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*