

489.1202 Management of a series.

1. A series is member-managed unless the operating agreement does any of the following:
 - a. Expressly provides any of the following:
 - (1) The series is or will be “manager-managed”.
 - (2) The series is or will be “managed by managers”.
 - (3) Management of the series is or will be “vested in managers”.
 - b. Includes words of similar import.
2. In a member-managed series, unless modified pursuant to section 489.1201, subsections 5 and 6, all of the following rules apply:
 - a. The management and conduct of the series are vested in the members of the series.
 - b. Each series member has equal rights in the management and conduct of the series’ activities.
 - c. A difference arising among series members as to a matter in the ordinary course of the activities of the series may be decided by a majority of the series members.
 - d. An act outside the ordinary course of the activities of the series may be undertaken only with the consent of all members of the series.
 - e. The operating agreement may be amended only with the consent of all members of the series.
 3. In a manager-managed series, all of the following rules apply:
 - a. Except as otherwise expressly provided in this chapter, any matter relating to the activities of the series is decided exclusively by the managers of the series.
 - b. Each series manager has equal rights in the management and conduct of the activities of the series.
 - c. A difference arising among managers of a series as to a matter in the ordinary course of the activities of the series may be decided by a majority of the managers of the series.
 - d. Unless modified pursuant to section 489.1201, subsections 5 and 6, the consent of all members of the series is required to do any of the following:
 - (1) Sell, lease, exchange, or otherwise dispose of all, or substantially all, of the series’ property, with or without the goodwill, outside the ordinary course of the series’ activities.
 - (2) Approve a merger, conversion, or domestication under article 10.
 - (3) Undertake any other act outside the ordinary course of the series’ activities.
 - (4) Amend the operating agreement as it pertains to the series.
 - e. A manager of the series may be chosen at any time by the consent of a majority of the members of the series and remains a manager of the series until a successor has been chosen, unless the series manager at an earlier time resigns, is removed, or dies, or, in the case of a series manager that is not an individual, terminates. A series manager may be removed at any time by the consent of a majority of the members without notice or cause.
 - f. A person need not be a series member to be a manager of a series, but the dissociation of a series member that is also a series manager removes the person as a manager of the series. If a person that is both a series manager and a series member ceases to be a manager of the series, that cessation does not by itself dissociate the person as a member of the series.
 - g. A person’s ceasing to be a series manager does not discharge any debt, obligation, or other liability to the series or members of the series which the person incurred while a manager of the series.
 4. An action requiring the consent of members of a series under this chapter may be taken without a meeting, and a member of a series may appoint a proxy or other agent to consent or otherwise act for the series member by signing an appointing record, personally or by the series member’s agent.
 5. The dissolution of a series does not affect the applicability of this section. However, a person that wrongfully causes dissolution of the series loses the right to participate in management as a series member and a series manager.
 6. This chapter does not entitle a series member of a series to remuneration for services performed for a member-managed series, except for reasonable compensation for services rendered in winding up the activities of the series.

2008 Acts, ch 1162, §107, 155