

322B.20 POWERS.

Subdivision 1. **Generally and limitations.** A limited liability company has the powers set forth in this section, subject to any limitations provided in any other statute of this state or in its articles of organization. The articles may not limit the powers stated in subdivision 3. A member control agreement may limit the powers stated in subdivisions 4 to 24.

Subd. 2. **Duration.** (a) A limited liability company whose existence begins before August 1, 1999, has a limited duration of 30 years from the date the articles of organization are filed with the secretary of state, unless the articles of organization state a shorter or longer period of duration, which may be perpetual.

(b) A limited liability company whose existence begins on or after August 1, 1999, has perpetual duration.

Subd. 3. **Legal capacity.** A limited liability company may sue and be sued, and complain, defend, and participate as a party or otherwise in any legal, administrative, or arbitration proceeding, in its limited liability company name.

Subd. 4. **Property ownership.** A limited liability company may purchase, lease, or otherwise acquire, own, hold, improve, use, and otherwise deal in and with, real or personal property, or any interest in property, wherever situated.

Subd. 5. **Property disposition.** A limited liability company may sell, convey, mortgage, create a security interest in, otherwise encumber, assign, lease, exchange, transfer, or otherwise dispose of all or any part of its real or personal property, or any interest in this property, wherever situated.

Subd. 6. **Trading in securities and obligations.** A limited liability company may purchase, subscribe for, or otherwise acquire, own, hold, vote, use, employ, sell, exchange, mortgage, lend, create a security interest in, or otherwise dispose of and otherwise use and deal in and with, securities or other interests in, or obligations of, a person or direct or indirect obligations of any domestic or foreign government or instrumentality of a government.

Subd. 7. **Contracts and mortgages.** A limited liability company may make contracts and incur liabilities, borrow money, and secure any of its obligations by mortgage of or creation of a security interest in or other encumbrance or assignment of all or any of its property, franchises, and income.

Subd. 8. **Investment.** A limited liability company may invest and reinvest its funds.

Subd. 9. **Holding property as security.** A limited liability company may take and hold real and personal property, whether or not of a kind sold or otherwise dealt in by the limited liability company, as security for the payment of money loaned, advanced, or invested.

Subd. 10. **Location.** A limited liability company may conduct its business, carry on its operations, have offices, and exercise the powers granted by this chapter anywhere in the universe.

Subd. 11. **Donations.** A limited liability company may make donations, irrespective of limited liability company benefit, for: (1) the public welfare; (2) social, community, charitable, religious, educational, scientific, civic, literary, and testing for public safety purposes; and for similar or related purposes; (3) for the purpose of fostering national or international amateur sports competition; and (4) the prevention of cruelty to children and animals.

Subd. 12. **Pensions and benefits.** A limited liability company may pay pensions, retirement allowances, and compensation for past services to and for the benefit of, and establish, maintain, continue, and carry out, wholly or partially at the expense of the limited liability company, employee or incentive benefit plans,

trusts, and provisions to or for the benefit of, any or all of its and its related organizations' officers, managers, directors, governors, employees, and agents and, in the case of a related organization that is a limited liability company, members who provide services to the limited liability company, and the families, dependents, and beneficiaries of any of them. It may indemnify and purchase and maintain insurance for and on behalf of a fiduciary of any of these employee benefit and incentive plans, trusts, and provisions.

Subd. 13. **Participating in management.** A limited liability company may participate in any capacity in the promotion, organization, ownership, management, and operation of any organization or in any transaction, undertaking, or arrangement that the participating limited liability company would have power to conduct by itself, whether or not the participation involves sharing or delegation of control with or to others.

Subd. 14. **Insurance.** A limited liability company may provide for its benefit life insurance and other insurance with respect to the services of any or all of its members, managers, governors, employees, and agents, or on the life of a member for the purpose of acquiring at the death of the member any or all membership interests in the limited liability company owned by the member.

Subd. 15. **Limited liability company seal.** A limited liability company may have, alter at its pleasure, and use a limited liability company seal as provided in section 322B.21.

Subd. 16. **Bylaws.** A limited liability company may adopt, amend, and repeal bylaws relating to the management of the business or the regulation of the affairs of the limited liability company as provided in section 322B.603.

Subd. 17. **Committees.** A limited liability company may establish committees of the board of governors, elect or appoint persons to the committees, and define their duties as provided in section 322B.66 and fix their compensation.

Subd. 18. **Managers, employees, and agents.** A limited liability company may elect or appoint managers, employees and agents of the limited liability company, and define their duties as provided in sections 322B.67 to 322B.69, and fix their compensation.

Subd. 19. **Contributions.** A limited liability company may accept contributions under section 322B.40 and may enter into contribution agreements under section 322B.42 and contribution allowance agreements under section 322B.43.

Subd. 20. **Loans, guaranties, and sureties.** A limited liability company may lend money to, guarantee an obligation of, become a surety for, or otherwise financially assist persons as provided in section 322B.693.

Subd. 21. **Advances.** A limited liability company may make advances to members who provide services to the limited liability company, its governors, managers, and employees and those of its subsidiaries as provided in section 322B.696.

Subd. 22. **Indemnification.** A limited liability company shall indemnify those persons identified in section 322B.699 against certain expenses and liabilities only as provided in section 322B.699 and may indemnify other persons.

Subd. 23. **Assumed names.** A limited liability company may conduct all or part of its business under one or more assumed names as provided in sections 333.001 to 333.06.

Subd. 24. **Other powers.** A limited liability company may have and exercise all other powers necessary or convenient to effect any or all of the business purposes for which the limited liability company is organized.

History: *1992 c 517 art 2 s 21; 1993 c 137 s 25-29; 1996 c 361 s 14; 1997 c 10 art 2 s 3; 1999 c 85 art 2 s 9,10,96*