

# MAINE STATE LEGISLATURE

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**LAWS**  
**OF THE**  
**STATE OF MAINE**

**AS PASSED BY THE**

**ONE HUNDRED AND NINETEENTH LEGISLATURE**

**SECOND REGULAR SESSION**  
**January 5, 2000 to May 12, 2000**

**THE GENERAL EFFECTIVE DATE FOR**  
**SECOND REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**AUGUST 11, 2000**

**PUBLISHED BY THE REVISOR OF STATUTES**  
**IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,**  
**TITLE 3, SECTION 163-A, SUBSECTION 4.**

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**J.S. McCarthy Company**  
**Augusta, Maine**  
**2000**

(9) The whole of Long Island in Long Island Plantation in Hancock County.

**Sec. 3. 12 MRSA §7457, sub-§1, ¶D-1** is enacted to read:

D-1. The commissioner by rule may open any of the areas closed to deer hunting under paragraph D, as long as the legislative body of each affected town approves the opening. For purposes of this paragraph, "affected towns" means any town, township or municipality that contains within its borders any area proposed to be opened under this paragraph. Rules adopted pursuant to this paragraph are routine technical rules pursuant to Title 5, chapter 375, subchapter II-A.

**Sec. 4. 12 MRSA §7457, sub-§1, ¶I**, as amended by PL 1997, c. 432, §43, is further amended to read:

I. The commissioner, by rule, may create special hunting seasons for the taking of deer in any part of the State to maintain deer populations in balance with available habitat, subject to the following.

(1) The demarcation of each area must follow recognizable physical boundaries, such as rivers, roads and railroad rights-of-way.

(2) The determination of these areas must be made and published prior to August 1st of each year.

(3) The commissioner may implement a permit system and establish fees to regulate hunter participation in a special season and the number, sex and age of deer harvested.

~~(4) Special hunts must take place between the close of the special muzzle loading season and January 31st.~~

(5) The commissioner may establish limits on the number of deer taken or possessed by persons during any special season. Limits established by the commissioner under this subparagraph are exceptions to the limits imposed under section 7458, subsections 1 and 2.

(6) The commissioner may specify types of weapons to be used during a special season.

**Sec. 5. Hunting season for deer in the Cranberry Isles in 2000.** Prior to holding any open season on deer in the Cranberry Isles, the Commissioner of Inland Fisheries and Wildlife shall hold a depredation hunt for the taking of deer on the

whole of the Cranberry Isles under the authority of the Maine Revised Statutes, Title 12, section 7035, subsection 3. Permits for that hunt may only be issued to owners of land on those isles or to their designees.

**Sec. 6. Effective date.** That section of this Act that amends the Maine Revised Statutes, Title 12, section 7457, subsection 1, paragraph D, subparagraph (8) takes effect July 1, 2001.

See title page for effective date, unless otherwise indicated.

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## CHAPTER 637

H.P. 1709 - L.D. 2415

### An Act to Remove Certain Barriers for Low-income Working Parents

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 22 MRSA §3104, sub-§13** is enacted to read:

13. Categorical eligibility. The department shall adopt rules that maximize access to the food stamp program for households in which there is a child who would be a dependent child under the Temporary Assistance for Needy Families program but that do not receive a monthly cash assistance grant from the Temporary Assistance for Needy Families program. Under rules adopted pursuant to this subsection, certain of these families must be authorized to receive referral services provided through the Temporary Assistance to Needy Families block grant and be categorically eligible for food stamps in accordance with federal law. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter II-A.

See title page for effective date.

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## CHAPTER 638

H.P. 1639 - L.D. 2290

### An Act to Improve Business Entity Filings and Authorize Mergers, Consolidations and Conversions of Various Business Entities

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 13-A MRSA §908, sub-§1, ¶A**, as enacted by PL 1971, c. 439, §1, is amended to read:

A. Any plan of merger or consolidation in which the corporation is participating, including a merger or consolidation pursuant to section 911, and any conversion of a corporation under section 912; or

**Sec. 2. 13-A MRSA §908, sub-§3, ¶A,** as enacted by PL 1971, c. 439, §1, is amended to read:

A. If such corporation is, on the date of filing of the articles of merger, the owner of all the outstanding shares of the other corporations or all of the ownership interest in the other business entities, domestic or foreign, which that are parties to the merger; or

**Sec. 3. 13-A MRSA §§911 to 913** are enacted to read:

**§911. Merger or consolidation of corporation with other business entities**

**1. Definitions.** For purposes of this section, "other business entity" means any association or legal entity, other than a domestic or foreign corporation, organized to conduct business, including, without limitation, a limited partnership, general partnership, limited liability partnership, limited liability company, joint venture, joint stock company and business trust authorized by applicable statutes to merge or consolidate with a corporation.

**2. Merger or consolidation with other business entities.** Pursuant to a plan of merger or consolidation that complies with and is approved in accordance with this section, any one or more corporations may merge or consolidate with or into one or more other business entities, with the corporation or the other business entity as the agreement provides being the surviving or resulting corporation or other business entity.

**3. Agreement or plan of merger or consolidation.** A corporation and other business entity that is merging or consolidating pursuant to subsection 2 shall enter into a written agreement or plan of merger or consolidation. The agreement or plan must state:

A. The names and current jurisdictions of the participating corporations or other business entities and the name and jurisdiction of the surviving or resulting corporation or other business entity into which they propose to merge or consolidate;

B. The terms and conditions of the merger or consolidation;

C. The mode of carrying the merger or consolidation into effect;

D. The manner of converting the shares of stock of each corporation and the ownership interests of each other business entity into shares or other ownership interests of the entity surviving or resulting from the merger or consolidation. If any shares of any corporation or any ownership interests of any other business entity are not to be converted solely into shares, ownership interests or other securities of the entity surviving or resulting from the merger or consolidation, the agreement or plan must state the cash, property, rights or securities of any corporation or other business entity that the holders of the shares or ownership interests are to receive in connection with the merger or consolidation; and

E. Any other details or provisions as are determined desirable, including, but not limited to, a provision for the payment of cash in lieu of the issuance of fractional shares or interests of the surviving or resulting corporation or other business entity.

Any of the terms of the agreement or plan of merger or consolidation may be made dependent upon facts ascertainable outside of the agreement or plan, as long as the manner in which the facts operate upon the terms of the agreement or plan is clearly and expressly set forth in the agreement or plan of merger or consolidation.

**4. Manner of approval.** The written agreement or plan of merger or consolidation required under subsection 3 must be adopted by the board of directors of each corporation and approved by the shareholders of each corporation to the extent required and in the same manner as provided in section 902. In the case of the other business entities, the agreement or plan must be approved in accordance with the laws of the state under which they are formed and, to the extent allowed under such laws, in accordance with their governing documents. If, as a result of the merger or consolidation, one or more shareholders of a domestic corporation would become subject to personal liability for the obligations or liabilities of any other person or entity, approval of the plan of merger or consolidation must require the execution by each such shareholder of a separate written consent to become subject to such personal liability.

