

322B.603 BYLAWS.

Subdivision 1. **Generally.** A limited liability company may, but need not, have bylaws, which may, but need not, be known as an operating agreement. The bylaws may contain any provision relating to the management of the business or the regulation of the affairs of the limited liability company not inconsistent with law or the articles of organization. An act of the board under subdivision 2 and of the members under subdivision 3 will be considered part of the bylaws only if the act expressly states that it is intended to constitute or revise the bylaws.

Subd. 2. **Power of board of governors.** Initial bylaws may be adopted pursuant to section 322B.60 by the organizers or by the first board of governors. Unless reserved by the articles of organization or a member control agreement to the members, the power to adopt, amend, or repeal the bylaws is vested in the board of governors. The power of the board of governors is subject to the power of the members, exercisable in the manner provided in subdivision 3, to adopt, amend, or repeal the bylaws adopted, amended, or repealed by the board of governors. After the adoption of the initial bylaws, the board of governors shall not adopt, amend, or repeal a bylaws provision fixing a quorum for meetings of members, prescribing procedures for removing governors or filling vacancies in the board of governors, or fixing the number of governors or their classifications, qualifications, or terms of office, but may adopt or amend a bylaws provision to increase the number of governors.

Subd. 3. **Power of members and procedure.** If a member or members owning three percent or more of the voting power of the members entitled to vote propose a resolution for action by the members to adopt, amend, or repeal bylaws provisions adopted, amended, or repealed by the board of governors and the resolution sets forth the provision or provisions proposed for adoption, amendment, or repeal, the limitations and procedures for submitting, considering, and adopting the resolution are the same as provided in section 322B.15, subdivisions 2 to 4, for amendment of the articles of organization.

History: 1992 c 517 art 2 s 64; 1999 c 85 art 2 s 57,96