

CHAPTER 489

UNIFORM LIMITED LIABILITY COMPANY ACT

Referred to in §9.11, 9H.4, 10.1, 10B.4, 10B.7, 148C.1, 169.4A, 476C.1, 488.108, 490.401, 504.401, 504.403, 547.1, 558.72

	SUBCHAPTER I		489.205A	Secretary of state — extra services — surcharge. Transferred to §489.122A; 2023 Acts, ch 152, §143, 161.
	GENERAL PROVISIONS			
489.101	Short title.			
489.102	Definitions.	489.206		Filing requirements.
489.103	Knowledge — notice.	489.207		Effective date and time.
489.104	Governing law.	489.208		Withdrawal of filed record before effectiveness.
489.105	Operating agreement — scope, function, and limitations.	489.209		Correcting filed record.
489.106	Operating agreement — effect on limited liability company and persons becoming members — preformation agreement.	489.210		Duty of secretary of state to file — review of refusal to file — delivery of record by secretary of state.
489.107	Operating agreement — effect on third parties and relationship to records effective on behalf of limited liability company.	489.211		Certificate of existence or registration.
489.108	Nature, purpose, and duration of limited liability company.	489.211A		Biennial report for secretary of state.
489.109	Powers.	489.212		through 489.300 Reserved.
489.110	Operating agreement — scope, function, and limitations. Transferred to §489.105; 2023 Acts, ch 152, §143, 161.			SUBCHAPTER III
489.111	Supplemental principles of law.			RELATIONS OF MEMBERS AND MANAGERS TO PERSONS DEALING WITH LIMITED LIABILITY COMPANY
489.112	Permitted names.	489.301		No agency power of member as member.
489.113	Reservation of name.	489.302		Statement of limited liability company authority.
489.114	Registration of name.	489.303		Statement of denial.
489.115	Registered agent.	489.304		Liability of members and managers.
489.116	Change of registered agent or address for registered agent by limited liability company.	489.305		through 489.400 Reserved.
489.117	Resignation of registered agent.			SUBCHAPTER IV
489.118	Change of name or address by registered agent.			RELATIONS OF MEMBERS TO EACH OTHER AND TO LIMITED LIABILITY COMPANY
489.119	Service of process, notice, or demand.			
489.120	Delivery of record.	489.401		Becoming member.
489.121	Reservation of power to amend or repeal.	489.402		Form of contribution.
489.122	Fees.	489.403		Liability for contributions.
489.122A	Secretary of state — extra services — surcharge.	489.404		Sharing of and right to distributions before dissolution.
489.123	through 489.200 Reserved.	489.405		Limitations on distribution.
	SUBCHAPTER II	489.406		Liability for improper distributions.
	FORMATION — CERTIFICATE OF ORGANIZATION AND OTHER FILINGS	489.407		Management of limited liability company.
489.201	Formation of limited liability company — certificate of organization.	489.407A		Real estate interest transferred by limited liability company or foreign limited liability company.
489.202	Amendment or restatement of certificate of organization.	489.408		Reimbursement, indemnification, advancement, and insurance.
489.203	Signing of records to be delivered for filing to secretary of state.	489.409		Standards of conduct for members and managers.
489.204	Signing and filing pursuant to judicial order.	489.410		Rights to information of member, manager, and person dissociated as member.
489.205	Liability for inaccurate information in filed records.	489.411		through 489.500 Reserved.

SUBCHAPTER V		SUBCHAPTER IX	
TRANSFERABLE INTERESTS AND RIGHTS OF TRANSFEREES AND CREDITORS		FOREIGN LIMITED LIABILITY COMPANIES	
489.501	Nature of transferable interest.	489.901	Governing law.
489.502	Transfer of transferable interest.	489.902	Registration to do business in this state.
489.503	Charging order.	489.903	Foreign registration statement.
489.504	Power of personal representative of deceased member.	489.904	Amendment of foreign registration statement.
489.505	through 489.600 Reserved.	489.905	Activities not constituting doing business in this state.
SUBCHAPTER VI		489.906	Noncomplying name of foreign limited liability company.
DISSOCIATION		489.907	Withdrawal of registration of registered foreign limited liability company.
489.601	Power to dissociate as a member — wrongful dissociation.	489.908	Deemed withdrawal upon domestication or conversion to certain domestic entities.
489.602	Events causing dissociation.	489.909	Withdrawal upon dissolution or conversion to certain nonfiling entities.
489.603	Effect of dissociation.	489.910	Transfer of registration.
489.604	Member's power to dissociate under certain circumstances.	489.911	Administrative termination of registration.
489.605	through 489.700 Reserved.	489.912	Action by attorney general.
SUBCHAPTER VII		489.913	through 489.1000 Reserved.
DISSOLUTION AND WINDING UP		SUBCHAPTER X	
489.701	Events causing dissolution.	MERGER, INTEREST EXCHANGE, CONVERSION, AND DOMESTICATION	
489.701A	Rescinding dissolution. Transferred to §489.703; 2023 Acts, ch 152, §143, 161.	PART 1	
489.702	Winding up.	GENERAL PROVISIONS	
489.703	Rescinding dissolution.	489.1001	Definitions.
489.704	Known claims against dissolved limited liability company.	489.1002	Relationship of subchapter to other laws.
489.705	Other claims against dissolved limited liability company.	489.1003	Required notice or approval.
489.706	Court proceedings.	489.1004	Nonexclusivity.
489.707	Disposition of assets in winding up.	489.1005	Reference to external facts.
489.708	Grounds for administrative dissolution.	489.1006	Appraisal rights.
489.709	Procedure for and effect of administrative dissolution.	489.1007	Excluded entities and transactions.
489.710	Reinstatement following administrative dissolution.	489.1008	through 489.1016 Repealed by 2023 Acts, ch 152, §142, 161.
489.711	Appeal from denial of reinstatement.	489.1017	through 489.1020 Reserved.
489.712	through 489.800 Reserved.	PART 2	
SUBCHAPTER VIII		MERGER	
ACTIONS BY MEMBERS		489.1021	Merger authorized.
489.801	Direct action by member.	489.1022	Plan of merger.
489.802	Derivative action.	489.1023	Approval of merger.
489.803	Proper plaintiff.	489.1024	Amendment or abandonment of plan of merger.
489.804	Pleading.	489.1025	Statement of merger — effective date of merger.
489.805	Special litigation committee.	489.1026	Effect of merger.
489.806	Proceeds and expenses.	489.1027	through 489.1030 Reserved.
489.807	Cancellation of certificate of authority. Repealed by 2023 Acts, ch 152, §142, 161.	PART 3	
489.808	Effect of failure to have certificate of authority. Repealed by 2023 Acts, ch 152, §142, 161.	INTEREST EXCHANGE	
489.809	Action by attorney general. Transferred to §489.912; 2023 Acts, ch 152, §143, 161.	489.1031	Interest exchange authorized.
489.810	through 489.900 Reserved.	489.1032	Plan of interest exchange.
		489.1033	Approval of interest exchange.

489.1034	Amendment or abandonment of plan of interest exchange.	489.1119	Election to no longer be a professional limited liability company.
489.1035	Statement of interest exchange — effective date of interest exchange.	489.1120	Conflicts with other provisions of this chapter.
489.1036	Effect of interest exchange.	489.1121	through 489.1200 Reserved.
481.1037	through 481.1040 Reserved.		
			SUBCHAPTER XII
	PART 4		MISCELLANEOUS PROVISIONS
	CONVERSION		
489.1041	Conversion authorized.	489.1201	Uniformity of application and construction.
489.1042	Plan of conversion.	489.1202	Relation to Electronic Signatures in Global and National Commerce Act.
489.1043	Approval of conversion.	489.1203	Savings clause.
489.1044	Amendment or abandonment of plan of conversion.	489.1204	Severability clause.
489.1045	Statement of conversion — effective date of conversion.	489.1205	Termination of a series. Repealed by its own terms; 2019 Acts, ch 26, §50.
489.1046	Effect of conversion.	489.1206	Foreign series. Repealed by its own terms; 2019 Acts, ch 26, §51.
489.1047	through 489.1050 Reserved.	489.1207	Application to existing relationships.
		489.1208	through 489.1300 Reserved.
			SUBCHAPTER XIII
	PART 5		PRIOR PROVISIONS
	DOMESTICATION		
489.1051	Domestication authorized.	489.1301	Uniformity of application and construction. Transferred to §489.1201; 2023 Acts, ch 152, §143, 161.
489.1052	Plan of domestication.	489.1302	Relation to Electronic Signatures in Global and National Commerce Act. Transferred to §489.1202; 2023 Acts, ch 152, §143, 161.
489.1053	Approval of domestication.	489.1303	Savings clause. Transferred to §489.1203; 2023 Acts, ch 152, §143, 161.
489.1054	Amendment or abandonment of plan of domestication.	489.1304	Application to existing relationships. Repealed by 2023 Acts, ch 152, §142, 161.
489.1055	Statement of domestication — effective date of domestication.	489.1305	through 489.14100 Reserved.
489.1056	Effect of domestication.		
489.1057	through 489.1100 Reserved.		
			SUBCHAPTER XIV
	SUBCHAPTER XI		UNIFORM PROTECTED SERIES ACT
	PROFESSIONAL LIMITED LIABILITY COMPANIES		PART 1
			GENERAL PROVISIONS
489.1101	Definitions.	489.14101	Short title.
489.1102	Purposes and powers.	489.14102	Definitions.
489.1103	Name.	489.14103	Nature of protected series.
489.1104	Who may organize.	489.14104	Powers and duration of protected series.
489.1105	Practice by professional limited liability company.	489.14105	Governing law.
489.1106	Professional regulation.	489.14106	Relation of operating agreement, this subchapter, and this chapter.
489.1107	Relationship and liability to persons served.	489.14107	Additional limitations on operating agreement.
489.1108	Issuance of interests.		
489.1109	Assignment of interests.		
489.1110	Convertible interests — rights and options.		
489.1111	Voting trust — proxy.		
489.1112	Required purchase by professional limited liability company of its own interests.		
489.1113	Certificates representing interests.		
489.1114	Management.		
489.1115	Merger.		
489.1116	Dissolution or liquidation.		
489.1117	Foreign professional limited liability company.		
489.1118	Limited liability companies organized under the other laws.		

489.14108	Rules for applying specified provisions of this chapter to specified provisions of this subchapter.		
489.14109	through 489.14200	Reserved.	
			PART 5
			DISSOLUTION AND WINDING UP OF PROTECTED SERIES
			489.14501
			Events causing dissolution of protected series.
			489.14502
			Winding up dissolved protected series.
			489.14503
			Effect of reinstatement of series limited liability company or revocation of voluntary dissolution.
			489.14504
			through 489.14600
			Reserved.
			PART 6
			ENTITY TRANSACTIONS RESTRICTED
			489.14601
			Definitions.
			489.14602
			Protected series shall not be party to entity transaction.
			489.14603
			Restriction on entity transaction involving protected series.
			489.14604
			Merger authorized — parties restricted.
			489.14605
			Plan of merger.
			489.14606
			Articles of merger.
			489.14607
			Effect of merger.
			489.14608
			Application of section 489.14404 after merger.
			489.14609
			through 489.14700
			Reserved.
			PART 7
			FOREIGN PROTECTED SERIES
			489.14701
			Governing law.
			489.14702
			No attribution of activities constituting doing business or for establishing jurisdiction.
			489.14703
			Authorization of foreign protected series.
			489.14704
			Disclosure required when foreign series limited liability company or foreign protected series party to proceeding.
			489.14705
			through 489.14800
			Reserved.
			PART 8
			TRANSITION PROVISIONS
			489.14801
			Uniformity of application and construction.
			489.14802
			Reserved.
			489.14803
			Transitional provisions.
			Repealed by its own terms; 2019 Acts, ch 26, §39.
			489.14804
			Savings clause.

SUBCHAPTER I

GENERAL PROVISIONS

489.101 Short title.

1. **This chapter** may be cited as the “*Uniform Limited Liability Company Act*”.

2. In addition, [subchapter XIV of this chapter](#) may be cited as provided in [section 489.14101](#).

2008 Acts, ch 1162, §1, 155; 2019 Acts, ch 26, §44, 53; 2020 Acts, ch 1063, §384; 2023 Acts, ch 152, §1, 161

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.102 Definitions.

