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 good will, outside the ordinary course of the series’ activities.
      (2) Approve a merger, conversion, or domestication under article 10.
      (3) Undertake any 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