

**322B.363 PROXIES.**

Subdivision 1. **Authorization.** (a) A member may cast or authorize the casting of a vote by (1) filing a written appointment of a proxy with a manager of the limited liability company at or before the meeting at which the appointment is to be effective, or (2) telephonic transmission or authenticated electronic communication, whether or not accompanied by written instructions of the member, of an appointment of a proxy with the limited liability company or the limited liability company's duly authorized agent at or before the meeting at which the appointment is to be effective. The telephonic transmission or authenticated electronic communication must set forth or be submitted with information from which it can be determined that the appointment was authorized by the member. If it is reasonably concluded that the telephonic transmission or authenticated electronic communication is valid, the inspectors of election or, if there are not inspectors, the other persons making that determination shall specify the information upon which they relied to make that determination. A proxy so appointed may vote on behalf of the member, or otherwise participate, in a meeting by remote communication according to section 322B.343, to the extent the member appointing the proxy would have been entitled to participate by remote communication according to section 322B.343, if the member did not appoint the proxy.

(b) A copy, facsimile, telecommunication, or other reproduction of the original writing or transmission may be substituted or used in lieu of the original writing or transmission for any purpose for which the original transmission could be used, if the copy, facsimile telecommunication, or other reproduction is a complete and legible reproduction of the entire original writing or transmission.

(c) An appointment of a proxy for membership interests owned jointly by two or more members is valid if signed or consented to by authenticated electronic communication, by any one of them, unless the limited liability company receives from any one of those members written notice or an authenticated electronic communication either denying the authority of that person to appoint a proxy or appointing a different proxy.

Subd. 2. **Duration.** The appointment of a proxy is valid for 11 months, unless a longer period is expressly provided in the appointment. No appointment is irrevocable unless the appointment is coupled with an interest in the membership interests or the limited liability company.

Subd. 3. **Termination.** An appointment may be terminated at will, unless the appointment is coupled with an interest, in which case it shall not be terminated except in accordance with the terms of an agreement, if any, between the parties to the appointment. Termination may be made by filing written notice of the termination of the appointment with a manager of the limited liability company, by filing a new written appointment of a proxy, signed by the member, with a manager of the limited liability company, or by telephonic transmission or authenticated electronic communication, whether or not accompanied by written instructions of the member, of a new appointment of a proxy with the limited liability company or the limited liability company's duly authorized agent. Termination in any such manner revokes all prior proxy appointments and is effective when filed with a manager of the limited liability company or when the telephonic transmission or authenticated electronic communication is received by the limited liability company or the limited liability company's duly authorized agent. The telephonic transmission or authenticated electronic communication must set forth or be submitted with information from which it can be determined that the new appointment was authorized by the member.

Subd. 4. **Revocation by death or incapacity.** The death or incapacity of a person appointing a proxy does not revoke the authority of the proxy, unless written notice of the death or incapacity

is received by a manager of the limited liability company before the proxy exercises the authority under that appointment.

Subd. 5. **Multiple proxies.** Unless the appointment specifically provides otherwise, if two or more persons are appointed as proxies for a member:

(1) any one of them may vote the membership interests on each item of business in accordance with specific instructions contained in the appointment; and

(2) if no specific instructions are contained in the appointment with respect to voting the membership interests on a particular item of business, the membership interests must be voted as a majority of the proxies determine. If the proxies are equally divided, the membership interests must not be voted.

Subd. 6. **Vote of proxy accepted and liability.** Unless the appointment of a proxy contains a restriction, limitation, or specific reservation of authority, the limited liability company may accept a vote or action taken by a person named in the appointment. The vote of a proxy is final, binding, and not subject to challenge, but the proxy is liable to the member for damages resulting from a failure to exercise the proxy or from an exercise of the proxy in violation of the authority granted in the appointment.

Subd. 7. **Limited authority.** If a proxy is given authority by a member to vote on less than all items of business considered at a meeting of members, the member is considered to be present and entitled to vote by the proxy for purposes of section 322B.346, subdivision 1, only with respect to those items of business for which the proxy has authority to vote. A proxy who is given authority by a member who abstains with respect to an item of business is considered to have authority to vote on the item of business for purposes of this subdivision.

Subd. 8. [Repealed, 1999 c 85 art 2 s 95]

**History:** 1992 c 517 art 2 s 44; 1996 c 361 s 24; 1997 c 10 art 4 s 13; 1999 c 85 art 2 s 35,36; 2002 c 311 art 2 s 13; 2008 c 233 art 2 s 5