As used in [this chapter](#), unless the context otherwise requires:

1. “*Certificate of organization*” means the certificate required by [section 489.201](#). The term includes the certificate as amended or restated.

2. “*Contribution*”, except in the phrase “*right of contribution*”, means property or a benefit described in [section 489.402](#) which is provided by a person to a limited liability company to become a member or in the person’s capacity as a member.

3. “*Debtor in bankruptcy*” means a person that is the subject of any of the following:

a. An order for relief under Tit. 11 of the United States Code or a comparable order under a successor statute of general application.

b. A comparable order under federal, state, or foreign law governing insolvency.

4. “*Deliver*” or “*delivery*” means any method of delivery used in conventional commercial practice, including delivery by hand, mail, commercial delivery, and if authorized in accordance with [section 489.120](#), by electronic transmission.

5. “*Distribution*” means a transfer of money or other property from a limited liability company to a person on account of a transferable interest or in the person’s capacity as a member.

a. “*Distribution*” includes all of the following:

(1) A redemption or other purchase by a limited liability company of a transferable interest.

(2) A transfer to a member in return for the member’s relinquishment of any right to participate as a member in the management or conduct of the limited liability company’s activities and affairs or to have access to records or other information concerning the company’s activities and affairs.

b. “*Distribution*” does not include amounts constituting reasonable compensation for present or past service or payments made in the ordinary course of business under a bona fide retirement plan or other bona fide benefits program.

6. “*Domestic cooperative*” means an entity organized on a cooperative basis under [chapter 497](#), [498](#), or [499](#), a cooperative organized under [chapter 499A](#), or a cooperative organized under [chapter 501](#) or [501A](#).

7. “*Electronic*” means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

8. “*Electronic transmission*” or “*electronically transmitted*” means any form or process of communication not directly involving the physical transfer of paper or another tangible medium that is all of the following:

a. Suitable for the retention, retrieval, and reproduction of information by the recipient.

b. Retrievable in paper form by the recipient through an automated process used in conventional commercial practice.

9. “*Filing entity*” means an unincorporated entity, other than a limited liability partnership, that is of a type that is created by filing a public organic record or is required to file a public organic record that evidences its creation.

10. “*Foreign limited liability company*” means an unincorporated entity formed under the law of a jurisdiction other than this state which would be a limited liability company if formed under the law of this state.

11. “*Jurisdiction*”, used to refer to a political entity, means the United States, a state, a foreign country, or a political subdivision of a foreign country.

12. “*Jurisdiction of formation*” means the jurisdiction whose law governs the internal affairs of an entity.

13. “*Limited liability company*”, except in the phrase “*foreign limited liability company*”,

and in [subchapter X](#) means an entity formed under [this chapter](#) or which becomes subject to [this chapter](#) under [subchapter X](#) or [section 489.110](#).*

14. “*Manager*” means a person that under the operating agreement of a manager-managed limited liability company is responsible, alone or in concert with others, for performing the management functions stated in [section 489.407, subsection 3](#).

15. “*Manager-managed limited liability company*” means a limited liability company that qualifies under [section 489.407, subsection 1](#).

16. “*Member*” means a person for whom all of the following are true:

a. The person has become a member of a limited liability company under [section 489.401](#) or was a member in a limited liability company when the company became subject to [this chapter](#) under [section 489.110](#).*

b. The person is not dissociated under [section 489.602](#).

17. “*Member-managed limited liability company*” means a limited liability company that is not a manager-managed limited liability company.

18. “*Nonfiling entity*” means an unincorporated entity that is of a type that is not created by filing a public organic record.

19. “*Operating agreement*” means the agreement, whether or not referred to as an operating agreement and whether oral, implied, in a record, or in any combination thereof, of all the members of a limited liability company, including a sole member, concerning the matters described in [section 489.105, subsection 1](#). The term includes the agreement as amended or restated.

20. “*Organizer*” means a person that acts under [section 489.201](#) to form a limited liability company.

21. a. “*Person*” means an individual, business corporation, nonprofit corporation, partnership, limited partnership, limited liability company, domestic cooperative, unincorporated nonprofit association, statutory trust, business trust, common-law business trust, estate, trust, association, joint venture, public corporation, government or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

b. “*Person*” includes a protected series, however denominated, of an entity if the protected series is established under law that limits, or limits if conditions specified under law are satisfied, the ability of a creditor of the entity or of any other protected series of the entity to satisfy a claim from assets of the protected series.

22. “*Principal office*” means the principal executive office of a limited liability company or foreign limited liability company, whether or not the office is located in this state.

23. “*Property*” means all property, whether real, personal, or mixed or tangible or intangible, or any right or interest therein.

24. “*Record*”, used as a noun, means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

25. “*Registered agent*” means an agent of a limited liability company or foreign limited liability company which is authorized to receive service of any process, notice, or demand required or permitted by law to be served on the company.

26. “*Registered foreign limited liability company*” means a foreign limited liability company that is registered to do business in this state pursuant to a statement of registration filed by the secretary of state.

27. “*Sign*” means, with present intent to authenticate or adopt a record, to do any of the following:

a. Execute or adopt a tangible symbol.

b. Attach to or logically associate with the record an electronic symbol, sound, or process.

28. “*State*” means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

29. “*Transfer*” includes any of the following:

a. An assignment.

b. A conveyance.

c. A sale.

d. A lease.

- e. An encumbrance, including a mortgage or security interest.
- f. A gift.
- g. A transfer by operation of law.

30. a. “*Transferable interest*” means the right, as initially owned by a person in the person’s capacity as a member, to receive distributions from a limited liability company, whether or not the person remains a member or continues to own any part of the right.

- b. “*Transferable interest*” applies to any fraction of the interest, by whomever owned.

31. a. “*Transferee*” means a person to which all or part of a transferable interest has been transferred, whether or not the transferor is a member.

- b. “*Transferee*” includes a person that owns a transferable interest under [section 489.603, subsection 1](#), paragraph “c”.

[2008 Acts, ch 1162, §2, 155; 2010 Acts, ch 1100, §1; 2022 Acts, ch 1038, §1; 2023 Acts, ch 152, §2, 161](#)

Referred to in [§9H.1, 10B.1, 10D.1, 203.1, 489.405, 489.1207, 501A.102](#)

*Reference to current or former [§489.110](#) probably not intended; corrective legislation is pending

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.103 Knowledge — notice.

1. A person knows a fact if the person has or is any of the following:

- a. Has actual knowledge of it.
- b. Is deemed to know it under [subsection 4](#), paragraph “a”, or law other than [this chapter](#).

2. A person has notice of a fact if the person has or is any of the following:

- a. Has reason to know the fact from all the facts known to the person at the time in question.

- b. Is deemed to have notice of the fact under [subsection 4](#), paragraph “b”.

3. Subject to [section 489.210, subsection 6](#), a person notifies another person of a fact by taking steps reasonably required to inform the other person in ordinary course, whether or not those steps cause the other person to know the fact.

4. A person not a member is deemed all of the following:

- a. To know of a limitation on authority to transfer real property as provided in [section 489.302, subsection 7](#).

- b. To have notice of all of the following:

(1) The limited liability company’s dissolution, ninety days after a statement of dissolution under [section 489.702, subsection 2](#), paragraph “b”, subparagraph (1), becomes effective.

(2) The limited liability company’s termination, ninety days after a statement of termination under [section 489.702, subsection 2](#), paragraph “b”, subparagraph (6), becomes effective.

(3) The limited liability company’s participation in a merger, interest exchange, conversion, or domestication, ninety days after articles of merger, interest exchange, conversion, or domestication under [subchapter X](#) become effective.

[2008 Acts, ch 1162, §3, 155; 2023 Acts, ch 152, §3, 161](#)

Referred to in [§489.209, 489.302, 489.14502](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.104 Governing law.

The law of this state governs all of the following:

1. The internal affairs of a limited liability company.
2. The liability of a member as member and a manager as manager for a debt, obligation, or other liability of a limited liability company.

[2008 Acts, ch 1162, §6, 155](#)

C2009, §489.106

[2023 Acts, ch 152, §6, 143, 161](#)

C2024, §489.104

Former [§489.104](#) transferred to [§489.108](#); [2023 Acts, ch 152, §143, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section transferred from [§489.106](#) in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.105 Operating agreement — scope, function, and limitations.

1. Except as otherwise provided in [subsections 3 and 4](#), the operating agreement governs all of the following:

a. Relations among the members as members and between the members and the limited liability company.

b. The rights and duties under [this chapter](#) of a person in the capacity of manager.

c. The activities and affairs of the company and the conduct of those activities and affairs.

d. The means and conditions for amending the operating agreement.

2. To the extent the operating agreement does not provide for a matter described in [subsection 1](#), [this chapter](#) governs the matter.

3. An operating agreement shall not do any of the following:

a. Vary the law applicable under [section 489.104](#).

b. Vary a limited liability company's capacity under [section 489.109](#) to sue and be sued in its own name.

c. Vary any requirement, procedure, or other provision of [this chapter](#) pertaining to any of the following:

(1) Registered agents.

(2) The secretary of state, including provisions pertaining to records authorized or required to be delivered to the secretary of state for filing under [this chapter](#).

d. Vary the provisions of [section 489.204](#).

e. Alter or eliminate the duty of loyalty or the duty of care, except as otherwise provided in [subsection 4](#).

f. Eliminate the contractual obligation of good faith and fair dealing under [section 489.409, subsection 4](#), but the operating agreement may prescribe the standards, if not manifestly unreasonable, by which the performance of the obligation is to be measured.

g. Relieve or exonerate a person from liability for conduct except as provided in [subsection 6](#).

h. Unreasonably restrict the duties and rights under [section 489.410](#), but the operating agreement may impose reasonable restrictions on the availability and use of information obtained under that section and may define appropriate remedies, including liquidated damages, for a breach of any reasonable restriction on use.

i. Vary the causes of dissolution specified in [section 489.701, subsection 1](#), paragraph "d".

j. Vary the requirement to wind up the limited liability company's activities and affairs as specified in [section 489.702, subsection 1](#); [subsection 2](#), paragraph "a"; and [subsection 5](#).

k. Unreasonably restrict the right of a member to maintain an action under [subchapter VIII](#).

l. Vary the provisions of [section 489.805](#), but the operating agreement may provide that the limited liability company shall not have a special litigation committee.

m. Vary the right of a member to approve a merger, interest exchange, conversion, or domestication under [section 489.1023, subsection 1](#), paragraph "b"; [section 489.1033, subsection 1](#), paragraph "b"; [section 489.1043, subsection 1](#), paragraph "b"; or [section 489.1053, subsection 1](#), paragraph "b".

n. Vary the required contents of a plan of merger under [section 489.1022, subsection 1](#); plan of interest exchange under [section 489.1032, subsection 1](#); plan of conversion under [section 489.1042, subsection 1](#); or plan of domestication under [section 489.1052, subsection 1](#).

o. Except as otherwise provided in [sections 489.106 and 489.107, subsection 2](#), restrict the rights under [this chapter](#) of a person other than a member or manager.

4. Subject to [subsection 3](#), paragraph "g", without limiting other terms that may be included in an operating agreement, all the following rules apply:

a. The operating agreement may do all of the following:

(1) Specify the method by which a specific act or transaction that would otherwise violate the duty of loyalty may be authorized or ratified by one or more disinterested and independent persons after full disclosure of all material facts.

(2) Alter the prohibition in [section 489.405, subsection 1](#), paragraph "b", so that the

prohibition requires only that the limited liability company's total assets not be less than the sum of its total liabilities.

b. To the extent the operating agreement of a member-managed limited liability company expressly relieves a member of a responsibility that the member otherwise would have under [this chapter](#) and imposes the responsibility on one or more other members, the agreement also may eliminate or limit any fiduciary duty of the member relieved of the responsibility which would have pertained to the responsibility.

c. If not manifestly unreasonable, the operating agreement may do all of the following:

(1) Alter or eliminate the aspects of the duty of loyalty stated in [section 489.409, subsections 2 and 9](#).

(2) Identify specific types or categories of activities that do not violate the duty of loyalty.

(3) Alter the duty of care, but may not authorize conduct involving bad faith, willful or intentional misconduct, or knowing violation of law.

(4) Alter or eliminate any other fiduciary duty.

