

489.604 Member's power to dissociate under certain circumstances.

1. If the certificate of organization or an operating agreement does not specify the time or the events upon the happening of which a member may dissociate, a member may dissociate from the limited liability company in the event any amendment to the certificate of organization or operating agreement that is adopted over the member's written dissent adversely affects the rights or preferences of the dissenting member's transferable interest in any of the ways described in paragraphs "a" through "f". A dissociation in the event of such dissent and adverse effect is deemed to have occurred as of the effective date of the amendment, if the member gives notice to the limited liability company not more than sixty days after the date of the amendment. In valuing the member's distribution pursuant to this subsection, any depreciation in anticipation of the amendment shall be excluded. An amendment that does any of the following is subject to this section:

- a. Alters or abolishes a member's right to receive a distribution.
 - b. Alters or abolishes a member's right to voluntarily dissociate.
 - c. Alters or abolishes a member's right to vote on any matter, except as the rights may be altered or abolished through the acceptance of contributions or the making of contribution agreements.
 - d. Alters or abolishes a member's preemptive right to make contributions.
 - e. Establishes or changes the conditions for or consequences of expulsion.
 - f. Waives the application of this section to the limited liability company.
2. A member dissociating under this section is not liable for damages for the breach of any agreement not to withdraw.

3. This section applies to a limited liability company whose original articles of organization or certificate of organization is filed with the secretary of state on or after July 1, 1997.

4. This section applies to a limited liability company whose original articles of organization are filed with the secretary of state and effective on or prior to June 30, 1997, if such company's operating agreement provides that it is subject to this section.

5. The operating agreement of a limited liability company may waive the applicability of this section to the company and its members.

2008 Acts, ch 1162, §48, 155

Referred to in §524.1309