

Land O'Lakes

Finance Company

Non-Proprietorship Entity Disclosure Requirements

Legal Entity

A legal entity is a partnership, corporation, estate, trust, or other legal entity that is established pursuant to the laws of the United States, any State thereof.

Formal Partnerships

Formal partnerships have a written partnership agreement and must meet the eligibility requirements for a legal entity. Two types of formal partnerships are:

- **General Partnership.** Two or more individuals or entities own the business and each is liable for all partnership debt.
- **Limited Partnership.** A partnership composed of one or more general partners and one or more limited partners. Limited partners may limit their liability on the partnership debt to the amount of their capital contribution.

Disclosure Requirements:

- Copy of the partnership agreement and any amendments, or a Statement of Partnership (DIST 441) or equivalent form.
- Certificate of Limited Partnership from the Secretary of State, or the county where the partnership maintains its principal office, if the firm is a limited partnership.

Informal Partnerships

Applicants may operate jointly without a formal partnership agreement. These operations may be financed as informal partnerships. In such cases, a Statement of Partnership form (provided with loan closing documents) will be required.

Corporations

Corporations are established based on statutory law and may act only as permitted by state statutes, articles of incorporation, charter and bylaws, or regulations. Corporations must meet the eligibility requirements for a legal entity.

Disclosure Requirements:

- Certificate of Good Standing obtained from the Secretary of State.
- Articles of Incorporation, including all amendments
- Signed copy of Continuing Resolution to Borrow (provide with closing documents).

Limited Liability Companies (LLC)

Limited liability companies (LLC) are hybrid business entities created by state statutes. They possess characteristics of both a corporation and a partnership. The owners of an LLC are its "members" and have limited liability like corporate shareholders. Other key features are flexibility in structuring members' relative management and economic rights, "pass through" tax characteristics of a pure partnership, centralized management, members' governance rights are not freely transferable, and the LLC has a set duration of existence.

An LLC is formed by filing articles of organization with the Secretary of State. In addition, LLCs must file an annual report with the Secretary of State.

Disclosure Requirements:

Articles of Organization, including all amendments;

- Certificate of Good Standing or equivalent documentation from the secretary of state or department of commerce of the state in which the LLC was organized.
- Signed copy of Limited Liability Company Certification of Members and Officers to be provided with closing documents.
- Signed copy of Limited Liability Company Continuing Resolution to Borrow to be provided with closing documents.
- Operating Agreement, if any, including all amendments; and Member Control Agreement, if any, including all amendments.