5. The court shall decide as a matter of law whether a term of an operating agreement is manifestly unreasonable under [subsection 3](#), paragraph "f", or [subsection 4](#), paragraph "c". All of the following shall apply:

a. The court shall make its determination as of the time the challenged term became part of the operating agreement and by considering only circumstances existing at that time.

b. The court may invalidate the term only if, in light of the purposes, activities, and affairs of the limited liability company, it is readily apparent that any of the following apply:

(1) The objective of the term is unreasonable.

(2) The term is an unreasonable means to achieve the term's objective.

6. An operating agreement may alter or eliminate the indemnification for a member or manager provided by [section 489.408, subsection 1](#), and may eliminate or limit a member's or manager's liability to the limited liability company and members for money damages, except for any of the following:

a. A breach of the duty of loyalty.

b. A financial benefit received by the member or manager to which the member or manager is not entitled.

c. A breach of a duty under [section 489.406](#).

d. Intentional infliction of harm on the company or a member.

e. An intentional violation of criminal law.

[2008 Acts, ch 1162, §10, 155](#)

[C2009, §489.110](#)

[2013 Acts, ch 30, §114, 115; 2023 Acts, ch 152, §9, 143, 161](#)

[C2024, §489.105](#)

Former [§489.105](#) transferred to [§489.109](#); [2023 Acts, ch 152, §143, 161](#)

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

Section transferred from [§489.110](#) in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.106 Operating agreement — effect on limited liability company and persons becoming members — preformation agreement.

1. A limited liability company is bound by and may enforce the operating agreement, whether or not the company has itself manifested assent to the operating agreement.

2. A person that becomes a member of a limited liability company is deemed to assent to the operating agreement.

3. Two or more persons intending to become the initial members of a limited liability company may make an agreement providing that upon the formation of the company the agreement will become the operating agreement. One person intending to become the initial member of a company may assent to terms providing that upon the formation of the company the terms will become the operating agreement.

4. An operating agreement in a signed record that excludes modification or rescission except by a signed record cannot be otherwise modified or rescinded.

[2008 Acts, ch 1162, §11, 155](#)

[C2009, §489.111](#)

[2017 Acts, ch 54, §76](#); [2023 Acts, ch 152, §10, 143, 161](#)

C2024, §489.106

Former §489.106 transferred to [§489.104](#); [2023 Acts, ch 152, §143, 161](#)

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

Section transferred from §489.111 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.107 Operating agreement — effect on third parties and relationship to records effective on behalf of limited liability company.

1. An operating agreement may specify that its amendment requires the approval of a person that is not a party to the operating agreement or the satisfaction of a condition. An amendment is ineffective if its adoption does not include the required approval or satisfy the specified condition.

2. The obligations of a limited liability company and its members to a person in the person’s capacity as a transferee or a person dissociated as a member are governed by the operating agreement. Subject only to a court order issued under [section 489.503, subsection 2](#), paragraph “b”, to effectuate a charging order, an amendment to the operating agreement made after a person becomes a transferee or is dissociated as a member is or is not effective as follows:

a. Is effective with regard to any debt, obligation, or other liability of the limited liability company or its members to the person in the person’s capacity as a transferee or person dissociated as a member.

b. Is not effective to the extent the amendment imposes a new debt, obligation, or other liability on the transferee or person dissociated as a member.

3. If a record delivered by a limited liability company to the secretary of state for filing becomes effective and contains a provision that would be ineffective under [section 489.105, subsection 3](#) or [subsection 4](#), paragraph “c”, if contained in the operating agreement, the provision is ineffective in the record.

4. Subject to [subsection 3](#), if a record delivered by a limited liability company to the secretary of state for filing becomes effective and conflicts with a provision of the operating agreement, all of the following rules apply:

a. The operating agreement prevails as to members, persons dissociated as members, transferees, and managers.

b. The record prevails as to other persons to the extent they reasonably rely on the record.

[2008 Acts, ch 1162, §12, 155](#)

C2009, §489.112

[2023 Acts, ch 152, §11, 143, 161](#)

C2024, §489.107

Former §489.107 transferred to [§489.111](#); [2023 Acts, ch 152, §143, 161](#)

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

Section transferred from §489.112 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.108 Nature, purpose, and duration of limited liability company.

1. A limited liability company is an entity distinct from its member or members.

2. A limited liability company may have any lawful purpose, regardless of whether for profit.

3. A limited liability company has perpetual duration.

[2008 Acts, ch 1162, §4, 155](#)

C2009, §489.104

[2023 Acts, ch 152, §4, 143, 161](#)

C2024, §489.108

Former §489.108 transferred to [§489.112](#); [2023 Acts, ch 152, §143, 161](#)

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

Section transferred from §489.104 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.109 Powers.

1. Except as otherwise provided in [subsection 2](#), a limited liability company has the

capacity to sue and be sued in its own name and the power to do all things necessary or convenient to carry on its activities and affairs.

2. Until a limited liability company has or has had at least one member, the limited liability company lacks the capacity to do any act or carry on any activity except all of the following:

a. Delivering to the secretary of state for filing a statement of change under [section 489.116](#), an amendment to the certificate under [section 489.202](#), a statement of correction under [section 489.209](#), a biennial report under [section 489.211A](#), a statement of withdrawal or a statement of rescission under [section 489.703](#), or a statement of termination under [section 489.702, subsection 2](#), paragraph “b”, subparagraph (6).

b. Admitting a member under [section 489.401](#).

c. Dissolving under [section 489.701](#).

3. A limited liability company that has or has had at least one member may ratify an act or activity that occurred when the company lacked capacity under [subsection 2](#).

[2008 Acts, ch 1162, §5, 155](#)

[C2009, §489.105](#)

[2019 Acts, ch 26, §55; 2023 Acts, ch 152, §5, 143, 161](#)

[C2024, §489.109](#)

Referred to in [§489.105](#)

Former [§489.109](#) transferred to [§489.113; 2023 Acts, ch 152, §143, 161](#)

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

Section transferred from [§489.105](#) in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.110 Operating agreement — scope, function, and limitations. Transferred to [§489.105; 2023 Acts, ch 152, §143, 161](#).

489.111 Supplemental principles of law.

Unless displaced by particular provisions of [this chapter](#), the principles of law and equity supplement [this chapter](#).

[2008 Acts, ch 1162, §7, 155](#)

[C2009, §489.107](#)

[2023 Acts, ch 152, §143](#)

[C2024, §489.111](#)

Former [§489.111](#) transferred to [§489.106; 2023 Acts, ch 152, §143, 161](#)

Section transferred from [§489.107](#) in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

489.112 Permitted names.

1. The name of a limited liability company must contain the phrase “limited liability company” or “limited company” or the abbreviation “L. L. C.”, “LLC”, “L. C.”, or “LC”. “Limited” may be abbreviated as “Ltd.”, and “company” may be abbreviated as “Co.”.

2. Except as otherwise provided in [subsection 3](#), the name of a limited liability company, and the name under which a foreign limited liability company may register to do business in this state, must be distinguishable on the records of the secretary of state from any of the following:

a. The name of an existing person whose formation required the filing of a record by the secretary of state and which is not at the time administratively dissolved, or if such person has been administratively dissolved, within five years of the effective date of dissolution.

b. The name of a limited liability partnership whose statement of qualification is in effect.

c. The name under which a person is registered to do business in this state by the filing of a record by the secretary of state.

d. The name reserved under [section 489.113](#) or other law of this state providing for the reservation of a name by the filing of a record by the secretary of state.

e. The name registered under [section 489.114](#) or other law of this state providing for the registration of a name by the filing of a record by the secretary of state.

f. The name registered with the secretary of state as a fictitious name.

3. If a person consents in a record to the use of its name and submits an undertaking in a form satisfactory to the secretary of state to change its name to a name that is distinguishable on the records of the secretary of state from any name in any category of names in [subsection](#)

2, the name of the consenting person may be used by the person to which the consent was given.

4. In determining whether a name is the same as or not distinguishable on the records of the secretary of state from the name of another person, words, phrases, or abbreviations indicating a type of person, such as “corporation”, “corp.”, “incorporated”, “Inc.”, “professional corporation”, “P.C.”, “PC”, “professional association”, “P.A.”, “PA”, “Limited”, “Ltd.”, “limited partnership”, “L.P.”, “LP”, “limited liability partnership”, “L.L.P.”, “LLP”, “registered limited liability partnership”, “R.L.L.P.”, “RLLP”, “limited liability limited partnership”, “L.L.L.P.”, “LLL”, “registered limited liability limited partnership”, “R.L.L.L.P.”, “RLLL”, “limited liability company”, “L.L.C.”, “LLC”, “cooperative”, “coop”, or “CP” shall not be taken into account.

5. The name of a limited liability company or foreign limited liability company shall not contain words that may be used only with approval by another state department or state agency unless the company obtains the approval of such other state department or agency and delivers to the secretary of state for filing a record certifying such approval.

6. A limited liability company or foreign limited liability company may use a name that is not distinguishable from a name described in [subsection 2](#), paragraphs “a” through “f”, if the company delivers to the secretary of state a certified copy of a final judgment of a court of competent jurisdiction establishing the right of the company to use the name in this state.

7. A limited liability company may use the name, including the fictitious name, of another entity that is used in this state if the other entity is formed under the law of this state or is authorized to transact business in this state and the proposed user limited liability company meets any of the following conditions:

- a. Has merged with the other entity.
- b. Has been formed by reorganization of the other entity.
- c. Has acquired all or substantially all of the assets, including the name, of the other entity.

8. This subchapter does not control the use of fictitious names. However, if a limited liability company uses a fictitious name in this state, it shall deliver to the secretary of state for filing a certified copy of the resolution of its members if it is member-managed or its managers if it is manager-managed, adopting the fictitious name.

[2008 Acts, ch 1162, §8, 155](#)

C2009, §489.108

[2009 Acts, ch 133, §160; 2023 Acts, ch 152, §7, 143, 161](#)

C2024, §489.112

Referred to in [§488.108, 489.113, 489.114, 489.201, 489.710, 489.903, 489.906, 489.910, 489.14202, 489.14703, 490.401, 504.401, 504.403](#)

Former [§489.112](#) transferred to [§489.107](#); [2023 Acts, ch 152, §143, 161](#)

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

Section transferred from [§489.108](#) in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.113 Reservation of name.

1. A person may reserve the exclusive use of a name that complies with [section 489.112](#) by delivering an application to the secretary of state for filing. The application must state the name and address of the applicant and the name to be reserved. If the secretary of state finds that the name is available, the secretary of state shall reserve the name for the applicant’s exclusive use for one hundred twenty days.

2. The owner of a reserved name may transfer the reservation to another person by delivering to the secretary of state a signed notice in a record of the transfer which states the name and address of the person to which the reservation is being transferred.

[2008 Acts, ch 1162, §9, 155](#)

C2009, §489.109

[2023 Acts, ch 152, §8, 143, 161](#)

C2024, §489.113

Referred to in [§488.108, 489.112, 490.401, 504.401, 504.403, 524.310](#)

Former [§489.113](#) repealed effective January 1, 2024, by [2023 Acts, ch 152, §142, 161](#)

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

Section transferred from [§489.109](#) in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.114 Registration of name.

1. A foreign limited liability company not registered to do business in this state under [subchapter IX](#) may register its name, or an alternate name adopted pursuant to [section 489.906](#), if the name is distinguishable on the records of the secretary of state from the names that are not available under [section 489.112](#).

2. To register its name or an alternate name adopted pursuant to [section 489.906](#), a foreign limited liability company must deliver to the secretary of state for filing an application stating the company's name, the jurisdiction and date of its formation, and any alternate name adopted pursuant to [section 489.906](#). If the secretary of state finds that the name applied for is available, the secretary of state shall register the name for the applicant's exclusive use.

3. The registration of a name under [this section](#) is effective for one year after the date of registration.

4. A foreign limited liability company whose name registration is effective may renew the registration for successive one-year periods by delivering, not earlier than three months before the expiration of the registration, to the secretary of state for filing a renewal application that complies with [this section](#). When filed, the renewal application renews the registration for a succeeding one-year period.

5. A foreign limited liability company whose name registration is effective may register as a foreign limited liability company under the registered name or consent in a signed record to the use of that name by another person that is not an individual.