**5. Articles of merger or consolidation.** After a written agreement or plan of merger or consolidation is adopted and approved in the manner required by subsection 4, the surviving or resulting corporation or other business entity shall deliver to the Secretary of State for filing articles of merger or consolidation setting forth:

A. The name and current jurisdiction of each corporation or other business entity that is to merge or consolidate;

B. That an agreement or plan of merger or consolidation has been approved, adopted and executed by each corporation or other business entity that is a party to the merger or consolidation;

C. The name of the surviving or resulting corporation or other business entity;

D. If a domestic corporation is the surviving entity of the merger or consolidation, the written agreement or plan of merger or consolidation;

E. If the surviving or resulting corporation or other business entity is not organized under the laws of this State, a statement that the surviving corporation or other business entity:

(1) Agrees that it may be served with process in this State in a proceeding for enforcement of an obligation of a party to the merger or consolidation that was organized under the laws of this State, as well as for enforcement of an obligation of the surviving or resulting corporation or other business entity arising from the merger or consolidation; and

(2) Appoints the Secretary of State as its agent for service of process in any such proceeding, and the surviving or resulting corporation or other business entity shall specify the address to which a copy of the process must be mailed by the Secretary of State;

F. If shareholder approval of any corporation party to the written agreement or plan of merger or consolidation was not required, a statement to that effect;

G. If approval of the shareholders of one or more corporations party to the merger or consolidation was required:

(1) The designation, number of outstanding shares and number of shares entitled to vote on the written agreement or plan of merger or consolidation as to each corporation; the number of shares voted for and against the agreement or plan; and a statement that the number of votes cast for the agreement or plan was sufficient for approval by the shareholders; and

(2) If the shares of any class were entitled to vote as a class, the designation and num-

ber of outstanding shares of each such class, the number of shares of each such class voted for and against the written agreement or plan and a statement that the number of votes cast for the agreement or plan by each class was sufficient for approval by that class;

H. In the case of a merger, a statement of any changes in or a restatement of the organizing documents of the surviving corporation or other business entity, a statement that the organizing documents of the surviving corporation or other business entity remain unchanged or, in the case of a consolidation, with respect to the resulting corporation or other business entity, all of the statements required to be set forth in the organizing documents for that type of business entity;

I. If the surviving entity is not a domestic corporation, a statement that the executed agreement or plan of merger or consolidation is on file at the principal place of business of the surviving corporation or other business entity and the address of such place of business and that a copy of the agreement or plan of merger or consolidation will be furnished by the surviving entity, on request and without cost, to any shareholder of any constituent corporation and any record owner of interests in any other business entity that participated in the merger or consolidation;

J. The date when the merger or consolidation is to take effect, not to exceed 60 days subsequent to the filing date of the articles of merger or consolidation;

K. A statement to the effect that the merger or consolidation was effected in compliance with the laws applicable to mergers or consolidations of all parties to the merger or consolidation; and

L. An agreement that the surviving or resulting corporation or other business entity shall continue to comply with all provisions of all laws applicable to mergers or consolidations of all parties to the merger or consolidation, including, without limitation, provisions on payment of amounts to which dissenting shareholders are entitled.

**6. Effective date.** A merger or consolidation under this section takes effect upon the later of the effective date of the filing of the articles of merger or consolidation or the date set forth in the articles of merger or consolidation.

**7. General effect of merger or consolidation.** A merger or consolidation has the following effects.

A. The corporations or other business entities that are parties to the merger or consolidation agreement become a single entity, which in the case of a merger is the corporation or other business entity designated in the plan of merger as the survivor and in the case of a consolidation is the resulting corporation or other business entity provided for in the plan of consolidation.

B. The separate existence of each party to the merger or consolidation agreement, except for the surviving or resulting corporation or other business entity, ceases.

C. The surviving or resulting corporation or other business entity possesses all the rights, privileges, immunities, powers and franchises of each constituent corporation or other business entity and is subject to all the restrictions, disabilities and duties of each of the parties to the extent that those rights, privileges, immunities, powers, franchises, restrictions, disabilities and duties are applicable.

D. All property, real, personal and mixed; all debts due, including promises to make capital contributions and subscriptions for shares or interests; all other choses in action; and all other interests of or belonging to or due to each of the constituent entities vest in the surviving or resulting corporation or other business entity without further act or deed.

E. The title to all real estate and any interests in real estate vested in a constituent corporation or other business entity do not revert and are not in any way impaired by reason of the merger or consolidation.

F. The surviving or resulting corporation or other business entity is liable for all liabilities and obligations of each of the constituent corporations or other business entities so merged or consolidated and any claim existing or action or proceeding pending by or against a constituent corporation or other business entity may be prosecuted as if the merger or consolidation had not taken place or the surviving or resulting corporation or other business entity may be substituted in the action.

G. Neither the rights of creditors nor any liens on the property of a constituent corporation or other business entity are impaired by the merger or consolidation.

H. The shares or other interests in a corporation or the shares or other interests of another business entity that are to be converted or exchanged into interests, cash, obligations or other property under the terms of the merger or consolidation

agreement are so converted and the former holders of the membership or other interest are entitled only to the rights provided in the merger or consolidation agreement or the rights otherwise provided by law.

**8. Appointment of Secretary of State; pay shareholders.** When the merger or consolidation takes effect, a surviving or resulting foreign corporation or other business entity of a merger or consolidation is considered:

A. To appoint the Secretary of State as its agent for service of process in a proceeding to enforce any obligation or rights of dissenting shareholders of each domestic corporation to the merger or consolidation; and

B. To agree that it will promptly pay to the dissenting shareholders of each corporation party to the merger or consolidation the amount, if any, to which they are entitled under section 909.

### **§912. Conversion of business entity**

**1. Definitions.** For purposes of this section, "business entity" means any association or legal entity organized to conduct business, including, without limitation, a domestic or foreign corporation, limited partnership, general partnership, limited liability partnership, limited liability company, joint venture, joint stock company and business trust.

**2. Authority.** A business entity may convert to another type of business entity by complying with the requirements of this section.

**3. Manner of approval.** Each business entity that proposes to convert to another type of business entity shall approve a plan of conversion in the manner and by the vote required by the laws applicable to that business entity and, to the extent allowed under such laws, its governing documents.

**4. Plan of conversion.** A plan of conversion must set forth the terms and conditions of the conversion of the shares of stock of a corporation or ownership interests in the converting business entity, into interests in the resulting business entity, cash or other consideration to be paid or delivered as a result of the conversion.

**5. Certificate of conversion.** A business entity converting to another type of business entity pursuant to this section shall file with the Secretary of State:

A. A certificate of conversion; and

B. Articles of organization, articles of incorporation, certificate of limited partnership or other formation documents required by law for the

formation of the type of business entity resulting from the conversion.

**6. Content of certificate.** The certificate of conversion must state:

A. The date on which the business entity was first created, formed, incorporated or otherwise came into being and its jurisdiction immediately prior to its conversion to another type of business entity;

B. The name of the business entity immediately prior to the filing of the certificate of conversion;

C. The name of the resulting business entity as set forth in its articles of organization or other formation documents filed for other business entities in accordance with subsection 5;

D. If the converting business entity is a corporation:

(1) The designation, number of outstanding shares and number of shares entitled to vote on the plan; the number of shares voted for and against the plan; and a statement that the number of votes cast for the plan was sufficient for approval of the plan by the shareholders; and

(2) If the shares of any class were entitled to vote as a class, the designation and number of outstanding shares of each such class, the number of shares of each such class voted for and against the plan and a statement that the number of votes cast for the plan by each class was sufficient for approval by that class;

E. That the plan of conversion is on file at the principal place of business of the resulting business entity and the address of the entity and that a copy of the plan of conversion will be furnished by the resulting business entity on request and without cost to any interest holder of the business entity; and

F. The date when the conversion is to take effect, not to exceed 60 days after the filing date of the conversion.

**7. Effective date.** A conversion of a business entity to another type of business entity takes effect upon the later of the effective date and time of the filing of the formation documents pursuant to subsection 5 or upon the date specified in the certificate of conversion.

