

322B.816 WINDING UP PROCEDURE FOR LIMITED LIABILITY COMPANIES THAT GIVE NOTICE TO CREDITORS AND CLAIMANTS.

Subdivision 1. **When permitted and how given.** When a notice of dissolution has been filed with the secretary of state, and the business of the limited liability company is not to be wound up and terminated by merging the dissolved limited liability company into a successor organization under section 322B.81, subdivision 3, then the limited liability company may give notice of the filing to each creditor of and claimant against the limited liability company known or unknown, present or future, and contingent or noncontingent. If notice to creditors and claimants is given, it must be given by publishing the notice once each week for four successive weeks in a legal newspaper in the county or counties where the registered office and the principal executive office of the limited liability company are located and by giving written notice to known creditors and claimants pursuant to section 322B.03, subdivision 32.

Subd. 2. **Required contents.** The notice to creditors and claimants must contain:

(1) a statement that the limited liability company has dissolved and is in the process of winding up its affairs;

(2) a statement that the limited liability company has filed with the secretary of state a notice of dissolution;

(3) the date of filing the notice of dissolution;

(4) the address of the office to which written claims against the limited liability company must be presented; and

(5) the date by which all the claims must be received, which must be the later of 90 days after published notice or, with respect to a particular known creditor or claimant, 90 days after the date on which written notice was given to that creditor or claimant. Published notice is considered given on the date of first publication for the purpose of determining this date.

Subd. 3. [Repealed, 1999 c 85 art 2 s 95]

Subd. 4. **Claims against limited liability companies that give notice.** (a) A limited liability company that gives notice to creditors and claimants has 30 days from the receipt of each claim filed according to the procedures set forth by the limited liability company on or before the date set forth in the notice to accept or reject the claim by giving written notice to the person submitting it. A claim not expressly rejected in this manner is considered accepted.

(b) A creditor or claimant to whom notice is given and whose claim is rejected by the limited liability company has 60 days from the date of rejection, 180 days from the date the limited liability company filed with the secretary of state the notice of dissolution, or 90 days after the date on which notice was given to the creditor or claimant, whichever is longer, to pursue any other remedies with respect to the claim.

(c) A creditor or claimant to whom notice is given who fails to file a claim according to the procedures set forth by the limited liability company on or before the date set forth in the notice is barred from suing the dissolved limited liability company on that claim or otherwise realizing upon or enforcing it against the dissolved limited liability company, except as provided in section 322B.863.

(d) A creditor or claimant whose claim is rejected by the limited liability company under paragraph (b) is barred from suing on that claim or otherwise realizing upon or enforcing it whether against the dissolved

limited liability company or any successor organization, if the creditor or claimant does not initiate legal, administrative, or arbitration proceedings with respect to the claim within the time provided in paragraph (b).

Subd. 5. Articles of termination and when filed. Articles of termination for a limited liability company that has given notice to creditors and claimants under this section must be filed with the secretary of state after:

(1) the 90-day period in subdivision 2, clause (5), has expired and the payment of claims of all creditors and claimants filing a claim within that period has been made or provided for; or

(2) the longest of the periods described in subdivision 4, paragraph (b), has expired and there are no pending legal, administrative, or arbitration proceedings by or against the limited liability company commenced within the time provided in subdivision 4, paragraph (b).

Subd. 6. Contents of articles of termination. The articles of termination must state:

(1) the last date on which the notice was given and that the payment of all creditors and claimants filing a claim within the 90-day period in subdivision 2, clause (5), has been made or provided for, or the date on which the longest of the periods described in subdivision 4, paragraph (b), expired;

(2) that the remaining property, assets, and claims of the limited liability company have been distributed in accordance with section 322B.873, or that adequate provision has been made for that distribution; and

(3) that there are no pending legal, administrative, or arbitration proceedings by or against the limited liability company commenced within the time provided in subdivision 4, paragraph (b), or that adequate provision has been made for the satisfaction of any judgment, order, or decree that may be entered against it in a pending proceeding.

History: 1992 c 517 art 2 s 109; 1999 c 85 art 2 s 88