[2023 Acts, ch 152, §13, 143, 161](#)

Referred to in [§488.108, 489.112, 490.401, 504.401, 504.403, 524.310](#)
Former [§489.114](#) transferred to [§489.116](#); [2023 Acts, ch 152, §143, 161](#)
Section effective January 1, 2024; [2023 Acts, ch 152, §161](#)
NEW section

489.115 Registered agent.

1. Each limited liability company and each registered foreign limited liability company shall designate and maintain a registered agent in this state. The designation of a registered agent is an affirmation of fact by the limited liability company or registered foreign limited liability company that the agent has consented to serve.

2. A registered agent for a limited liability company or registered foreign limited liability company must have a place of business in this state.

3. The only duties under [this chapter](#) of a registered agent that has complied with [this chapter](#) are as follows:

a. To forward to the limited liability company or registered foreign limited liability company at the address most recently supplied to the agent by the limited liability company or registered foreign limited liability company any process, notice, or demand pertaining to the company or foreign company which is served on or received by the agent.

b. If the registered agent resigns, to provide the notice required by [section 489.117, subsection 3](#), to the limited liability company or registered foreign limited liability company at the address most recently supplied to the agent by the limited liability company or registered foreign limited liability company.

c. To keep current the information with respect to the agent in the certificate of organization or foreign registration statement.

[2023 Acts, ch 152, §15, 143, 161](#)

Former [§489.115](#) transferred to [§489.117](#); [2023 Acts, ch 152, §143, 161](#)
Section effective January 1, 2024; [2023 Acts, ch 152, §161](#)
NEW section

489.116 Change of registered agent or address for registered agent by limited liability company.

1. A limited liability company or registered foreign limited liability company may change its registered agent or the address of its registered agent by delivering to the secretary of state for filing a statement of change that states all of the following:

a. The name of the limited liability company or foreign limited liability company.

b. The information that is to be in effect as a result of the filing of the statement of change.

2. The members or managers of a limited liability company need not approve the delivery to the secretary of state for filing of any of the following:

- a. A statement of change under [this section](#).
- b. A similar filing changing the registered agent or registered office, if any, of the limited liability company in any other jurisdiction.

3. A statement of change under [this section](#) designating a new registered agent is an affirmation of fact by the limited liability company or registered foreign limited liability company that the agent has consented to serve.

4. As an alternative to using the procedure in [this section](#), a limited liability company may amend its certificate of organization.

5. Subject to [section 489.205, subsection 3](#), a statement of change is effective when filed by the secretary of state.

[2008 Acts, ch 1162, §14, 155](#)

C2009, §489.114

[2010 Acts, ch 1100, §3; 2023 Acts, ch 152, §12, 143, 161](#)

C2024, §489.116

Referred to in [§489.109, 489.202, 489.205, 489.211A](#)

Former §489.116 transferred to [§489.119; 2023 Acts, ch 152, §143, 161](#)

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

Section transferred from [§489.114](#) in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.117 Resignation of registered agent.

1. A registered agent may resign as an agent for a limited liability company or registered foreign limited liability company by delivering to the secretary of state for filing a statement of resignation that states all of the following:

- a. The name of the limited liability company or foreign limited liability company.
- b. The name of the agent.
- c. That the agent resigns from serving as registered agent for the limited liability company or foreign limited liability company.
- d. The address of the limited liability company or foreign limited liability company to which the agent will send the notice required by [subsection 3](#).

2. A statement of resignation takes effect on the earlier of the following:

- a. The thirty-first day after the day on which it is filed with the secretary of state.
- b. The designation of a new registered agent for the limited liability company or registered foreign limited liability company.

3. A registered agent promptly shall furnish to the limited liability company or registered foreign limited liability company notice in a record of the date on which a statement of resignation was filed.

4. When a statement of resignation takes effect, the registered agent ceases to have responsibility under [this chapter](#) for any matter thereafter tendered to it as agent for the limited liability company or registered foreign limited liability company. The resignation does not affect any contractual rights the company or foreign company has against the agent or that the agent has against the company or foreign company.

5. A registered agent may resign with respect to a limited liability company or registered foreign limited liability company whether or not the company or foreign company is in good standing.

[2008 Acts, ch 1162, §15, 155](#)

C2009, §489.115

[2010 Acts, ch 1100, §4; 2020 Acts, ch 1058, §3; 2023 Acts, ch 152, §14, 143, 161](#)

C2024, §489.117

Referred to in [§489.115, 489.207](#)

Former §489.117 transferred to [§489.122; 2023 Acts, ch 152, §143, 161](#)

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

Section transferred from [§489.115](#) in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.118 Change of name or address by registered agent.

1. If a registered agent changes its name or address, the agent may deliver to the secretary of state for filing a statement of change that states all of the following:

a. The name of the limited liability company or registered foreign limited liability company represented by the registered agent.

b. The name of the agent as currently shown in the records of the secretary of state for the limited liability company or registered foreign limited liability company.

c. If the name of the agent has changed, its new name.

d. If the address of the agent has changed, its new address.

2. A registered agent promptly shall furnish notice to the represented limited liability company or registered foreign limited liability company of the filing by the secretary of state of the statement of change and the changes made by the statement.

2023 Acts, ch 152, §18, 161

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.119 Service of process, notice, or demand.

1. A limited liability company or registered foreign limited liability company may be served with any process, notice, or demand required or permitted by law by serving its registered agent.

2. If a limited liability company or registered foreign limited liability company ceases to have a registered agent, or if its registered agent cannot with reasonable diligence be served, the limited liability company or registered foreign limited liability company may be served by registered or certified mail, return receipt requested, or by similar commercial delivery service, addressed to the limited liability company or registered foreign limited liability company at its principal office. The address of the principal office must be as shown on the limited liability company's or registered foreign limited liability company's most recent biennial report filed with the secretary of state pursuant to [section 489.211A](#). Service is effected under [this subsection](#) on the earliest of any of the following:

a. The date the limited liability company or registered foreign limited liability company receives the mail or delivery by the commercial delivery service.

b. The date shown on the return receipt, if signed by the limited liability company or registered foreign limited liability company.

c. Five days after its deposit with the United States postal service or with the commercial delivery service, if correctly addressed and with sufficient postage or payment.

3. If process, notice, or demand cannot be served on a limited liability company or registered foreign limited liability company pursuant to [subsection 1 or 2](#), service may be made by handing a copy to the individual in charge of any regular place of business or activity of the limited liability company or registered foreign company if the individual served is not a plaintiff in the action.

4. Service of process, notice, or demand on a registered agent must be in a written record.

5. Service of process, notice, or demand may be made by other means under law other than [this chapter](#), including as provided in [sections 617.3 through 617.6](#) unless specifically provided for by another provision of law.

2008 Acts, ch 1162, §16, 155

C2009, §489.116

2010 Acts, ch 1100, §5; 2010 Acts, ch 1193, §56; 2023 Acts, ch 152, §16, 143, 161

C2024, §489.119

Referred to in [§489.210](#), [489.709](#), [489.710](#), [489.711](#), [489.907](#), [489.909](#), [489.911](#), [489.1026](#), [489.1046](#), [489.1056](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section transferred from §489.116 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.120 Delivery of record.

1. Except as otherwise provided in [this chapter](#), permissible means of delivery of a record include delivery by hand, mail, conventional commercial practice, and electronic transmission.

2. Delivery to the secretary of state is effective only when a record is received by the secretary of state.

2023 Acts, ch 152, §19, 161

Referred to in §489.102

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.121 Reservation of power to amend or repeal.

The general assembly has power to amend or repeal all or part of [this chapter](#) at any time, and all limited liability companies and foreign limited liability companies subject to [this chapter](#) are governed by the amendment or repeal.

2023 Acts, ch 152, §20, 161

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.122 Fees.

1. The secretary of state shall collect the following fees when documents described in [this subsection](#) are delivered to the secretary’s office for filing:

- a. Statement of rescission No fee
- b. Statement of withdrawal No fee
- c. Certificate of organization \$ 50
- d. Application for use of
indistinguishable name \$ 10
- e. Application for reserved name \$ 10
- f. Notice of transfer of reserved name \$ 10
- g. Statement of change of registered
agent or registered office or both No fee
- h. Registered agent’s statement of change for
each affected limited liability company No fee
- i. Registered agent’s statement
of resignation No fee
- j. Amendment to certificate of
organization \$ 50
- k. Restatement of certificate of organization
with amendment of certificate \$ 50
- l. Articles of merger \$ 50
- m. Statement of dissolution \$ 5
- n. Declaration of administrative
dissolution No fee
- o. Application for reinstatement
following administrative dissolution \$ 5
- p. Certificate of reinstatement No fee
- q. Application for certificate
of registration \$100
- r. Application for amended
certificate of registration \$100
- s. Statement of cancellation \$ 10
- t. Certificate of revocation
of authority to transact business No fee
- u. Statement of correction \$ 5
- v. Application for certificate of
existence or registration \$ 5
- w. Any other document required or
permitted to be filed by [this chapter](#) \$ 5

2. The secretary of state shall collect a fee of five dollars each time process is served on the secretary under [this chapter](#). The party to a proceeding causing service of process is entitled to recover this fee as costs if the party prevails in the proceeding.

3. The secretary of state shall collect the following fees for copying and certifying the copy of any filed document relating to a limited liability company or foreign limited liability company as follows:

- a. One dollar a page for copying.
- b. Five dollars for the certificate.

4. The secretary of state may impose, assess, and collect a filing fee as a condition to accepting a biennial report as provided in [section 489.211A](#).

[2008 Acts, ch 1162, §17, 155](#)

C2009, §489.117

[2010 Acts, ch 1100, §6, 7; 2019 Acts, ch 26, §56; 2023 Acts, ch 152, §17, 143, 161](#)

C2024, §489.122

Referred to in [§9.11, 489.211A, 524.303](#)

See annual Iowa Acts for provisions relating to the authority to refund fees

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section transferred from §489.117 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.122A Secretary of state — extra services — surcharge.

Upon the request of a filer of a document under [this chapter](#), the secretary of state shall provide an extra filing service and assess a surcharge as provided in [chapter 9, subchapter II](#).

[2021 Acts, ch 165, §256](#)

C2022, §489.205A

[2023 Acts, ch 152, §143, 161](#)

C2024, §489.122A

Referred to in [§9.11](#)

Section transferred from §489.205A in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

489.123 through 489.200 Reserved.

SUBCHAPTER II

FORMATION — CERTIFICATE OF ORGANIZATION AND OTHER FILINGS

489.201 Formation of limited liability company — certificate of organization.

1. One or more persons may act as organizers to form a limited liability company by delivering to the secretary of state for filing a certificate of organization.

2. A certificate of organization must state all of the following:

a. The name of the limited liability company, which must comply with [section 489.112](#).

b. The street and mailing addresses of the limited liability company's principal office.

c. The name and street and mailing addresses in this state of the limited liability company's registered agent.

3. A certificate of organization may contain statements as to matters other than those required by [subsection 2](#), but shall not vary or otherwise affect the provisions specified in [section 489.105, subsections 3 and 4](#), in a manner inconsistent with that section. However, a statement in a certificate of organization is not effective as a statement of authority.

4. A limited liability company is formed when the certificate of organization becomes effective.

[2008 Acts, ch 1162, §18, 155; 2010 Acts, ch 1100, §8; 2023 Acts, ch 152, §21, 161](#)

Referred to in [§489.102](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.202 Amendment or restatement of certificate of organization.

1. A certificate of organization may be amended or restated at any time.

2. To amend its certificate of organization, a limited liability company must deliver to the secretary of state for filing an amendment stating all of the following:

a. The name of the limited liability company.

