

322C.0302 STATEMENT OF AUTHORITY.

Subdivision 1. **Filing of statement with secretary of state; contents.** A limited liability company may file with the secretary of state a statement of authority. The statement:

- (1) must include the name of the company and the street address of its registered office;
- (2) with respect to any position that exists in or with respect to the company, may state the authority, or limitations on the authority, of all persons holding the position to:
 - (i) execute an instrument transferring real property held in the name of the company; or
 - (ii) enter into other transactions on behalf of, or otherwise act for or bind, the company; and
- (3) may state the authority, or limitations on the authority, of a specific person to:
 - (i) execute an instrument transferring real property held in the name of the company; or
 - (ii) enter into other transactions on behalf of, or otherwise act for or bind, the company.

Subd. 2. **Amendment or cancellation of statement.** To amend or cancel a statement of authority filed with the secretary of state under section 322C.0205, subdivision 1, a limited liability company must file with the secretary of state an amendment or cancellation stating:

- (1) the name of the company;
- (2) the street address of the company's registered office;
- (3) the caption of the statement being amended or canceled and the date the statement being affected became effective; and
- (4) the contents of the amendment or a declaration that the statement being affected is canceled.

Subd. 3. **Statements effective only as to nonmembers.** A statement of authority affects only the power of a person to bind a limited liability company to persons that are not members.

Subd. 4. **Limitations of authority.** Subject to subdivision 3 and section 322C.0103, subdivision 4, and except as otherwise provided in subdivisions 6, 7, and 8, a limitation on the authority of a person or a position contained in an effective statement of authority is not by itself evidence of knowledge or notice of the limitation by any person.

Subd. 5. **Authority to transfer property other than real property.** Subject to subdivision 3, a grant of authority not pertaining to transfers of real property and contained in an effective statement of authority is conclusive in favor of a person that gives value in reliance on the grant, except to the extent that when the person gives value:

- (1) the person has knowledge to the contrary;
- (2) the statement has been canceled or restrictively amended under subdivision 2; or
- (3) a limitation on the grant is contained in another statement of authority that became effective after the statement containing the grant became effective.

Subd. 6. **Authority to transfer real property.** Subject to subdivision 3, an effective statement of authority that grants authority to transfer real property held in the name of the limited liability company,

whether or not a certified copy of the statement is recorded in the real property records, is conclusive in favor of a person that gives value in reliance on the grant without knowledge to the contrary, except to the extent that when the person gives value:

(1) the statement has been canceled or restrictively amended under subdivision 2 and a certified copy of the cancellation or restrictive amendment has been recorded in the real property records; or

(2) a limitation on the grant is contained in another statement of authority that became effective after the statement containing the grant became effective and a certified copy of the later-effective statement is recorded in the real property records.

Subd. 7. Recording; constructive notice regarding real property. Subject to subdivision 3, if a certified copy of an effective statement containing a limitation on the authority to transfer real property held in the name of a limited liability company is recorded in the real property records, all persons are deemed to know of the limitation.

Subd. 8. Statements of dissolution or termination. Subject to subdivision 9, an effective statement of dissolution or termination is a cancellation of any filed statement of authority for the purposes of subdivision 6 and is a limitation on authority for the purposes of subdivision 7.

Subd. 9. Postdissolution statements. After a statement of dissolution becomes effective, a limited liability company may file with the secretary of state and, if appropriate, may record in the real property records, a statement of authority that is designated as a postdissolution statement of authority. The statement operates as provided in subdivisions 6 and 7.

Subd. 10. Statement of denial. An effective statement of denial operates as a restrictive amendment under this section and may be recorded by certified copy in the real property records for the purposes of subdivision 6, clause (1).

History: 2014 c 157 art 1 s 27