**8. Effects of conversion.** Upon the effective date of the conversion, the resulting business entity is

subject to all of the provisions of law applicable to that business entity. A conversion of a business entity to another type of business entity has the following effects.

A. The resulting business entity possesses all the rights, privileges, immunities, powers and franchises of the converting business entity and is subject to all the restrictions, disabilities and duties of the converting business entity to the extent that the rights, privileges, immunities, powers, franchises, restrictions, disabilities and duties are applicable to the resulting business entity.

B. All property, real, personal and mixed; all debts due, including promises to make capital contributions and subscriptions for shares or interests; all other choses in action; and all other interests of or belonging to or due to the converting business entity vest in the resulting business entity without further act or deed.

C. The title to all real estate and other interests in real estate vested in the converting business entity does not revert and is not in any way impaired by reason of the conversion.

D. The resulting business entity is liable for all liabilities and obligations of the converting business entity and any claim existing or action or proceeding pending by or against the business entity may be prosecuted as if the conversion had not taken place, or the resulting business entity may be substituted in the action.

E. Neither the rights of creditors nor any liens on the property of the converting business entity are impaired by the conversion.

F. The interests or shares of the converting business entity that are to be converted or exchanged into interests of the resulting business entity under the terms of the plan of conversion are so converted and the former holders are entitled only to the interests in the resulting business entity as provided in the plan of conversion or the rights otherwise provided by law.

G. The conversion does not affect any obligations or liability of the converting business entity incurred before its conversion to the resulting business entity.

**9. Continuation of business.** Unless otherwise agreed or as required under applicable law, the converting business entity may not be required to conclude its affairs or pay its liabilities and distribute its assets, and the conversion does not constitute a dissolution of the converting business entity.

### **§913. Approval of conversion of corporation**

A corporation may convert to another business entity upon the authorization of the conversion in accordance with this section and fulfillment of the requirements of section 912 and other applicable statutes governing conversion to another business entity. The board of directors of the corporation shall adopt a written plan of conversion and shall submit the plan of conversion for approval of the shareholders in the manner provided for shareholder approval of a plan of merger under section 902 for a merger requiring shareholder approval. After a plan of conversion is authorized and at any time before the certificate of conversion is filed with the Secretary of State, the planned conversion may be abandoned, subject to any contractual rights, without further shareholder action in accordance with the procedures set forth in the plan of conversion or, if none is set forth, in the manner determined by the board of directors. If, as a result of the conversion, one or more shareholders of a domestic corporation would become subject to personal liability for the obligations or liabilities of any other person or entity, approval of the plan of conversion must require the execution by each such shareholder of a separate written consent to become subject to such personal liability.

**Sec. 4. 13-A MRSA §1401, sub-§12**, as amended by PL 1987, c. 561, §4, is further amended to read:

**12.** Articles of incorporation, as provided by section 402, ~~§75~~ §95, plus the fee based on the capital stock specified in section 1403;

**Sec. 5. 13-A MRSA §1401, sub-§§24, 26, 27, 28 and 29**, as amended by PL 1989, c. 501, Pt. L, §27, are further amended to read:

**24.** Application of a foreign corporation for authority to do business in the State, as provided by section 1202, ~~§180~~ §250;

**26.** Articles of merger of a foreign corporation, as provided by section 1206, ~~§35~~ §70;

**27.** An amendment to a foreign corporation's application for authority to do business in this State, as provided by section 1207, ~~§35~~ §70;

**28.** An application of a foreign corporation for surrender of its authority, as provided by section 1208, ~~§35~~ §70;

**29.** Statement of a foreign corporation's termination of existence, as provided by section 1209, ~~§35~~ §70;

**Sec. 6. 13-A MRSA §1401, sub-§37**, as repealed and replaced by PL 1993, c. 316, §26 and c. 349, §34, is amended to read:

**37.** Preclearance of any document for filing, \$100; ~~and~~

**Sec. 7. 13-A MRSA §1401, sub-§38**, as enacted by PL 1991, c. 780, Pt. U, §10, is amended to read:

**38.** Written response to a request for information on file, \$5-;

**Sec. 8. 13-A MRSA §1401, sub-§§39 and 40** are enacted to read:

**39.** Articles of merger or consolidation of a business corporation with another type of business entity, as provided by section 911, §150; and

**40.** Certificate of conversion of a business corporation to another type of business entity, as provided by section 912, §125.

**Sec. 9. 31 MRSA §403, sub-§1, ¶A**, as repealed and replaced by PL 1995, c. 633, Pt. C, §11, is amended to read:

A. Must contain the words "Limited Partnership," or the abbreviation "L.P.," or the designation "LP," unless filing an assumed name under section 405 or a registration of name under section 406. If the words "Limited Partnership" are used, a limited partnership may also use the abbreviation "L.P." or the designation "LP" without filing an assumed name under section 405;

**Sec. 10. 31 MRSA §408, sub-§1, ¶A**, as amended by PL 1991, c. 780, Pt. U, §25, is further amended to read:

A. Shall suspend a domestic limited partnership when:

(1) The limited partnership fails to deliver its annual report for filing within the time specified by this chapter or fails to pay any fees or penalties as prescribed by this chapter when they become due and payable;

(2) The limited partnership fails to appoint or name a registered agent in this State;

(3) The limited partnership, after change of its registered office or registered agent, fails to file with the Secretary of State a notification of such a change; or

(4) A misrepresentation has been made of a material fact in any application, report, affidavit or other document required by this chapter; ~~or~~.



**Sec. 11. 31 MRSA §408, sub-§1, ¶B**, as enacted by PL 1991, c. 552, §2 and affected by §4, is repealed.

**Sec. 12. 31 MRSA §408, sub-§3**, as enacted by PL 1991, c. 552, §2 and affected by §4, is amended to read:

**3. Reinstatement.** A domestic limited partnership that has been suspended under this section may be reinstated by filing proper notification of change of registered agent or registered office, or both, with the Secretary of State, correcting any misrepresentation ~~or providing a list of limited partners~~ and paying all delinquent fees and the penalty as set forth in section 526, subsection 6.

**Sec. 13. 31 MRSA §§417 to 419** are enacted to read:

**§417. Merger or consolidation**

**1. Definitions.** For purposes of this section, "other business entity" means any association or legal entity, other than a domestic or foreign limited partnership, organized to conduct business, including, without limitation, a corporation, general partnership, limited liability partnership, limited liability company, joint venture, joint stock company and business trust authorized by applicable statutes to merge or consolidate with a limited partnership.

**2. Merger or consolidation.** Pursuant to a plan of merger or consolidation that complies with and is approved in accordance with this section, any one or more limited partnerships may merge or consolidate with or into one or more limited partnerships or other business entities, with the limited partnership or the other business entity as the agreement provides being the surviving or resulting limited partnership or other business entity.