- b. The date of filing of its initial certificate.
- c. The text of the amendment.
- 3. To restate its certificate of organization, a limited liability company must deliver to the secretary of state for filing a restatement, designated as such in its heading, and setting forth all of the following:
 - a. The name of the limited liability company.
 - b. The text of the restated certificate of organization.
 - c. A statement that the restated certificate consolidates all amendments into a single document.
 - d. If a new amendment is included in the restated certificate of organization, the statements required under [subsection 2](#) with respect to the new amendment if not otherwise provided.
 - 4. If a member of a member-managed limited liability company, or a manager of a manager-managed limited liability company, knows that any information in a filed certificate of organization was inaccurate when the certificate of organization was filed or has become inaccurate due to changed circumstances, the member or manager shall promptly do any of the following:
 - a. Cause the certificate of organization to be amended.
 - b. If appropriate, deliver to the secretary of state for filing a statement of change under [section 489.116](#) or a statement of correction under [section 489.209](#).
 2008 Acts, ch 1162, §19, 155; 2023 Acts, ch 152, §22, 161
Referred to in §489.109, 489.205
 2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
 Section amended

489.203 Signing of records to be delivered for filing to secretary of state.

- 1. A record delivered to the secretary of state for filing pursuant to [this chapter](#) must be signed as follows:
 - a. Except as otherwise provided in paragraphs “b” and “c”, a record signed by a limited liability company must be signed by a person authorized by the company.
 - b. A limited liability company’s initial certificate of organization must be signed by at least one person acting as an organizer.
 - c. A record delivered on behalf of a dissolved limited liability company that has no member must be signed by the person winding up the company’s activities and affairs under [section 489.702, subsection 3](#), or a person appointed under [section 489.702, subsection 4](#), to wind up the activities and affairs.
 - d. A statement of denial by a person under [section 489.303](#) must be signed by that person.
 - e. Any other record delivered on behalf of a person to the secretary of state for filing must be signed by that person.
- 2. A record delivered for filing under [this chapter](#) may be signed by an agent. Whenever [this chapter](#) requires a particular individual to sign a record and the individual is deceased or incompetent, the record may be signed by a legal representative of the individual.
- 3. A person that signs a record as an agent or legal representative affirms as a fact that the person is authorized to sign the record.
 2008 Acts, ch 1162, §20, 155; 2023 Acts, ch 152, §23, 161
Referred to in §489.211A
 2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
 Section amended

489.204 Signing and filing pursuant to judicial order.

- 1. If a person required by [this chapter](#) to sign a record or deliver a record to the secretary of state for filing under [this chapter](#) does not do so, any other person that is aggrieved may petition the district court to order one or more of the following:
 - a. The person to sign the record.
 - b. The person to deliver the record to the secretary of state for filing.
 - c. The secretary of state to file the record unsigned.
- 2. If a petitioner under [subsection 1](#) is not the limited liability company or foreign limited

liability company to which the record pertains, the petitioner shall make the limited liability company or foreign limited liability company a party to the action.

3. A record filed under [subsection 1](#), paragraph “c”, is effective without being signed.

[2008 Acts, ch 1162, §21, 155; 2023 Acts, ch 152, §24, 161](#)

Referred to in [§489.105, 489.205](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.205 Liability for inaccurate information in filed records.

1. If a record delivered to the secretary of state for filing under [this chapter](#) and filed by the secretary of state contains inaccurate information, a person that suffers loss by reliance on the information may recover damages for the loss from all of the following:

a. A person that signed the record, or caused another to sign it on the person’s behalf, and knew the information to be inaccurate at the time the record was signed.

b. Subject to [subsection 2](#), a member of a member-managed limited liability company or a manager of a manager-managed limited liability company if all of the following apply:

(1) The record was delivered for filing on behalf of the limited liability company.

(2) The member or manager knew or had notice of the inaccuracy for a reasonably sufficient time before the information was relied upon so that, before the reliance, the member or manager reasonably could have done any of the following:

(a) Effected an amendment under [section 489.202](#).

(b) Filed a petition under [section 489.204](#).

(c) Delivered to the secretary of state for filing a statement of change under [section 489.116](#) or a statement of correction under [section 489.209](#).

2. To the extent the operating agreement of a member-managed limited liability company expressly relieves a member of responsibility for maintaining the accuracy of information contained in records delivered on behalf of the limited liability company to the secretary of state for filing under [this chapter](#) and imposes that responsibility on one or more other members, the liability stated in [subsection 1](#), paragraph “b”, applies to those other members and not to the member that the operating agreement relieves of the responsibility.

3. A person commits a serious misdemeanor if that person signs a record the person knows is false in any material respect with intent that the record be delivered to the secretary of state for filing.

[2023 Acts, ch 152, §25, 161](#)

Referred to in [§489.116, 489.14201](#)

Former [§489.205](#) stricken effective January 1, 2024, by [2023 Acts, ch 152, §25, 161](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.205A Secretary of state — extra services — surcharge. Transferred to [§489.122A; 2023 Acts, ch 152, §143, 161](#).

489.206 Filing requirements.

1. To be filed by the secretary of state pursuant to [this chapter](#), a record must be captioned to describe the record’s purpose, must be received by the secretary of state, must comply with [this chapter](#), and must satisfy all of the following:

a. The filing of the record must be required or permitted by [this chapter](#).

b. The record must be physically delivered in written form unless and to the extent the secretary of state permits electronic delivery of records.

c. The words in the record must be in English, and numbers must be in Arabic or Roman numerals, but the name of an entity need not be in English if written in English letters or Arabic or Roman numerals.

d. The record must be signed by a person authorized or required under [this chapter](#) to sign the record.

e. The record must state the name and capacity, if any, of each individual who signed it, either on behalf of the individual or the person authorized or required to sign the record, but need not contain a seal, attestation, acknowledgment, or verification.

2. If law other than [this chapter](#) prohibits the disclosure by the secretary of state of

information contained in a record delivered to the secretary of state for filing, the secretary of state shall file the record if the record otherwise complies with [this chapter](#) but may redact the information.

3. When a record is delivered to the secretary of state for filing, any fee required under [this chapter](#) and any fee, tax, interest, or penalty required to be paid under [this chapter](#) or law other than [this chapter](#) must be paid in a manner permitted by the secretary of state or by that law.

4. The secretary of state may require that a record delivered in written form be accompanied by an identical or conformed copy.

5. The secretary of state may provide forms for filings required or permitted to be made by [this chapter](#), but, except as otherwise provided in [subsection 6](#), their use is not required.

6. The secretary of state may prescribe, and furnish on request and require any of the following forms:

- a. A cover sheet for a filing.
- b. An application for a certificate of existence or certificate of registration.
- c. A foreign corporation's registration statement.
- d. A foreign corporation's statement of withdrawal.
- e. A foreign corporation's transfer of registration statement.
- f. The biennial report required by [section 489.211A](#).

7. Upon request and payment of the requisite fee, the secretary of state shall send the requester a certified copy of a requested record.

[2023 Acts, ch 152, §27, 143, 161](#)

Former §489.206 transferred to [§489.209](#); [2023 Acts, ch 152, §143, 161](#)
Section effective January 1, 2024; [2023 Acts, ch 152, §161](#)
NEW section

489.207 Effective date and time.

Except as otherwise provided in [section 489.117](#) and [section 489.208](#) and subject to [section 489.209, subsection 4](#), a record filed under [this chapter](#) is effective as follows:

1. On the date and at the time of its filing by the secretary of state, as provided in [section 489.210, subsection 2](#).

2. On the date of filing and at the time specified in the record as its effective time, if later than the time under [subsection 1](#).

3. At a specified delayed effective date and time, which may not be more than ninety days after the date of filing.

4. If a delayed effective date is specified, but no time is specified, at 12:01 a.m. on the date specified, which shall not be more than ninety days after the date of filing.

[2023 Acts, ch 152, §28, 161](#)

Referred to in [§489.211A, 489.910](#)
Former §489.207 stricken effective January 1, 2024, by [2023 Acts, ch 152, §28, 161](#)
Section effective January 1, 2024; [2023 Acts, ch 152, §161](#)
NEW section

489.208 Withdrawal of filed record before effectiveness.

1. Except as otherwise provided in [sections 489.1024, 489.1034, 489.1044, and 489.1054](#), a record delivered to the secretary of state for filing may be withdrawn before it takes effect by delivering to the secretary of state for filing a statement of withdrawal.

2. A statement of withdrawal must comply with all of the following:

a. Be signed by each person that signed the record being withdrawn, except as otherwise agreed by those persons.

b. Identify the record to be withdrawn.

c. If signed by fewer than all the persons that signed the record being withdrawn, state that the record is withdrawn in accordance with the agreement of all the persons that signed the record.

3. On filing by the secretary of state of a statement of withdrawal, the action or transaction evidenced by the original record does not take effect.

[2023 Acts, ch 152, §30, 143, 161](#)

Referred to in [§489.207, 489.703](#)
Former §489.208 transferred to [§489.211](#); [2023 Acts, ch 152, §143, 161](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161
NEW section

489.209 Correcting filed record.

1. A person on whose behalf a filed record was delivered to the secretary of state for filing may correct the record if any of the following apply:
 - a. The record at the time of filing was inaccurate.
 - b. The record was defectively signed.
 - c. The electronic transmission of the record to the secretary of state was defective.
2. To correct a filed record, a person on whose behalf the record was delivered to the secretary of state must deliver to the secretary of state for filing a statement of correction.
3. A statement of correction shall comply with all of the following:
 - a. It must not state a delayed effective date.
 - b. It must be signed by the person correcting the filed record.
 - c. It must describe the record to be corrected including its filing date or attach a copy of the record as filed.
 - d. It must specify the inaccuracy or defect to be corrected.
 - e. It must correct the inaccuracy or defect.
4. A statement of correction is effective as of the effective date of the filed record that it corrects except for purposes of [section 489.103, subsection 4](#), and as to persons relying on the uncorrected filed record and adversely affected by the correction. For those purposes and as to those persons, the statement of correction is effective when filed.

[2008 Acts, ch 1162, §23, 155](#)

C2009, §489.206

[2023 Acts, ch 152, §26, 143, 161](#)

C2024, §489.209

Referred to in [§9.14, 489.109, 489.202, 489.205, 489.207](#)

Former §489.209 transferred to [§489.211A](#); [2023 Acts, ch 152, §143, 161](#)

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

Section transferred from §489.206 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.210 Duty of secretary of state to file — review of refusal to file — delivery of record by secretary of state.

1. The secretary of state shall file a record delivered to the secretary of state for filing which satisfies [this chapter](#). The duty of the secretary of state under [this section](#) is ministerial.
2. When the secretary of state files a record, the secretary of state shall record it as filed on the date and at the time of its delivery. After filing a record, the secretary of state shall deliver to the person that submitted the record a copy of the record with an acknowledgment of the date and time of filing and, in the case of a statement of denial, also to the limited liability company to which the statement pertains.
3. If the secretary of state refuses to file a record, the secretary of state shall, not later than fifteen business days after the record is delivered, do all of the following:
 - a. Return the record or notify the person that submitted the record of the refusal.
 - b. Provide a brief explanation in a record of the reason for the refusal.
4. If the secretary of state refuses to file a record, the person that submitted the record may petition the district court of Polk county to compel filing of the record. The record and the explanation of the secretary of state of the refusal to file must be attached to the petition. The court may decide the matter in a summary proceeding. If the court orders the record to be filed, the court may order it filed with an effective date that is the date on which it was submitted to the secretary of state for filing.
5. The filing of or refusal to file a record does not do any of the following:
 - a. Affect the validity or invalidity of the record in whole or in part.
 - b. Create a presumption that the information contained in the record is correct or incorrect.
6. Except as otherwise provided by [section 489.119](#) or by law other than [this chapter](#), the secretary of state may deliver any record to a person by delivering it by any of the following:
 - a. In person to the person that submitted it.

- b. To the address of the person's registered agent.
- c. To the principal office of the person.
- d. To another address the person provides to the secretary of state for delivery.

[2023 Acts, ch 152, §32, 161](#)

Referred to in [§9.11, 489.103, 489.207](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.211 Certificate of existence or registration.

1. On request of any person, the secretary of state shall issue a certificate of existence for a limited liability company or a certificate of registration for a registered foreign limited liability company.

2. A certificate of existence or certificate of registration under [subsection 1](#) must state all of the following:

a. The limited liability company's name or the registered foreign limited liability company's name used in this state.

b. In the case of a limited liability company, all of the following:

(1) That a certificate of organization has been filed and has taken effect.

(2) The date the certificate became effective.

(3) The period of the limited liability company's duration if the records of the secretary of state reflect that its period of duration is less than perpetual.

(4) That all of the following apply:

(a) No statement of dissolution, statement of administrative dissolution, or statement of termination has been filed.

(b) The records of the secretary of state do not otherwise reflect that the limited liability company has been dissolved or terminated.

