

322B.373 REQUIRED RECORDS AND INFORMATION.

Subdivision 1. **Required records.** A limited liability company shall keep at its principal executive office, or at another place or places within the United States determined by the board of governors:

(1) a current list of the full name and last known business, residence, or mailing address of each member, governor, and chief manager;

(2) a current list of the full name and last known business, residence, or mailing address of each assignee of financial rights other than a secured party, and a description of the rights assigned;

(3) a copy of the articles of organization and all amendments to the articles;

(4) copies of any currently effective written bylaws;

(5) copies of the limited liability company's federal, state, and local income tax returns and reports, if any, for the three most recent years;

(6) financial statements required by section 322B.376;

(7) records of all proceedings of members for the last three years;

(8) records of all proceedings of the board of governors for the last three years;

(9) reports made to members generally within the last three years;

(10) member control agreements described in section 322B.37;

(11) a statement of all contributions accepted under section 322B.40, subdivision 3, including for each contribution:

(i) the identity of the member to whom the contribution relates;

(ii) the class or series to which the contribution pertains;

(iii) the amount of cash accepted by the limited liability company or promised to be paid to the limited liability company;

(iv) a description of any services rendered to or for the benefit of the limited liability company or promised to be rendered to or for the benefit of the limited liability company; and

(v) the value accorded under section 322B.40, subdivision 4 to:

(A) any other property transferred or promised to be transferred to the limited liability company; and

(B) any services rendered to or for the benefit of the limited liability company or promised to be rendered to or for the benefit of the limited liability company;

(12) a statement of all contribution agreements made under section 322B.42, including for each contribution agreement:

- (i) the identity of the would-be contributor;
- (ii) the class or series to which the future contribution pertains; and
- (iii) as to each future contribution to be made, the same information as subdivision 1, clause (11) requires for contributions already accepted;

(13) a statement of all contribution allowance agreements made under section 322B.43, including for each contribution allowance agreement:

- (i) the identity of the would-be contributor;
- (ii) the class or series to which the future contribution would pertain; and
- (iii) as to each future contribution allowed to be made, the same information as subdivision 1, clause (11) requires for contributions already accepted;

(14) an explanation of any restatement of value made under section 322B.41;

(15) any written consents obtained from members under this chapter;

(16) a copy of agreements, contracts, or other arrangements or portions of them incorporated by reference under section 322B.40, subdivision 6.

Subd. 2. **Right to inspect.** (a) A member of a limited liability company has an absolute right, upon written demand, to examine and copy, in person or by a legal representative, at any reasonable time, and the limited liability company shall make available within ten days after receipt by a manager of the limited liability company of the written demand, all documents referred to in subdivision 1.

(b) A member of a limited liability company has a right, upon written demand, to examine and copy, in person or by a legal representative, other limited liability company records at any reasonable time only if the member demonstrates a proper purpose for the examination.

(c) For purposes of this section, a "proper purpose" is one reasonably related to the person's interest as a member of the limited liability company.

Subd. 3. **Protective orders.** On application of the limited liability company, a court in this state may issue a protective order permitting the limited liability company to withhold portions of the records of proceedings of the board of governors for a reasonable period of time, not to exceed 12 months, in order to prevent premature disclosure of confidential information that would be likely to cause competitive injury to the limited liability company. A protective order may be

renewed for successive reasonable periods of time, each not to exceed 12 months and in total not to exceed 36 months, for good cause shown. In the event a protective order is issued, the statute of limitations for any action that the member might bring as a result of information withheld automatically extends for the period of delay. If the court does not issue a protective order with respect to any portion of the records of proceedings as requested by the limited liability company, it shall award reasonable expenses, including attorney's fees and disbursements, to the member. This subdivision does not limit the right of a court to grant other protective orders or impose other reasonable restrictions on the nature of the limited liability company records that may be copied or examined under subdivision 2 or the use or distribution of the records by the demanding member.

Subd. 4. **Other use prohibited.** A member who has gained access under this section to any limited liability company record may not use or furnish to another for use the limited liability company record or a portion of the contents for any purpose other than a proper purpose. Upon application of the limited liability company, a court may issue a protective order or order other relief as may be necessary to enforce the provisions of this subdivision.

Subd. 5. **Cost of copies.** Copies of the information referred to in subdivision 1 must be furnished at the expense of the limited liability company. In all other cases, the limited liability company may charge the requesting party a reasonable fee to cover the expenses of providing the copy.

Subd. 6. **Computerized records.** The records maintained by a limited liability company may utilize any information storage technique, including, for example, punched holes, printed or magnetized spots, or micro-images, even though that makes them illegible visually, if the records can be converted accurately and within a reasonable time, into a form that is legible visually and whose contents are assembled by related subject matter to permit convenient use by people in the normal course of business. A limited liability company shall convert any of the records referred to in subdivision 2 upon the request of a person entitled to inspect them, and the expense of the conversion shall be borne by the person who bears the expense of copying pursuant to subdivision 5. A copy of the conversion is admissible in evidence, and is acceptable for all other purposes, to the same extent as the existing or original records would be if they were legible visually.

History: 1992 c 517 art 2 s 47; 1993 c 137 s 39; 1996 c 361 s 25; 1999 c 85 art 2 s 96