

489.707 Disposition of assets in winding up.

1. In winding up its activities and affairs, a limited liability company shall apply its assets to discharge the company's obligations to creditors, including members that are creditors.

2. After a limited liability company complies with [subsection 1](#), any surplus must be distributed in the following order, subject to any charging order in effect under [section 489.503](#):

a. To each person owning a transferable interest that reflects contributions made and not previously returned, an amount equal to the value of the unreturned contributions.

b. Among persons owning transferable interests in proportion to their respective rights to share in distributions immediately before the dissolution of the limited liability company.

3. If a limited liability company does not have sufficient surplus to comply with [subsection 2](#), paragraph "a", any surplus must be distributed among the owners of transferable interests in proportion to the value of the respective unreturned contributions.

4. All distributions made under [subsections 2 and 3](#) must be paid in money.

[2008 Acts, ch 1162, §56, 155](#)

[C2009, §489.708](#)

[2023 Acts, ch 152, §62, 143, 161](#)

[C2024, §489.707](#)

Former §489.707 transferred to [§489.711](#); [2023 Acts, ch 152, §143, 161](#)

2023 amendment effective January 1, 2024; [2023 Acts, ch 152, §161](#)

Section transferred from §489.708 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended