(E) In the case of a converting or converted entity organized 6002
or existing under the laws of any state other than this state, 6003
this section is subject to the laws of the state under which that 6004
entity exists or in which it has property. 6005

Sec. 1782.65. (A) Absent an express agreement to the 6006
contrary, a person providing goods to or performing services for a 6007
domestic or foreign limited partnership owes no duty to, incurs no 6008
liability or obligation to, and is not in privity with the general 6009
partners, limited partners, or creditors of the limited 6010
partnership by reason of providing goods to or performing services 6011
for the limited partnership. 6012

(B) Absent an express agreement to the contrary, a person 6013
providing goods to or performing services for a general or limited 6014
partner or a group of general or limited partners of a limited 6015
domestic or foreign limited partnership owes no duty to, incurs no 6016
liability or obligation to, and is not in privity with the limited 6017

partnership, any other general or limited partners of the limited 6018
partnership, or the creditors of the limited partnership by reason 6019
of providing goods to or performing services for the general or 6020
limited partner or group of general or limited partners. 6021

Section 2. That existing sections 111.16, 1701.01, 1701.10, 6022
1701.11, 1701.17, 1701.18, 1701.19, 1701.40, 1701.41, 1701.44, 6023
1701.51, 1701.54, 1701.57, 1701.58, 1701.62, 1701.63, 1701.73, 6024
1701.75, 1701.76, 1701.81, 1701.831, 1701.84, 1701.85, 1701.92, 6025
1704.02, 1704.03, 1705.09, 1705.19, 1705.40, 1705.41, 1705.42, 6026
1707.01, 1707.041, 1707.20, 1707.44, 1775.01, 1775.05, 1775.14, 6027
1775.45, 1775.46, 1775.47, 1775.48, 1775.49, 1775.50, 1775.51, 6028
1775.52, 1782.435, 1782.436, and 1782.437 of the Revised Code are 6029
hereby repealed. 6030

Section 3. Section 111.16 of the Revised Code, as amended by 6031
this act, shall take effect on the one hundred eightieth day after 6032
the effective date of this act. 6033