**3. Agreement or plan of merger or consolidation.** A limited partnership and other business entity that is merging or consolidating pursuant to subsection 2 shall enter into a written agreement or plan of merger or consolidation. The agreement or plan must state:

A. The names and current jurisdictions of the participating limited partnerships or other business entities and the name and jurisdiction of the surviving or resulting limited partnership or other business entity into which they propose to merge or consolidate;

B. The terms and conditions of the merger or consolidation;

C. The mode of carrying the merger or consolidation into effect;

D. The manner of converting the partnership interests of each limited partnership and the shares or the ownership interests of each other business entity into shares or other ownership interests of the entity surviving or resulting from the merger or consolidation. If any partnership interests of any limited partnership or any shares or other ownership interests of any other business entity are not to be converted solely into shares, ownership interests or other securities of the entity surviving or resulting from the merger or consolidation, the agreement or plan must state the cash, property, rights or securities of any other business entity that the holders of the shares or ownership interests are to receive in connection with the merger or consolidation; and

E. Any other details or provisions as are determined desirable, including, but not limited to, a provision for the payment of cash in lieu of the issuance of fractional shares or interests of the surviving or resulting limited partnership or other business entity.

Any of the terms of the agreement or plan of merger or consolidation may be made dependent upon facts ascertainable outside of the agreement or plan, as long as the manner in which the facts operate upon the terms of the agreement or plan is clearly and expressly set forth in the agreement or plan of merger or consolidation.

**4. Manner of approval.** Unless otherwise provided in the partnership agreement, a merger or consolidation must be approved by each limited partnership that is a party to the merger or consolidation by all general partners and by the limited partners or, if there is more than one class or group of limited partners, then by each class or group of limited partners, by limited partners who own more than 50% of the then-current percentage or other interest in the profits of the limited partnership owned by all of the limited partners or by the limited partners in each class or group. Each foreign limited partnership or other business entity that is a party to a proposed merger or consolidation shall approve the merger or consolidation in the manner and by the vote required by the laws applicable to a foreign limited partnership or other business entity and, to the extent allowed under such laws, its governing documents. In connection with a merger or consolidation under this section, rights or interests in a limited partnership or other business entity that is a constituent party to the merger or consolidation may be exchanged for or converted into cash, property, rights or interests in the surviving limited partnership or other business entity or in lieu thereof may be exchanged for or converted into cash, property, rights or interests in a limited partnership or other business entity that is not the surviving or resulting limited partnership or other business entity in

the merger or consolidation. Notwithstanding prior approval, an agreement or plan of merger or consolidation may be terminated or amended pursuant to a provision for the termination or amendment contained in the agreement or plan at any time before the articles of merger or consolidation are filed with the Secretary of State. If, as a result of the merger or consolidation, one or more partners of a domestic limited partnership would become subject to personal liability for the obligations or liabilities of any other person or entity, approval of the plan of merger or consolidation must require the execution by each such partner of a separate written consent to become subject to such personal liability.

**5. Articles of merger or consolidation.** After a plan or agreement of merger or consolidation is adopted and approved in the manner required by subsection 4, the surviving or resulting limited partnership or other business entity shall deliver to the Secretary of State for filing articles of merger or consolidation setting forth:

A. The name and current jurisdiction of each of the limited partnerships or other business entities that are to merge or consolidate;

B. That an agreement or plan of merger or consolidation has been approved, adopted and executed by each limited partnership and other business entity, if any, that is a party to the merger or consolidation;

C. The name of the surviving or resulting limited partnership or other business entity;

D. If the surviving or resulting limited partnership or other business entity is not organized under the laws of this State, a statement that the surviving or resulting limited partnership or other business entity:

(1) Agrees that it may be served with process in this State in a proceeding for enforcement of an obligation of a party to the merger or consolidation that was organized under the laws of this State, as well as for enforcement of an obligation of the surviving or resulting limited partnership or other business entity arising from the merger or consolidation; and

(2) Appoints the Secretary of State as its agent for service of process in any such proceeding, and the surviving or resulting limited partnership or other business entity shall specify the address to which a copy of the process must be mailed by the Secretary of State;

E. If shareholder approval of any corporation party to the merger or consolidation was not required, a statement to that effect;

F. If approval of the shareholders of one or more corporations party to the merger or consolidation was required:

(1) The designation, number of outstanding shares and number of shares entitled to vote on the written agreement or plan of merger or consolidation as to each corporation; the number of shares voted for and against the agreement or plan; and a statement that the number of votes cast for the agreement or plan was sufficient for approval by the shareholders; and

(2) If the shares of any class were entitled to vote as a class, the designation and number of outstanding shares of each such class, the number of shares of each such class voted for and against the written agreement or plan and a statement that the number of votes cast for the agreement or plan by each class was sufficient for approval by that class;

G. In the case of a merger, a statement of any changes in or a restatement of the organizing documents of the surviving limited partnership or other business entity, a statement that the organizing documents of the surviving limited partnership or other business entity remain unchanged or, in the case of a consolidation, with respect to the resulting limited partnership or other business entity, all of the statements required to be set forth in the organizing documents for that type of business entity;

H. That the executed agreement or plan of merger or consolidation is on file at a place of business of the surviving or resulting limited partnership or other business entity and stating the address of such place of business and that a copy of the agreement of merger or consolidation will be furnished by the surviving or resulting limited partnership or other business entity, on request and without cost, to a person holding an interest in a limited partnership or other business entity that is to merge or consolidate;

I. The date when the merger or consolidation is to take effect, not to exceed 60 days subsequent to the filing date of the articles of merger or consolidation;

J. A statement to the effect that the merger or consolidation was effected in compliance with the laws applicable to mergers or consolidations of all parties to the merger or consolidation; and

K. An agreement that the surviving or resulting limited partnership or other business entity shall continue to comply with all provisions of all laws applicable to mergers or consolidations of all parties to the merger or consolidation, including, without limitation, provisions on payment of amounts to which dissenting shareholders are entitled.

**6. Effective date.** A merger or consolidation under this section takes effect upon the later of the effective date of the filing of the articles of merger or consolidation or the date set forth in the articles of merger or consolidation.

**7. Cancellation; certificate of limited partnership.** Articles of merger or consolidation act as a certificate of cancellation for a domestic limited partnership or other business entity that is not the surviving or resulting business entity in the merger or consolidation.

**8. Amendment to partnership agreement.** A partnership agreement containing a specific reference to this subsection may provide that an agreement or plan of merger or consolidation approved in accordance with subsection 4 may effect any amendment to the partnership agreement or effect the adoption of a new partnership agreement for a limited partnership if it is the surviving or resulting business entity in the merger or consolidation and such a provision is binding on the partnership even though the partnership agreement may contain contrary provisions relative to the general amendment of the partnership agreement. Any amendment to a partnership agreement or adoption of a new partnership agreement made pursuant to this subsection is effective at the effective date and time of the merger or consolidation. The provisions of this subsection may not be construed to limit the accomplishment of a merger or consolidation by any other means provided for in a partnership agreement or other agreement or as otherwise permitted by law, including that the limited partnership agreement of any constituent limited partnership to the merger or consolidation, including a limited partnership formed for the purpose of consummating the merger, is the partnership agreement of the surviving or resulting limited partnership.

**9. General effect of merger or consolidation.** A merger or consolidation has the following effects.

A. The limited partnerships or other business entities that are parties to the merger or consolidation agreement become a single entity, which in the case of a merger is the limited partnership or other business entity designated in the plan of merger as the survivor and in the case of a consolidation is the resulting limited partnership or

other business entity provided for in the plan of consolidation.

B. The separate existence of each party to the merger or consolidation agreement, except for the surviving or resulting limited partnership or other business entity ceases.

C. The surviving or resulting limited partnership or other business entity possesses all the rights, privileges, immunities, powers and franchises of each constituent limited partnership or other business entity and is subject to all the restrictions, disabilities and duties of each of the parties to the extent that those rights, privileges, immunities, powers, franchises, restrictions, disabilities and duties are applicable.