(c) A proceeding is not pending under [section 489.708](#).

c. In the case of a registered foreign limited liability company, that it is registered to do business in this state.

d. That all fees, taxes, interest, and penalties owed to this state by the limited liability company or foreign limited liability company and collected through the secretary of state have been paid, if all of the following apply:

(1) Payment is reflected in the records of the secretary of state.

(2) Nonpayment affects the good standing or registration of the limited liability company or foreign limited liability company.

e. That the most recent biennial report required by [section 489.211A](#) has been delivered to the secretary of state for filing.

f. Other facts reflected in the records of the secretary of state pertaining to the limited liability company or foreign limited liability company which the person requesting the certificate reasonably requests.

3. Subject to any qualification stated in the certificate, a certificate issued by the secretary of state under [subsection 1](#) may be relied on as conclusive evidence of the facts stated in the certificate.

[2008 Acts, ch 1162, §25, 155](#)

C2009, §489.208

[2010 Acts, ch 1100, §9; 2016 Acts, ch 1097, §19; 2023 Acts, ch 152, §29, 143, 161](#)

C2024, §489.211

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section transferred from §489.208 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.211A Biennial report for secretary of state.

1. A limited liability company or a foreign limited liability company registered to do business in this state shall deliver to the secretary of state for filing a biennial report that states all of the following:

a. The name of the company.

b. The street address of the company's registered office, the name of its registered agent at that office, and the consent of any new registered agent.

c. The street address of its principal office.

d. In the case of a foreign limited liability company, the state or other jurisdiction under whose law the foreign company is formed and any alternate name adopted under [section 489.805,* subsection 1](#).

2. Information in a biennial report under [this section](#) must be current as of the date the report is delivered to the secretary of state for filing. The report shall be executed on behalf of the limited liability company or foreign limited liability company and signed as provided in [section 489.203](#).

3. The first biennial report in this state must be delivered to the secretary of state between January 1 and April 1 of the first odd-numbered year following the calendar year in which a limited liability company was formed or a foreign limited liability company was registered to do business. A subsequent biennial report must be delivered to the secretary of state between January 1 and April 1 of each following odd-numbered calendar year. A filing fee for the biennial report shall be determined by the secretary of state pursuant to [section 489.122](#). Each biennial report shall contain information related to the two-year period immediately preceding the calendar year in which the report is filed.

4. If a biennial report does not contain the information required in [this section](#), the secretary of state shall promptly notify the reporting limited liability company or foreign limited liability company in writing and return the report to it for correction.

5. The secretary of state may provide for the change of registered office or registered agent on the form prescribed by the secretary of state for the biennial report, provided that the form contains the information required in [section 489.116](#). If the secretary of state determines that a biennial report does not contain the information required in [this section](#) but otherwise meets the requirements of [section 489.116](#) for the purpose of changing the registered office or registered agent, the secretary of state shall file the statement of change for the registered office or registered agent, effective as provided in [section 489.207, subsection 3](#), before returning the biennial report to the limited liability company as provided in [this section](#). A statement of change of registered office or registered agent accomplished pursuant to [this subsection](#) shall be executed by a person authorized to execute the biennial report.

[2008 Acts, ch 1162, §26, 155](#)

[C2009, §489.209](#)

[2010 Acts, ch 1100, §10; 2023 Acts, ch 152, §31, 143, 161](#)

[C2024, §489.211A](#)

Referred to in [§489.109, 489.119, 489.122, 489.206, 489.211, 489.708, 489.14205, 489.14206](#)

*Former §489.805 repealed effective January 1, 2024, by [2023 Acts, ch 152, §142, 161](#); reference to §489.906 may be intended; corrective legislation is pending

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

Section transferred from §489.209 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.212 through 489.300 Reserved.

SUBCHAPTER III

RELATIONS OF MEMBERS AND MANAGERS TO PERSONS DEALING WITH LIMITED LIABILITY COMPANY

489.301 No agency power of member as member.

1. A member is not an agent of a limited liability company solely by reason of being a member.

2. A person's status as a member does not prevent or restrict law other than [this chapter](#) from imposing liability on a limited liability company because of the person's conduct.

[2008 Acts, ch 1162, §27, 155](#)

489.302 Statement of limited liability company authority.

1. A limited liability company may deliver to the secretary of state for filing a statement of authority. All of the following apply to the statement:

a. It must include the name of the limited liability company and the name and street and mailing addresses of its registered agent.

b. With respect to any position that exists in or with respect to the limited liability company, it may state the authority, or limitations on the authority, of all persons holding the position to do any of the following:

(1) Sign an instrument transferring real property held in the name of the limited liability company.

(2) Enter into other transactions on behalf of, or otherwise act for or bind, the limited liability company.

c. It may state the authority, or limitations on the authority, of a specific person to do any of the following:

(1) Sign an instrument transferring real property held in the name of the limited liability company.

(2) Enter into other transactions on behalf of, or otherwise act for or bind, the limited liability company.

2. To amend or cancel a statement of authority filed by the secretary of state, a limited liability company must deliver to the secretary of state for filing an amendment or cancellation stating all of the following:

a. The name of the limited liability company.

b. The name and street and mailing addresses of the limited liability company's registered agent.

c. The date the statement being affected became effective.

d. The contents of the amendment or a declaration that the statement is canceled.

3. A statement of authority affects only the power of a person to bind a limited liability company to persons that are not members.

4. Subject to [subsection 3](#) and [section 489.103, subsection 4](#), and except as otherwise provided in [subsections 6, 7, and 8](#), a limitation on the authority of a person or a position contained in an effective statement of authority is not by itself evidence of any person's knowledge or notice of the limitation.

5. Subject to [subsection 3](#), a grant of authority not pertaining to a transfer of real property and contained in an effective statement of authority is conclusive in favor of a person that gives value in reliance on the grant, except to the extent that when the person gives value, any of the following applies:

a. The person has knowledge to the contrary.

b. The statement has been canceled or restrictively amended under [subsection 2](#).

c. A limitation on the grant is contained in another statement of authority that became effective after the statement containing the grant became effective.

6. Subject to [subsection 3](#), an effective statement of authority that grants authority to transfer real property held in the name of the limited liability company, a certified copy of which statement is recorded in the office for recording transfers of the real property, is conclusive in favor of a person that gives value in reliance on the grant without knowledge to the contrary, except to the extent that when the person gives value, any of the following applies:

a. The statement has been canceled or restrictively amended under [subsection 2](#) and a certified copy of the cancellation or restrictive amendment has been recorded in the office for recording transfers of the real property.

b. A limitation on the grant is contained in another statement of authority that became effective after the statement containing the grant became effective, and a certified copy of the later-effective statement is recorded in the office for recording transfers of the real property.

7. Subject to [subsection 3](#), if a certified copy of an effective statement containing a limitation on the authority to transfer real property held in the name of a limited liability company is recorded in the office for recording transfers of that real property, all persons are deemed to know of the limitation.

8. Subject to [subsection 9](#), an effective statement of dissolution or a statement of termination is a cancellation of any filed statement of authority for the purposes of [subsection 6](#) and is a limitation on authority for the purposes of [subsection 7](#).

9. After a statement of dissolution becomes effective, a limited liability company may deliver to the secretary of state for filing and, if appropriate, the secretary of state may record a statement of authority that is designated as a post-dissolution statement of authority. The statement operates as provided in [subsections 6 and 7](#).

10. A statement of authority filed by the secretary of state under [section 489.207,* subsection 1](#), is effective until amended or canceled as provided in [subsection 2](#), unless an earlier cancellation date is specified in the statement.

11. An effective statement of denial operates as a restrictive amendment under [this section](#) and may be recorded by certified copy for purposes of [subsection 6](#), paragraph “a”.

[2008 Acts, ch 1162, §28, 155; 2009 Acts, ch 41, §144, 145; 2010 Acts, ch 1100, §11, 12; 2013 Acts, ch 108, §2; 2023 Acts, ch 152, §33, 161](#)

Referred to in [§489.103, 489.407A](#)

*Reference to [§489.206](#) may be intended; corrective legislation is pending

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.303 Statement of denial.

A person named in a filed statement of authority granting that person authority may deliver to the secretary of state for filing a statement of denial that does all of the following:

1. Provides the name of the limited liability company and the caption of the statement of authority to which the statement of denial pertains.

2. Denies the grant of authority.

3. Certifies to the secretary of state that the person denying authority has sent a copy of the statement of denial to the limited liability company, including the date on which the copy was sent.

[2008 Acts, ch 1162, §29, 155; 2010 Acts, ch 1100, §13](#)

Referred to in [§489.203](#)

489.304 Liability of members and managers.

1. A debt, obligation, or other liability of a limited liability company is solely the debt, obligation, or other liability of the company. A member or manager is not personally liable, directly or indirectly, by way of contribution or otherwise, for a debt, obligation, or other liability of the company solely by reason of being or acting as a member or manager. [This subsection](#) applies regardless of the dissolution of the company.

2. The failure of a limited liability company to observe formalities relating to the exercise of its powers or management of its activities and affairs is not a ground for imposing liability on a member or manager for a debt, obligation, or other liability of the company.

[2008 Acts, ch 1162, §30, 155; 2023 Acts, ch 152, §34, 161](#)

Referred to in [§421.26, 422.16, 489.702](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.305 through 489.400 Reserved.

SUBCHAPTER IV

RELATIONS OF MEMBERS TO EACH OTHER AND TO LIMITED LIABILITY COMPANY

489.401 Becoming member.

1. If a limited liability company is to have only one member upon formation, the person becomes a member as agreed by that person and the organizer of the company. That person and the organizer may be, but need not be, different persons. If different, the organizer acts on behalf of the initial member.

2. If a limited liability company is to have more than one member upon formation, those persons become members as agreed by the persons before the formation of the company. The organizer acts on behalf of the persons in forming the company and may be, but need not be, one of the persons.

3. After formation of a limited liability company, a person becomes a member according to any of the following:

- a. As provided in the operating agreement.
 - b. As the result of a transaction effective under [subchapter X](#).
 - c. With the affirmative vote or consent of all the members.
 - d. As provided in [section 489.701, subsection 1](#), paragraph “c”.
4. A person may become a member without any of the following:
- a. Acquiring a transferable interest.
 - b. Making or being obligated to make a contribution to the limited liability company.

[2008 Acts, ch 1162, §31, 155; 2009 Acts, ch 41, §146; 2023 Acts, ch 152, §35, 161](#)

Referred to in [§489.102, 489.109](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.402 Form of contribution.

A contribution may consist of property transferred to, services performed for, or another benefit provided to the limited liability company or an agreement to transfer property to, perform services for, or provide another benefit to the company.

[2008 Acts, ch 1162, §32, 155; 2023 Acts, ch 152, §36, 161](#)

Referred to in [§489.102](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.403 Liability for contributions.

1. A person's obligation to make a contribution to a limited liability company is not excused by the person's death, disability, termination, or other inability to perform personally.

2. If a person does not fulfill an obligation to make a contribution other than money, the person is obligated at the option of the limited liability company to contribute money equal to the value of the part of the contribution which has not been made.

3. The obligation of a person to make a contribution may be compromised only by the affirmative vote or consent of all the members. If a creditor of a limited liability company extends credit or otherwise acts in reliance on an obligation described in [subsection 1](#) without knowledge or notice of a compromise under [this subsection](#), the creditor may enforce the obligation.

4. An operating agreement may provide that the interest of any member who fails to make a contribution that the member is obligated to make is subject to specified penalties for, or specified consequences of, such failure. The penalty or consequence may take the form of reducing or eliminating the defaulting member's proportionate interest in a limited liability company, subordinating the member's interest to that of a nondefaulting member, a forced sale of the member's interest, forfeiture of the member's interest, the lending by other members of the amount necessary to meet the member's commitment, a fixing of the value of the member's interest by appraisal or by formula and redemption, or sale of the member's interest at such value or other penalty or consequence.

[2008 Acts, ch 1162, §33, 155; 2023 Acts, ch 152, §37, 161](#)

Referred to in [§489.502](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.404 Sharing of and right to distributions before dissolution.

1. Any distribution made by a limited liability company before its dissolution and winding up must be in equal shares among members and persons dissociated as members, except to the extent necessary to comply with a transfer effective under [section 489.502](#) and any charging order in effect under [section 489.503](#).

