

489.502 Transfer of transferable interest.

1. For a transfer, in whole or in part, all of the following applies to a transferable interest:
 - a. It is permissible.
 - b. It does not by itself cause a member's dissociation or a dissolution and winding up of the limited liability company's activities.
 - c. Subject to [section 489.504](#), it does not entitle the transferee to do any of the following:
 - (1) Participate in the management or conduct of the company's activities.
 - (2) Except as otherwise provided in [subsection 3](#), have access to records or other information concerning the company's activities.
 2. A transferee has the right to receive, in accordance with the transfer, distributions to which the transferor would otherwise be entitled.
 3. In a dissolution and winding up of a limited liability company, a transferee is entitled to an account of the company's transactions only from the date of dissolution.
 4. A transferable interest may be evidenced by a certificate of the interest issued by the limited liability company in a record, and, subject to [this section](#), the interest represented by the certificate may be transferred by a transfer of the certificate.
 5. A limited liability company need not give effect to a transferee's rights under [this section](#) until the company has notice of the transfer.
 6. A transfer of a transferable interest in violation of a restriction on transfer contained in the operating agreement or another agreement to which the transferor is a party is ineffective as to a person having notice of the restriction at the time of transfer.
 7. Except as otherwise provided in [section 489.602](#), [subsection 4](#), paragraph "b", when a member transfers a transferable interest, the transferor retains the rights of a member other than the interest in distributions transferred and retains all duties and obligations of a member.
 8. When a member transfers a transferable interest to a person that becomes a member with respect to the transferred interest, the transferee is liable for the member's obligations under [section 489.403](#) and [section 489.406, subsection 3](#), known to the transferee when the transferee becomes a member.

2008 Acts, ch 1162, §42, 155

Referred to in [§489.404](#), [§489.503](#), [§489.504](#), [§489.708](#), [§489.1203](#)