D. All property, real, personal and mixed; all debts due, including promises to make capital contributions and subscriptions for shares or interests; all other choses in action; and all other interests of or belonging to or due to each of the constituent entities vest in the surviving or resulting limited partnership or other business entity without further act or deed.

E. The title to all real estate and any interests in real estate vested in a constituent limited partnership or other business entity do not revert and are not in any way impaired by reason of the merger or consolidation.

F. The surviving or resulting limited partnership or other business entity is liable for all liabilities and obligations of each of the constituent limited partnerships or other business entities so merged or consolidated and any claim existing or action or proceeding pending by or against a constituent limited partnership or other business entity may be prosecuted as if the merger or consolidation had not taken place or the surviving or resulting limited partnership or other business entity may be substituted in the action.

G. Neither the rights of creditors nor any liens on the property of a constituent limited partnership or other business entity are impaired by the merger or consolidation.

H. The partnership or other interests in a limited partnership or the shares or other interests of another business entity that are to be converted or exchanged into interests, cash, obligations or other property under the terms of the merger or consolidation agreement are so converted and the former holders of the partnership or other interest are entitled only to the rights provided in the merger or consolidation agreement or the rights otherwise provided by law.

I. Except as provided by agreement with a person to whom a general partner of a limited partnership is obligated, a merger or consolidation of a limited partnership that has become effective may not affect any obligation or liability existing at the time of the merger or consolidation of a general partner of a limited partnership that is merging or consolidating.

J. If a limited partnership is a constituent party to a merger or consolidation that is effective, but the limited partnership is not the surviving or resulting entity of the merger or consolidation, then a judgment creditor of a general partner of the limited partnership may not levy execution against the assets of the general partner to satisfy a judgment based on a claim against the surviving or resulting business entity of the merger or consolidation unless:

(1) A judgment based on the same claim has been obtained against the surviving or resulting business entity of the merger or consolidation and writ of execution on the judgment has been returned unsatisfied in whole or in part;

(2) The surviving or resulting business entity of the merger or consolidation is a debtor in bankruptcy;

(3) The general partner has agreed that the creditor need not exhaust the assets of the limited partnership that was not the surviving or resulting business entity of the merger or consolidation;

(4) The general partner has agreed that the creditor need not exhaust the assets of the surviving or resulting business entity of the merger or consolidation;

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

(6) Liability is imposed on the general partner by law or contract independent of the existence of the surviving or resulting business entity of the merger or consolidation.

#### **§418. Conversion of business entity**

**1. Definitions.** For purposes of this section, "business entity" means any association or legal entity organized to conduct business, including a domestic or foreign corporation, limited liability company, limited partnership, general partnership, limited liability partnership, joint venture, joint stock company and business trust.

**2. Authority.** A business entity may convert to another type of business entity by complying with the requirements of Title 13-A, section 912.

#### **§419. Approval of conversion of limited partnership**

A limited partnership may convert to another business entity, as specified in section 418, other than a limited partnership, upon the authorization of the conversion in accordance with this section and to the extent authorized by and in accordance with applicable statutes to convert to another business entity. If the partnership agreement specifies the manner of authorizing a conversion of the limited partnership, the conversion is authorized as specified in the provisions of the partnership agreement, as long as the provisions do not explicitly exclude conversions. If the partnership agreement does not specify the manner of authorizing a conversion of the limited partnership and does not prohibit a conversion, the conversion is authorized in the same manner as is specified in the partnership agreement for authorizing a merger or consolidation that involves the limited partnership as a constituent party to the merger or consolidation. If the partnership agreement does not specify the manner of converting a limited partnership or the merger or consolidation of the limited partnership, the conversion is authorized in the same manner as is specified in section 417 authorizing a merger or consolidation that involves the limited partnership that is a constituent party to the merger or consolidation. If, as a result of the conversion, one or more partners of a domestic limited partnership would become subject to personal liability for the obligations or liabilities of any other person or entity, approval of the plan of conversion must require the execution by each such partner of a separate written consent to become subject to such personal liability.

**Sec. 14. 31 MRSA §437**, as enacted by PL 1991, c. 552, §2 and affected by §4, is repealed.

**Sec. 15. 31 MRSA §521, sub-§3** is enacted to read:

**3. Applicability of other laws.** If the purpose for which a limited partnership is organized or its form makes it subject to a special provision of law, the limited partnership shall also comply with that provision. This chapter does not apply to any class of

limited partnerships to the extent that any provision of any other public law is specifically applicable to that class and is inconsistent with any provision of this chapter, in which case such other provision prevails.

**Sec. 16. 31 MRSA §526, sub-§7,** as amended by PL 1995, c. 458, §16, is further amended to read:

**7. Certificate of limited partnership, amendment or cancellation.** For filing of a certificate of limited partnership under section 421, a fee in the amount of \$125, and for a certificate of amendment under section 422, except as provided in subsection 5, or a certificate of cancellation under section 423, a fee in the amount of \$250 ~~\$35~~. For filing of a certificate of amendment under section 422, subsection 7, a fee in the amount of \$20 and for filing a restated certificate of limited partnership under section 422, subsection 6, a fee of \$80;

**Sec. 17. 31 MRSA §526, sub-§8,** as amended by PL 1997, c. 376, §43, is further amended to read:

**8. Foreign limited partnerships.** For filing of an application for authority to do business as a foreign limited partnership under section 492, a fee in the amount of \$250, and for a certificate of amendment under section 495, except as provided in subsection 9, or a certificate of cancellation under section 496, a fee in the amount of \$250 ~~\$70~~. For filing a certificate of amendment under section 495 to change the address of a general partner or to change the address of the registered or principal office, a fee in the amount of \$30;

**Sec. 18. 31 MRSA §526, sub-§17,** as amended by PL 1997, c. 376, §45, is further amended to read:

**17. Service of process on Secretary of State as agent.** For accepting service of process under sections 409, 410, 500 or 501, a fee in the amount of \$20; ~~and~~

**Sec. 19. 31 MRSA §526, sub-§18,** as enacted by PL 1997, c. 376, §46, is amended to read:

**18. Report of name search.** For report of name search as provided by section 403, subsection 6, \$10; ~~and~~

**Sec. 20. 31 MRSA §526, sub-§§19 and 20** are enacted to read:

**19. Articles of merger or consolidation.** Articles of merger or consolidation of a limited partnership with another type of business entity as provided by section 417, a fee in the amount of \$150; and

**20. Certificate of conversion.** Certificate of conversion of a limited partnership to another type of

business entity as provided by section 418, a fee in the amount \$125.