2. A person has a right to a distribution before the dissolution and winding up of a limited

liability company only if the limited liability company decides to make an interim distribution. A person's dissociation does not entitle the person to a distribution.

3. A person does not have a right to demand or receive a distribution from a limited liability company in any form other than money. Except as otherwise provided in [section 489.707, subsection 4](#), a limited liability company may distribute an asset in kind only if each part of the asset is fungible with each other part and each person receives a percentage of the asset equal in value to the person's share of distributions.

4. If a member or transferee becomes entitled to receive a distribution, the member or transferee has the status of, and is entitled to all remedies available to, a creditor of the limited liability company with respect to the distribution. However, the company's obligation to make a distribution is subject to offset for any amount owed to the company by the member or a person dissociated as a member on whose account the distribution is made.

[2008 Acts, ch 1162, §34, 155; 2023 Acts, ch 152, §38, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.405 Limitations on distribution.

1. A limited liability company shall not make a distribution, including a distribution under [section 489.707](#), if after the distribution any of the following applies:

a. The limited liability company would not be able to pay its debts as they become due in the ordinary course of the company's activities and affairs.

b. The limited liability company's total assets would be less than the sum of its total liabilities plus the amount that would be needed, if the company were to be dissolved and wound up at the time of the distribution, to satisfy the preferential rights upon dissolution and winding up of members and transferees whose preferential rights are superior to the rights of persons receiving the distribution.

2. A limited liability company may base a determination that a distribution is not prohibited under [subsection 1](#) on any of the following:

a. Financial statements prepared on the basis of accounting practices and principles that are reasonable in the circumstances.

b. A fair valuation or other method that is reasonable under the circumstances.

3. Except as otherwise provided in [subsection 5](#), the effect of a distribution under [subsection 1](#) is measured as follows:

a. In the case of a distribution as defined in [section 489.102, subsection 5](#), paragraph "a", as of the earlier of any of the following:

(1) The date money or other property is transferred or debt is incurred by the limited liability company.

(2) The date the person entitled to the distribution ceases to own the interest or right being acquired by the limited liability company in return for the distribution.

b. In the case of any other distribution of indebtedness, as of the date the indebtedness is distributed.

c. In all other cases any of the following:

(1) The date the distribution is authorized, if the payment occurs not later than one hundred twenty days after that date.

(2) The date the payment is made, if the payment occurs more than one hundred twenty days after the distribution is authorized.

4. A limited liability company's indebtedness to a member or transferee incurred by reason of a distribution made in accordance with [this section](#) is at parity with the company's indebtedness to its general, unsecured creditors, except to the extent subordinated by agreement.

5. A limited liability company's indebtedness, including indebtedness issued as a distribution, is not a liability for purposes of [subsection 1](#) if the terms of the indebtedness provide that payment of principal and interest is made only if and to the extent that payment of a distribution could then be made under [this section](#). If the indebtedness is issued as a distribution, each payment of principal or interest is treated as a distribution, the effect of which is measured on the date the payment is made.

6. In measuring the effect of a distribution under [section 489.707](#), the liabilities of a dissolved limited liability company do not include any claim that has been disposed of under [section 489.704](#), [489.705](#), or [489.706](#).

2008 Acts, ch 1162, §35, 155; 2023 Acts, ch 152, §39, 161

Referred to in §489.105, 489.406, 489.408

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.406 Liability for improper distributions.

1. Except as otherwise provided in [subsection 2](#), if a member of a member-managed limited liability company or a manager of a manager-managed limited liability company consents to a distribution made in violation of [section 489.405](#) and in consenting to the distribution fails to comply with [section 489.409](#), the member or manager is personally liable to the company for the amount of the distribution which exceeds the amount that could have been distributed without the violation of [section 489.405](#).

2. To the extent the operating agreement of a member-managed limited liability company expressly relieves a member of the authority and responsibility to consent to distributions and imposes that authority and responsibility on one or more other members, the liability stated in [subsection 1](#) applies to the other members and not the member that the operating agreement relieves of the authority and responsibility.

3. A person that receives a distribution knowing that the distribution violated [section 489.405](#) is personally liable to the limited liability company but only to the extent that the distribution received by the person exceeded the amount that could have been properly paid under [section 489.405](#).

4. A person against which an action is commenced because the person is liable under [subsection 1](#) may do all of the following:

a. Implead any other person that is liable under [subsection 1](#) and seek to enforce a right of contribution from the person.

b. Implead any person that received a distribution in violation of [subsection 3](#) and seek to enforce a right of contribution from the person in the amount the person received in violation of [subsection 3](#).

5. An action under [this section](#) is barred unless commenced not later than two years after the distribution.

2008 Acts, ch 1162, §36, 155; 2023 Acts, ch 152, §40, 161

Referred to in §489.105, 489.502

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.407 Management of limited liability company.

1. A limited liability company is a member-managed limited liability company unless the operating agreement does any of the following:

a. Expressly provides that any of the following apply:

(1) The limited liability company is or will be “manager-managed”.

(2) The limited liability company is or will be “managed by managers”.

(3) Management of the limited liability company is or will be “vested in managers”.

b. Includes words of similar import.

2. In a member-managed limited liability company, all of the following rules apply:

a. Except as expressly provided in [this chapter](#), the management and conduct of the limited liability company are vested in the members.

b. Each member has equal rights in the management and conduct of the limited liability company’s activities and affairs.

c. A difference arising among members as to a matter in the ordinary course of the activities and affairs of the limited liability company may be decided by a majority of the members.

d. The affirmative vote or consent of all the members is required to do any of the following:

(1) Sell, lease, exchange, or otherwise dispose of all, or substantially all, of the limited liability company’s property, with or without good will, outside the ordinary course of the company’s activities.

(2) Undertake an act outside the ordinary course of the activities and affairs of the limited liability company.

(3) Approve a merger, interest exchange, conversion, or domestication under [subchapter X](#).

(4) Amend the operating agreement.

3. In a manager-managed limited liability company, all of the following rules apply:

a. Except as expressly provided in [this chapter](#), any matter relating to the activities and affairs of the limited liability company is decided exclusively by the manager, or, if there is more than one manager, by a majority of the managers.

b. Each manager has equal rights in the management and conduct of the activities and affairs of the limited liability company.

c. The affirmative vote or consent of all members is required to do any of the following:

(1) Sell, lease, exchange, or otherwise dispose of all, or substantially all, of the limited liability company's property, with or without goodwill, outside the ordinary course of the company's activities.

(2) Undertake any other act outside the ordinary course of the limited liability company's activities and affairs.

(3) Approve a merger, interest exchange, conversion, or domestication under [subchapter X](#).

(4) Amend the operating agreement.

d. A manager may be chosen at any time by the affirmative vote or consent of a majority of the members and remains a manager until a successor has been chosen, unless the manager at an earlier time resigns, is removed, or dies, or, in the case of a manager that is not an individual, terminates. A manager may be removed at any time by the affirmative vote or consent of a majority of the members without notice or cause.

e. A person need not be a member to be a manager, but the dissociation of a member that is also a manager removes the person as a manager. If a person that is both a manager and a member ceases to be a manager, that cessation does not by itself dissociate the person as a member.

f. A person's ceasing to be a manager does not discharge any debt, obligation, or other liability to the limited liability company or members which the person incurred while a manager.

4. An action requiring the vote or consent of members under [this chapter](#) may be taken without a meeting, and a member may appoint a proxy or other agent to vote, consent, or otherwise act for the member by signing an appointing record, personally or by the member's agent.

5. The dissolution of a limited liability company does not affect the applicability of [this section](#). However, a person that wrongfully causes dissolution of the company loses the right to participate in management as a member and a manager.

6. A limited liability company shall reimburse a member for an advance to the company beyond the amount of capital the member agreed to contribute.

7. A payment or advance made by a member which gives rise to a limited liability company obligation under [subsection 6](#) or [section 489.408, subsection 1](#), constitutes a loan to the company which accrues interest from the date of the payment or advance.

8. A member is not entitled to remuneration for services performed for a member-managed limited liability company, except for reasonable compensation for services rendered in winding up the activities of the company.

[2008 Acts, ch 1162, §37, 155; 2019 Acts, ch 26, §54; 2023 Acts, ch 152, §41, 161](#)

Referred to in [§489.102, 489.408, 489.702](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.407A Real estate interest transferred by limited liability company or foreign limited liability company.

1. A transfer of an interest in real estate situated in this state held by a limited liability company or a registered foreign limited liability company authorized to do business in this state is subject to the provisions of [this section](#).

2. *a.* In a member-managed limited liability company, a transfer of an interest in real estate held by the company may be undertaken by any of the following:

(1) As provided in the operating agreement, or if the operating agreement does not so provide, only with the consent of all members.

(2) As provided in a statement of authority filed by the limited liability company with the secretary of state and the recorder of the county where the real estate is situated pursuant to [section 489.302](#).

b. A requirement of paragraph “*a*” is applicable to every transfer of an interest in real estate situated in this state held by a member-managed limited liability company, whether or not the transfer is in the ordinary course of the company’s business.

3. *a.* In a manager-managed limited liability company, a transfer of an interest in real estate held by the company may be undertaken by any of the following:

(1) As provided in the operating agreement, or if the operating agreement does not so provide, only with the consent of a majority of all managers.

(2) As provided in a statement of authority filed by the limited liability company with the secretary of state and the recorder of the county where the real estate is situated pursuant to [section 489.302](#).

b. A requirement in paragraph “*a*” is applicable to every transfer of an interest in real estate situated in this state held by a manager-managed limited liability company, whether or not the transfer is in the ordinary course of the company’s business.

[2013 Acts, ch 108, §4](#); [2023 Acts, ch 152, §42, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.408 Reimbursement, indemnification, advancement, and insurance.

1. A limited liability company shall reimburse a member of a member-managed limited liability company or the manager of a manager-managed limited liability company for any payment made by the member or manager in the course of the member’s or manager’s activities on behalf of the company, if the member or manager complied with [sections 489.405, 489.407, and 489.409](#) in making the payment.

2. A limited liability company shall indemnify and hold harmless a person with respect to any claim or demand against the person and any debt, obligation, or other liability incurred by the person by reason of the person’s former or present capacity as a member or manager, if the claim, demand, debt, obligation, or other liability does not arise from the person’s breach of [section 489.405, 489.407, or 489.409](#).

3. In the ordinary course of its activities and affairs, a limited liability company may advance reasonable expenses, including attorney’s fees and costs, incurred by a person in connection with a claim or demand against the person by reason of the person’s former or present capacity as a member or manager, if the person promises to repay the company if the person ultimately is determined not to be entitled to be indemnified under [subsection 2](#).

4. A limited liability company may purchase and maintain insurance on behalf of a member or manager against liability asserted against or incurred by the member or manager in that capacity or arising from that status even if, under [section 489.105, subsection 3, paragraph “g”](#), the operating agreement could not eliminate or limit the person’s liability to the company for the conduct giving rise to the liability.

[2008 Acts, ch 1162, §38, 155](#); [2023 Acts, ch 152, §43, 161](#)

Referred to in [§489.105, 489.407](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.409 Standards of conduct for members and managers.

1. A member of a member-managed limited liability company owes to the company and, subject to [section 489.801, subsection 2](#), the other members the fiduciary duties of loyalty and care stated in [subsections 2 and 3](#).

2. The fiduciary duty of loyalty of a member in a member-managed limited liability company includes all of the following duties:

a. To account to the limited liability company and to hold as trustee for it any property, profit, or benefit derived by the member regarding any of the following:

- (1) In the conduct or winding up of the limited liability company's activities and affairs.
- (2) From a use by the member of the limited liability company's property.
- (3) From the appropriation of a limited liability company opportunity.

b. To refrain from dealing with the limited liability company in the conduct or winding up of the company's activities and affairs as or on behalf of a person having an interest adverse to the company.

c. To refrain from competing with the limited liability company in the conduct of the company's activities and affairs before the dissolution of the company.

3. The duty of care of a member of a member-managed limited liability company in the conduct or winding up of the company's activities and affairs is to refrain from engaging in grossly negligent or reckless conduct, willful or intentional misconduct, or knowing violation of law.

4. A member shall discharge the duties and obligations under [this chapter](#) or under the operating agreement and exercise any rights consistently with the contractual obligation of good faith and fair dealing.

