

48-1d-303 Statement of partnership authority.

- (1) A partnership may deliver to the division for filing a statement of partnership authority. The statement:
 - (a) must include:
 - (i) the name of the partnership; and
 - (ii) if the partnership is not a limited liability partnership, the street and mailing addresses of its principal office;
 - (b) with respect to any position that exists in or with respect to the partnership, 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 partnership; or
 - (ii) enter into other transactions on behalf of, or otherwise act for or bind, the partnership; and
 - (c) 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 partnership; or
 - (ii) enter into other transactions on behalf of, or otherwise act for or bind, the partnership.
- (2) To amend or cancel a statement of authority filed by the division, a partnership must deliver to the division for filing an amendment or cancellation stating:
 - (a) the name of the partnership;
 - (b) the street and mailing addresses of the partnership's principal office;
 - (c) the date the statement of authority being affected became effective; and
 - (d) the contents of the amendment or a declaration that the statement of authority is canceled.
- (3) A statement of authority affects only the power of a person to bind a partnership to persons that are not partners.
- (4) Subject to Subsection (3) and Subsection 48-1d-103(4)(a), and except as otherwise provided in Subsections (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 any person's knowledge or notice of the limitation.
- (5) Subject to Subsection (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 if the person gives value:
 - (a) the person has knowledge to the contrary;
 - (b) the statement of authority has been canceled or restrictively amended under Subsection (2);
or
 - (c) a limitation on the grant is contained in another statement of authority that became effective after the statement of authority containing the grant became effective.
- (6) Subject to Subsection (3), an effective statement of authority that grants authority to transfer real property held in the name of the partnership and a certified copy of which is recorded in the office for recording transfers of the real property 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:
 - (a) the statement of authority has been canceled or restrictively amended under Subsection (2), and a certified copy of the cancellation or restrictive amendment has been recorded in the office for recording transfers of the real property; or
 - (b) a limitation on the grant is contained in another statement of authority that became effective after the statement of authority containing the grant became effective, and a certified copy of the later-effective statement of authority is recorded in the office for recording transfers of the real property.
- (7) Subject to Subsection (3), if a certified copy of an effective statement of authority containing a limitation on the authority to transfer real property held in the name of a partnership is recorded

in the office for recording transfers of that real property, all persons are deemed to know of the limitation.

- (8) Subject to Subsection (9), an effective statement of dissolution is a cancellation of any filed statement of authority for the purposes of Subsection (6) and is a limitation on authority for purposes of Subsection (7).
- (9) After a statement of dissolution becomes effective, a partnership may deliver to the division for filing and, if appropriate, may record a statement of authority that is designated as a postdissolution statement of authority. The postdissolution statement of authority operates as provided in Subsections (6) and (7).
- (10) Unless canceled earlier, an effective statement of authority is canceled by operation of law five years after the date on which the statement of authority, or its most recent amendment, becomes effective. Cancellation is effective without recording under Subsection (6) or (7).
- (11) An effective statement of denial operates as a restrictive amendment under this section and may be recorded by certified copy for purposes of Subsection (6)(a).

Enacted by Chapter 412, 2013 General Session