**Sec. 21. 31 MRSA §603, sub-§1, ¶A,** as corrected by RR 1995, c. 2, §75, is amended to read:

A. Must contain the words "Limited Liability Company," or the abbreviation "L.L.C.," or the designation "LLC," unless filing an assumed name under section 605 or a registration of name under section 606. If the words "Limited Liability Company" or "Limited Liability Company, Chartered" or "Limited Liability Company, Professional Association" or "Limited Liability Company, P.A." or any of the designations used in the paragraph without commas are used, a limited liability company may also use the abbreviation "L.L.C." or the designation "LLC" without filing an assumed name under section 605; and

**Sec. 22. 31 MRSA §608, sub-§1, ¶A,** as enacted by PL 1993, c. 718, Pt. A, §1, is amended to read:

A. Shall suspend a domestic limited liability company when:

(1) The limited liability company fails to deliver its annual report for filing within the time specified by this chapter or fails to pay fees or penalties as prescribed by this chapter when they become due and payable;

(2) The limited liability company fails to appoint or name a registered agent in this State;

(3) The limited liability company, after change of its registered office or registered agent, fails to file with the Secretary of State a notification of such a change; or

(4) A misrepresentation is made of a material fact in an application, report, affidavit or other document required by this chapter; ~~or~~

**Sec. 23. 31 MRSA §608, sub-§1, ¶B,** as enacted by PL 1993, c. 718, Pt. A, §1, is repealed.

**Sec. 24. 31 MRSA §608, sub-§3, ¶¶B and C,** as enacted by PL 1993, c. 718, Pt. A, §1, are amended to read:

B. Filing proper notification of change of registered agent or registered office, or both; or

C. Correcting a misrepresentation; ~~or~~

**Sec. 25. 31 MRSA §608, sub-§3, ¶D**, as enacted by PL 1993, c. 718, Pt. A, §1, is repealed.

**Sec. 26. 31 MRSA §647**, as enacted by PL 1993, c. 718, Pt. A, §1, is repealed.

**Sec. 27. 31 MRSA §695** is enacted to read:

**§695. Rights of former member**

**1. No payment for interest.** Unless the operating agreement or articles of organization provide otherwise, if the limited liability company is not dissolved after a person ceases to be a member under section 692, the person has no right to any payment from the limited liability company for that person's interest in the limited liability company.

**2. Payment for interest.** Unless the operating agreement or articles of organization provide otherwise, if the limited liability company is not dissolved after a person ceases to be a member under section 692, and if the limited liability company elects to pay to that person or that person's successor in interest for that person's interest in the limited liability company in complete liquidation of the interest.

A. The price must be the fair value of that person's interest in the limited liability company as of the date the person ceased to be a member, based upon the person's right to share in distributions from the limited liability company.

B. The amount must be paid within a reasonable time after the person has ceased to be a member.

**Sec. 28. 31 MRSA §741**, as enacted by PL 1993, c. 718, Pt. A, §1, is repealed.

**Sec. 29. 31 MRSA §741-A** is enacted to read:

**§741-A. Merger or consolidation**

**1. Definitions.** For purposes of this section, "other business entity" means any association or legal entity other than a limited liability company, organized to conduct business, including a domestic or foreign corporation, limited partnership, general partnership, limited liability partnership, joint venture, joint stock company and business trust authorized by applicable statutes to merge or consolidate with a limited liability company.

**2. Merger or consolidation.** Pursuant to a plan of merger or consolidation that complies with and is approved in accordance with this section, any one or more limited liability companies may merge or consolidate with or into one or more limited liability companies or other business entities, with the limited liability company or other business entity as the agreement provides being the surviving or resulting limited liability company or other business entity.

**3. Exchange or conversion of rights, securities or interests.** Rights or securities of or interests in a limited liability company or other business entity that is a party to the merger or consolidation may be exchanged for or converted into cash, property, obligations, rights or securities of or interests in the surviving or resulting limited liability company or other business entity.

**Sec. 30. 31 MRSA §§742 and 743**, as enacted by PL 1993, c. 718, Pt. A, §1, are amended to read:

**§742. Approval of merger or consolidation**

**1. Majority approval required.** Unless otherwise provided in writing in the operating agreement or in the articles of organization, a limited liability company that is a party to a proposed merger or consolidation must approve the merger or consolidation agreement by the consent of more than 1/2 by number of the members a majority in interest of the members or, if there is more than one class or group of members, by consent of a majority in interest of the members of each class or group. If, as a result of the merger or consolidation, one or more members of a domestic limited liability company would become subject to personal liability for the obligations or liabilities of any other person or entity, approval of the plan of merger or consolidation must require the execution by each such member of a separate written consent to become subject to such personal liability.

**2. Manner of approval.** A foreign limited liability company. Each limited liability company or other business entity that is a party to a proposed merger or consolidation pursuant to section 741-A shall approve the merger or consolidation in the manner and by the vote required by the laws applicable to such a business entity and, to the extent allowed under such laws, its governing documents.

**3. Rights to abandon merger.** A Each limited liability company or other business entity that is a party to the merger or consolidation has those rights to abandon the merger or consolidation that are provided for in the merger or consolidation agreement or the laws applicable to the business entity.

**§743. Plan of merger or consolidation**

**1. Written plan.** Each constituent limited liability company or other business entity that is a party to the merger or consolidation shall enter into a written plan of merger or consolidation, which that must be approved in accordance with section 742.

**2. Plan requirements.** The plan of merger or consolidation must set forth:

A. The name and current jurisdiction of each limited liability company or other business entity that is a party to the merger or consolidation and the name and jurisdiction of the surviving ~~limited liability company into which each other party proposes to merge or the new limited liability company into which each party proposes to consolidate~~ or resulting limited liability company or other business entity into which each limited liability company or other business entity merges or consolidates;

B. The terms and conditions of the proposed merger or consolidation and the mode of carrying the merger or consolidation into effect;

C. The manner and basis of converting the interests in each limited liability company or the shares of stock or other interests in each limited liability company or other business entity that is a party to the merger or consolidation into interests, shares, or other securities or obligations, as the case may be, of the surviving or ~~new resulting~~ resulting limited liability company or other business entity or, in whole or in part, into cash or other property;

~~D. In the case of a merger, such amendments to the articles of the surviving limited liability company as desired to be effected by the merger or that those amendments are not desired;~~

D-1. In the case of a merger, a statement of any changes in or a restatement of the organizing documents of the surviving limited liability company or other business entity or a statement that the organizing documents of the surviving limited liability company or other business entity remain unchanged; or, in the case of a consolidation, with respect to the resulting limited liability company or other business entity, all of the statements required to be set forth in the organizing documents for that type of business entity; and

~~E. In the case of a consolidation, all of the statements required to be set forth in the articles of organization of the new limited liability company; and~~

F. Other provisions relating to the proposed merger or consolidation determined necessary or desirable.

**Sec. 31. 31 MRSA §744, sub-§1**, as enacted by PL 1993, c. 718, Pt. A, §1, is amended to read:

**1. Certificate of merger or consolidation.** The limited liability company or other business entity surviving or resulting from the merger or consolidation shall deliver to the Secretary of State a certificate

of merger or consolidation executed by each constituent limited liability company or other business entity setting forth:

A. The name and current jurisdiction ~~of organization~~ of each limited liability company or other business entity that is to merge or consolidate;

B. That an agreement of merger or consolidation has been approved and executed by each limited liability ~~entity~~ company or other business entity that is a party to the merger or consolidation;

C. The name of the surviving or resulting limited liability company or other business entity;

~~D. The date when the merger or consolidation is to take effect, if the effective date is postponed to a date, not to exceed 60 days, subsequent to the filing date of the certificate of merger or consolidation;~~

~~E. That the agreement of merger or consolidation is on file at a place of business of the surviving or resulting limited liability company and shall state the address thereof;~~

~~F. That a copy of the agreement of merger or consolidation will be furnished by the surviving or resulting limited liability company on request and without cost, to a person holding an interest in a limited liability company that is to merge or consolidate; and~~

G. If the surviving or resulting limited liability company or other business entity is not organized under the laws of this State, a statement that the surviving or resulting limited liability company or other business entity;

(1) Agrees that it may be served with process in this State in a proceeding for enforcement of an obligation of a party to the merger or consolidation that was organized under the laws of this State, as well as for enforcement of an obligation of the surviving or ~~new resulting~~ resulting limited liability company or other business entity arising from the merger or consolidation; and

