



Taking Care of Business Law

So You Can Do Business!

Do you or someone you know own a LLC in Minnesota?

If you answered “yes” to that question it might be time to have your business and business documents reviewed by one of our business law attorneys. This will ensure that you are ready for the new LLC changes that go into effect on **January 1st, 2018.**



These changes are going into effect within the next six (6) months and they may affect your business!

That’s right, In January of 2018 all LLC’s operating in Minnesota will be switched over to the Minnesota Statute 322C. Those businesses that have previously been operating under 322B will likely need their member control agreements and related documents updated to allow for the changes in 322C.

Do these changes affect you?

In August of 2015 Minnesota enacted 322C, so unless you have updated your documents since August 2015 you are likely operating under the old statute. August 2015 up until January 2018 you are still able to elect 322B however.

So, this change could potentially affect your business even if it was started recently.

What is the big difference?

The old 322B allows your business to run similar to a corporation where you have shareholders, governing boards, bylaws, etc. 322C is a more flexible approach that treats your LLC like a partnership and allows for member-managed, board managed, or manager managed LLCs.

If you do not update your documents to reflect the changes and comply with 322C, then your 322B documents will be interpreted as if they were written under 322C, regardless of the negative effects that this may impose on your business.



Feel free to contact us to set up a business review consultation where we can review and determine if your business is in compliance with 322C or if some changes need to be made. We will also be happy to talk to you about our two general counsel tracks and how they may be able to help your business with its legal needs.



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