(2) Appoints the Secretary of State as its agent for service of process in any such proceeding and the surviving or ~~new resulting~~ resulting limited liability company or other business entity shall specify the address to which a copy of the process must be mailed by the Secretary of State;:

H. If shareholder approval of any corporation party to the merger or consolidation was not required, a statement to that effect;

I. If approval of the shareholders of one or more corporations party to the merger or consolidation was required:

(1) The designation, number of outstanding shares and number of shares entitled to vote on the written agreement or plan of merger or consolidation as to each corporation; the number of shares voted for and against the agreement or plan; and a statement that the number of votes cast for the agreement or plan was sufficient for approval by the shareholders; and

(2) If the shares of any class were entitled to vote as a class, the designation and number of outstanding shares of each such class, the number of shares of each such class voted for and against the written agreement or plan and a statement that the number of votes cast for the agreement or plan by each class was sufficient for approval by that class;

J. In the case of a merger, a statement of any changes in or a restatement of the organizing documents of the surviving limited liability company or other business entity or a statement that the organizing documents of the surviving limited liability company or other business entity remain unchanged; or, in the case of a consolidation, with respect to the resulting limited liability company or other business entity, all of the statements required to be set forth in the organizing documents for that type of business entity;

K. That the executed agreement or plan of merger or consolidation is on file at a place of business of the surviving or resulting limited liability company or other business entity and stating the address of such place of business and that a copy of the agreement of merger or consolidation will be furnished by the surviving or resulting limited liability company or other business entity, on request and without cost, to a person holding an interest in a limited liability company or other business entity that is to merge or consolidate;

L. The date when the merger or consolidation is to take effect, not to exceed 60 days subsequent to the filing date of the certificate of merger or consolidation;

M. A statement to the effect that the merger or consolidation was effected in compliance with the laws applicable to mergers or consolidations of all parties to the merger or consolidation; and

N. An agreement that the surviving or resulting limited liability company or other business entity

shall continue to comply with all provisions of all laws applicable to mergers or consolidations of all parties to the merger or consolidation, including, without limitation, provisions on payment of amounts to which dissenting shareholders are entitled.

**Sec. 32. 31 MRSA §744, sub-§§4 and 5**, as enacted by PL 1993, c. 718, Pt. A, §1, are amended to read:

**4. Certificate of cancellation of domestic limited liability company.** The certificate of merger or consolidation acts as a certificate of cancellation for a domestic limited liability company or other business entity that is not the surviving or resulting business entity in the merger or consolidation.

**5. Operating agreement of surviving limited liability company.** ~~A~~ A written agreement of merger or consolidation approved in accordance with section 742 may effect an amendment to the operating agreement or effect the adoption of a new operating agreement for a limited liability company if it is the surviving or resulting limited liability company in the merger or consolidation. An approved written plan of merger or consolidation may also provide that the operating agreement of any constituent limited liability company to the merger or consolidation, including a limited liability company formed for the purpose of consummating a merger or consolidation, must be the operating agreement of the surviving limited liability company. An amendment to an operating agreement or adoption of a new operating agreement made pursuant to this subsection is effective at the effective time ~~of~~ and date of the merger or consolidation. This subsection may not be construed to limit the accomplishment of a merger or consolidation or of any of the matters referred to in this subsection, by any other means provided for in an operating agreement or other agreement or as otherwise permitted by law, including that the operating agreement of a constituent limited liability company to the merger or consolidation including a limited liability company formed for the purpose of consummating a merger or consolidation, must be the operating agreement of the surviving or resulting limited liability company.

**Sec. 33. 31 MRSA §745**, as enacted by PL 1993, c. 718, Pt. A, §1, is amended to read:

**§745. Effects of merger or consolidation**

A merger or consolidation has the following effects.

**1. Single entity.** The limited liability companies or other business entities that are parties to the merger or consolidation agreement become a single entity, which in the case of a merger is the limited liability



company or other business entity designated in the plan of merger as the survivor, and in the case of a consolidation is the new resulting limited liability company or other business entity provided for in the plan of consolidation.

**2. Separate existence ceases.** The separate existence of each party to the merger or consolidation agreement, except for the surviving or new resulting limited liability company or other business entity, ceases.

**3. Rights and restrictions on surviving or resulting limited liability company or other business entity.** The surviving or new resulting limited liability company or other business entity possesses all the rights, privileges, immunities and powers and franchises of each constituent limited liability company or other business entity and is subject to all the restrictions, disabilities and duties of each of the parties to the extent that those rights, privileges, immunities, powers, franchises, restrictions, disabilities and duties are applicable.

**4. Interests of constituent limited liability companies or other business entities.** All property, real, personal and mixed and all debts due, including promises to make capital contributions and subscriptions for shares or interests, and all other choses in action and all other interests of or belonging to or due to each of the constituent entities vest in the surviving or new resulting limited liability company or other business entity without further act or deed.

**5. Real estate titles do not revert.** The title to all real estate and any interest in real estate vested in a constituent limited liability company or other business entity do not revert and are not in any way impaired by reason of the merger or consolidation.

**6. Liabilities and obligations.** The surviving or new resulting limited liability company or other business entity is liable for all liabilities and obligations of each of the constituent limited liability companies or other business entities so merged or consolidated and any claim existing or action or proceeding pending by or against a constituent limited liability company or other business entity may be prosecuted as if the merger or consolidation had not taken place or the surviving or new resulting limited liability company or other business entity may be substituted in the action.

**7. Impairment of creditor's rights or liens.** Neither the rights of creditors nor any liens on the property of a constituent limited liability company or other business entity are impaired by the merger or consolidation.

**8. Membership or other interests.** The membership or other interests in a limited liability company

or the shares or other interests of another business entity that are to be converted or exchanged into interests, cash, obligations or other property under the terms of the merger or consolidation agreement are so converted and the former holders of the membership or other interests are entitled only to the rights provided in the merger or consolidation agreement or the rights otherwise provided by law.

**Sec. 34. 31 MRSA §§746 and 747** are enacted to read:

**§746. Conversion of business entity**

**1. Definitions.** For purposes of this section, "business entity" means any association or legal entity organized to conduct business, including a domestic or foreign corporation, limited liability company, limited partnership, general partnership, limited liability partnership, joint venture, joint stock company and business trust.

**2. Authority.** A business entity may convert to another type of business entity by complying with the requirements of Title 13-A, section 912.

**§747. Approval of conversion of limited liability company or other business entity**

A limited liability company may convert to another business entity, as described in section 746, other than a limited liability company, upon the authorization of the conversion in accordance with this section and to the extent authorized by and in accordance with applicable statutes to convert to any other business entity. If the operating agreement specifies the manner of authorizing a conversion of the limited liability company, the conversion is authorized as specified in the provisions of the operating agreement, as long as the provisions do not explicitly exclude conversions. If the operating agreement does not specify the manner of authorizing a conversion of the limited liability company and does not prohibit a conversion, the conversion is authorized in the same manner as is specified in the operating agreement for authorizing a merger or consolidation that involves the limited liability company as a constituent party to the merger or consolidation. If the operating agreement does not specify the manner of converting a limited liability company or the merger or consolidation of the limited liability company, the conversion is authorized in the same manner as is specified in section 742 authorizing a merger or consolidation that involves the limited liability company that is a constituent party to the merger or consolidation. If, as a result of the conversion, one or more members of a domestic limited liability company would become subject to personal liability for the obligations or liabilities of any other person or entity, approval of the plan of conversion must require the execution by each such

member of a separate written consent to become subject to such personal liability.

**Sec. 35. 31 MRSA §751, sub-§8**, as enacted by PL 1993, c. 718, Pt. A, §1, is amended to read:

**8. Articles of organization or amendment, certificate of cancellation, merger or consolidation.** For filing of articles of organization under section 622, a fee of \$125; articles of amendment under section 623, except as provided in subsection 6 or a certificate of cancellation under section 625 ~~or~~, a fee of \$35; restated articles of organization under section 623, subsection 6, a fee of \$80; and a certificate of merger or consolidation under section 744, a fee of ~~\$250~~ \$80;

**Sec. 36. 31 MRSA §751, sub-§12**, as amended by PL 1997, c. 376, §58, is further amended to read:

**12. Foreign limited liability companies.** For filing of an application for authority to do business as a foreign limited liability company under section 712, a fee of \$250, and for a certificate of amendment under section 715, except as provided in subsection 13 or a certificate of cancellation under section 717, a fee of ~~\$250~~ \$70. For filing a certificate of amendment under section 715 to change the address of the registered or principal office, a fee in the amount of \$30;

**Sec. 37. 31 MRSA §751, sub-§22**, as amended by PL 1997, c. 376, §59, is further amended to read:

**22. Service of process on Secretary of State as agent.** For accepting service of process under section 609, 610, 722 or 723, a fee of \$20; ~~and~~

**Sec. 38. 31 MRSA §751, sub-§23**, as enacted by PL 1997, c. 376, §60, is amended to read:

**23. Report of name search.** For report of name search as provided by section 603, subsection 4, \$10;

**Sec. 39. 31 MRSA §751, sub-§§24 and 25** are enacted to read:

**24. Certificate of merger or consolidation.** Certificate of merger or consolidation of a limited liability company with another type of business entity as provided by section 741-A, a fee of \$150; and

**25. Certificate of conversion.** Certificate of conversion of limited liability company to another type of business entity as provided by section 746, a fee of \$125.

**Sec. 40. 31 MRSA §753, sub-§5** is enacted to read:

**5. Applicability of other laws.** If the purpose for which a limited liability company is organized or its form makes it subject to a special provision of law, the limited liability company shall also comply with that provision. This chapter does not apply to any class of limited liability companies to the extent that any provision of any other public law is specifically applicable to that class and is inconsistent with any provision of this chapter, in which case such other provision prevails.

**Sec. 41. 31 MRSA §803, sub-§1, ¶A**, as enacted by PL 1995, c. 633, Pt. B, §1, is amended to read:

A. Must contain the words "Limited Liability Partnership" or the abbreviation "L.L.P.," or the designation "LLP," unless filing an assumed name under section 805 or a registration of name under section 806. If the words "Limited Liability Partnership" or "Limited Liability Partnership, Chartered" or "Limited Liability Partnership, Professional Association" or "Limited Liability Partnership, P.A.," or any of the designations used in this paragraph without commas, are used, a limited liability partnership may also use the abbreviation "L.L.P." or the designation "LLP" without filing an assumed name under section 805; and

**Sec. 42. 31 MRSA §871, sub-§8**, as amended by PL 1997, c. 633, §22, is further amended to read:

**8. Certificate of limited liability partnership, amendment or renunciation.** For filing a certificate of limited liability partnership under section 822, a fee of \$125; a certificate of amendment under section 823, except as provided in subsection 6, or a certificate of renunciation under section 825, a fee of ~~\$250~~ \$35. For filing a certificate of amendment under section 823 to change the name or address of the contact partner, the fee is \$20 and for filing a restated certificate of limited liability partnership under section 823, subsection 6, the fee is \$80;

**Sec. 43. 31 MRSA §871, sub-§10**, as amended by PL 1997, c. 633, §23, is further amended to read:

**10. Foreign limited liability partnerships.** For filing an application for authority to do business as a foreign limited liability partnership under section 852, a fee of ~~\$250~~; a certificate of amendment under section 855, except as provided in subsection 12, or a certificate of cancellation under section 857, a fee of ~~\$250~~ \$70. For filing a certificate of amendment under section 855 to change the address of the registered or principal office or to change the name or address of the contact partner, the fee is \$30;

**Sec. 44. 36 MRSA §4641-C, sub-§7**, as amended by PL 1993, c. 398, §4, is further amended to read:

**7. Deeds pursuant to mergers or consolidations.** Deeds made pursuant to mergers or consolidations of corporations business entities, as defined in Title 13-A, section 912, from which no gain or loss is recognized under the Internal Revenue Code;

**Sec. 45. 36 MRSA §4641-C, sub-§17**, as repealed and replaced by PL 1995, c. 462, Pt. A, §70, is amended to read:

**17. Deeds to charitable conservation organizations.** Deeds for gifts of land or interests in land granted to bona fide nonprofit institutions, organizations or charitable trusts under state law or charter, a similar law or charter of any other state or the Federal Government that meet the conservation purposes requirements of Title 33, section 476, subsection 2, paragraph B without actual consideration for the deeds; and

**Sec. 46. 36 MRSA §4641-C, sub-§18**, as enacted by PL 1995, c. 462, Pt. A, §71, is amended to read:

**18. Limited liability company deeds.** Deeds to a limited liability company from a corporation, a general or limited partnership or another limited liability company, when the grantor or grantee owns an interest in the limited liability company in the same proportion as the grantor's or grantee's interest in or ownership of the real estate being conveyed; and

**Sec. 47. 36 MRSA §4641-C, sub-§19** is enacted to read:

**19. Change in identity or form of ownership.** Any transfer of real property, whether accomplished by deed, conversion, merger, consolidation or otherwise, if it consists of a mere change in identity or form of ownership of an entity. This exemption is limited to those transfers where no change in beneficial ownership is made and may include transfers involving corporations, partnerships, limited liability companies, trusts, estates, associations and other entities.

See title page for effective date.

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## CHAPTER 639

H.P. 1747 - L.D. 2453

### An Act Regarding the Statute of Limitations for Sexual Misconduct with a Minor

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 14 MRSA §752-C**, as amended by PL 1993, c. 176, §1, is repealed and the following enacted in its place:

#### **§752-C. Sexual acts toward minors**

**1. No limitation.** Actions based upon sexual acts toward minors may be commenced at any time.

**2. Sexual acts toward minors defined.** As used in this section, "sexual acts toward minors" means the following acts that are committed against or engaged in with a person under the age of majority:

A. Sexual act, as defined in Title 17-A, section 251, subsection 1, paragraph C; or

B. Sexual contact, as defined in Title 17-A, section 251, subsection 1, paragraph D.

**Sec. 2. Application.** This Act applies to the following actions based upon a sexual act or sexual contact with a person under the age of majority:

1. All actions based on a sexual act or sexual contact occurring on or after the effective date of this Act; and

2. All actions for which the claim has not yet been barred by the previous statute of limitations in force on the effective date of this Act.

See title page for effective date.

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## CHAPTER 640

S.P. 1039 - L.D. 2621

### An Act to Extend the Removal Deadline for Certain Repaired Concrete Underground Oil Storage Tanks

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 38 MRSA §563-A, sub-§8**, as amended by PL 1997, c. 167, §1, is further amended to read:

**8. Repaired concrete underground oil storage tanks.** The requirements of subsection 1 do not apply to underground oil storage tanks that are constructed primarily of concrete and that:

A. Exceed 100,000 gallons in capacity;

B. Have been repaired after December 31, 1988;