5. A member does not violate a duty or obligation under [this chapter](#) or under the operating agreement solely because the member's conduct furthers the member's own interest.

6. All the members of a member-managed limited liability company or a manager-managed limited liability company may authorize or ratify, after full disclosure of all material facts, a specific act or transaction that otherwise would violate the duty of loyalty.

7. It is a defense to a claim under [subsection 2](#), paragraph "b", and any comparable claim in equity or at common law that the transaction was fair to the limited liability company.

8. If, as permitted by [subsection 6](#) or [subsection 9](#), paragraph "f", or the operating agreement, a member enters into a transaction with the limited liability company which otherwise would be prohibited by [subsection 2](#), paragraph "b", the member's rights and obligations arising from the transaction are the same as those of a person that is not a member.

9. In a manager-managed limited liability company, all of the following rules apply:

- a. [Subsections 1, 2, 3, and 7](#) apply to the manager or managers and not the members.
- b. The duty stated under [subsection 2](#), paragraph "c", continues until winding up is completed.
- c. [Subsection 4](#) applies to managers and members.
- d. [Subsection 5](#) applies only to members.
- e. The power to ratify under [subsection 6](#) may be exercised only by the members.
- f. Subject to [subsection 4](#), a member does not have any duty to the limited liability company or to any other member solely by reason of being a member.

[2008 Acts, ch 1162, §39, 155; 2023 Acts, ch 152, §44, 161](#)

Referred to in [§489.105, 489.406, 489.408, 489.602, 489.603](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.410 Rights to information of member, manager, and person dissociated as member.

1. In a member-managed limited liability company, all of the following rules apply:

a. On reasonable notice, a member may inspect and copy during regular business hours, at a reasonable location specified by the limited liability company, any record maintained by the company regarding the company's activities, affairs, financial condition, and other circumstances, to the extent the information is material to the member's rights and duties under the operating agreement or [this chapter](#).

b. The limited liability company shall furnish to each member all of the following:

(1) Without demand, any information concerning the limited liability company's activities, affairs, financial condition, and other circumstances which the company knows and is material to the proper exercise of the member's rights and duties under the operating agreement or [this chapter](#), except to the extent the company can establish that it reasonably believes the member already knows the information.

(2) On demand, any other information concerning the limited liability company's activities, affairs, financial condition, and other circumstances, except to the extent the demand for the information demanded is unreasonable or otherwise improper under the circumstances.

c. The duty to furnish information under paragraph "b" also applies to each member to the extent the member knows any of the information described in paragraph "b".

2. In a manager-managed limited liability company, all of the following rules apply:

a. The informational rights stated in [subsection 1](#) and the duty stated in [subsection 1](#), paragraph "c", apply to the managers and not the members.

b. During regular business hours and at a reasonable location specified by the limited liability company, a member may inspect and copy information regarding the activities, affairs, financial condition, and other circumstances of the company as is just and reasonable if all of the following apply:

(1) The member seeks the information for a purpose reasonably related to the member's interest as a member.

(2) The member makes a demand in a record received by the limited liability company, describing with reasonable particularity the information sought and the purpose for seeking the information.

(3) The information sought is directly connected to the member's purpose.

c. Not later than ten days after receiving a demand pursuant to paragraph "b", subparagraph (2), the limited liability company shall inform in a record the member that made the demand that includes all of the following:

(1) What information the limited liability company will provide in response to the demand and when and where the company will provide the information.

(2) The limited liability company's reasons for declining, if the company declines to provide any demanded information.

d. Whenever [this chapter](#) or an operating agreement provides for a member to vote on or give or withhold consent to a matter, before the vote is cast or consent is given or withheld, the limited liability company shall, without demand, provide the member with all information that is known to the company and is material to the member's decision.

3. Subject to [subsection 8](#), on ten days' demand made in a record received by a limited liability company, a person dissociated as a member may have access to the information to which the person was entitled while a member if all of the following apply:

a. The information pertains to the period during which the person was a member.

b. The person seeks the information in good faith.

c. The person satisfies the requirements imposed on a member by [subsection 2](#), paragraph "b".

4. A limited liability company shall respond to a demand made pursuant to [subsection 3](#) in the manner provided in [subsection 2](#), paragraph "c".

5. A limited liability company may charge a person that makes a demand under [this section](#) the reasonable costs of copying, limited to the costs of labor and material.

6. A member or person dissociated as a member may exercise the rights under [this section](#) through an agent or, in the case of an individual under legal disability, a legal representative. Any restriction or condition imposed by the operating agreement or under [subsection 8](#) applies both to the agent or legal representative and to the member or person dissociated as a member.

7. Subject to [section 489.504](#), the rights under [this section](#) do not extend to a person as transferee.

8. In addition to any restriction or condition stated in its operating agreement, a limited liability company, as a matter within the ordinary course of its activities and affairs, may impose reasonable restrictions and conditions on access to and use of information to be furnished under [this section](#), including designating information confidential and imposing nondisclosure and safeguarding obligations on the recipient. In a dispute concerning the

reasonableness of a restriction under [this subsection](#), the company has the burden of proving reasonableness.

[2008 Acts, ch 1162, §40, 155; 2023 Acts, ch 152, §45, 161](#)

Referred to in [§489.105, 489.504, 489.805, 489.14305](#)
2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.411 through 489.500 Reserved.

SUBCHAPTER V
TRANSFERABLE INTERESTS AND
RIGHTS OF TRANSFEREES
AND CREDITORS

489.501 Nature of transferable interest.

A transferable interest is personal property.

[2008 Acts, ch 1162, §41, 155](#)

489.502 Transfer of transferable interest.

1. Subject to [section 489.503, subsection 6](#), 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 person's dissociation as a member or a dissolution and winding up of the limited liability company's activities and affairs.

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 limited liability company's activities and affairs.

(2) Except as otherwise provided in [subsection 3](#), have access to records or other information concerning the limited liability company's activities and affairs.

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 a 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 knows or has notice of the transfer.

6. A transfer of a transferable interest in violation of a restriction on transfer contained in the operating agreement is ineffective if the intended transferee has knowledge or notice of the restriction at the time of transfer.

7. Except as otherwise provided in [section 489.602, subsection 5](#), paragraph "b", if a member transfers a transferable interest, the transferor retains the rights of a member other than the transferable interest transferred and retains all duties and obligations of a member.

8. If 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 [sections 489.403 and 489.406](#) known to the transferee when the transferee becomes a member.

[2008 Acts, ch 1162, §42, 155; 2023 Acts, ch 152, §46, 161](#)

Referred to in [§489.404, 489.503, 489.504](#)
2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.503 Charging order.

1. On application by a judgment creditor of a member or transferee, a court may enter a charging order against the transferable interest of the judgment debtor for the unsatisfied

amount of the judgment. Except as otherwise provided in [subsection 6](#), a charging order constitutes a lien on a judgment debtor's transferable interest and requires the limited liability company to pay over to the person to which the charging order was issued any distribution that otherwise would be paid to the judgment debtor.

2. To the extent necessary to effectuate the collection of distributions pursuant to a charging order in effect under [subsection 1](#), the court may do all of the following:

a. Appoint a receiver of the distributions subject to the charging order, with the power to make all inquiries the judgment debtor might have made.

b. Make all other orders necessary to give effect to the charging order.

3. Upon a showing that distributions under a charging order will not pay the judgment debt within a reasonable time, the court may foreclose the lien and order the sale of the transferable interest. Except as otherwise provided in [subsection 6](#), the purchaser at the foreclosure sale obtains only the transferable interest, does not thereby become a member, and is subject to [section 489.502](#).

4. At any time before foreclosure under [subsection 3](#), the member or transferee whose transferable interest is subject to a charging order under [subsection 1](#) may extinguish the charging order by satisfying the judgment and filing a certified copy of the satisfaction with the court that issued the charging order.

5. At any time before foreclosure under [subsection 3](#), a limited liability company or one or more members whose transferable interests are not subject to the charging order may pay to the judgment creditor the full amount due under the judgment and thereby succeed to the rights of the judgment creditor, including the charging order.

6. If a court orders foreclosure of a charging order lien against the sole member of a limited liability company all of the following apply:

a. The court shall confirm the sale.

b. The purchaser at the sale obtains the member's entire interest, not only the member's transferable interest.

c. The purchaser thereby becomes a member.

d. The person whose interest was subject to the foreclosed charging order is dissociated as a member.

7. [This chapter](#) does not deprive any member or transferee of the benefit of any exemption law applicable to the transferable interest of the member or transferee.

8. [This section](#) provides the exclusive remedy by which a person seeking in the capacity of judgment creditor to enforce a judgment against a member or transferee may satisfy the judgment from the judgment debtor's transferable interest.

[2008 Acts, ch 1162, §43, 155; 2023 Acts, ch 152, §47, 161](#)

Referred to in [§489.107, 489.404, 489.502, 489.602, 489.707, 489.14403](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.504 Power of personal representative of deceased member.

If a member dies, the deceased member's legal representative may exercise all of the following:

1. The rights of a transferee provided in [section 489.502, subsection 3](#).

2. For the purposes of settling the estate, the rights the deceased member had under [section 489.410](#).

[2008 Acts, ch 1162, §44, 155; 2023 Acts, ch 152, §48, 161](#)

Referred to in [§489.410, 489.502, 489.603, 489.14305](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.505 through 489.600 Reserved.

SUBCHAPTER VI

DISSOCIATION

Referred to in [§489.14107](#)**489.601 Power to dissociate as a member — wrongful dissociation.**

1. A person has the power to dissociate as a member at any time, rightfully or wrongfully, by withdrawing as a member by express will under [section 489.602, subsection 1](#).

2. A person's dissociation as a member is wrongful only if any of the following applies to the dissociation:

a. It is in breach of an express provision of the operating agreement.

b. It occurs before the completion of the winding up of the limited liability company and any of the following applies:

(1) The person withdraws as a member by express will.

(2) The person is expelled as a member by judicial order under [section 489.602, subsection 6](#).

(3) The person is dissociated under [section 489.602, subsection 8](#).

(4) In the case of a person that is not a trust other than a business trust, an estate, or an individual, the person is expelled or otherwise dissociated as a member because it willfully dissolved or terminated.

3. A person that wrongfully dissociates as a member is liable to the limited liability company and, subject to [section 489.801](#), to the other members for damages caused by the dissociation. The liability is in addition to any debt, obligation, or other liability of the member to the company or the other members.

[2008 Acts, ch 1162, §45, 155; 2023 Acts, ch 152, §49, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.602 Events causing dissociation.

A person is dissociated as a member when any of the following applies:

1. The limited liability company knows or has notice of the person's express will to withdraw as a member, but, if the person specified a withdrawal date later than the date the limited liability company knew or had notice, on that later date.

2. An event stated in the operating agreement as causing the person's dissociation occurs.

3. The person's entire interest is transferred in a foreclosure sale under [section 489.503, subsection 6](#).

4. The person is expelled as a member pursuant to the operating agreement.

5. The person is expelled as a member by the affirmative vote or consent of all the other members if any of the following apply:

a. It is unlawful to carry on the limited liability company's activities and affairs with the person as a member.

b. There has been a transfer of all the person's transferable interest in the limited liability company, other than any of the following:

(1) A transfer for security purposes.

(2) A charging order in effect under [section 489.503](#) which has not been foreclosed.

c. The person is an entity and all of the following apply:

(1) The limited liability company notifies the person that it will be expelled as a member because the person has filed a statement of dissolution or the equivalent, the person has been administratively dissolved, the person's charter or the equivalent has been revoked, or the person's right to conduct business has been suspended by the person's jurisdiction of formation.

(2) Not later than ninety days after the notification, the statement of dissolution or the equivalent has not been withdrawn, rescinded, or revoked, the person has not been reinstated, or the person's charter or the equivalent or right to conduct business has not been reinstated.

d. The person is an unincorporated entity that has been dissolved and whose activities and affairs are being wound up.

6. On application by the limited liability company or a member in a direct action under

[section 489.801](#), the person is expelled as a member by judicial order because any of the following apply:

a. The person has engaged or is engaging in wrongful conduct that has affected adversely and materially, or will affect adversely and materially, the company's activities and affairs.

b. The person has committed willfully or persistently, or is committing willfully or persistently, a material breach of the operating agreement or a duty or obligation under [section 489.409](#).

c. The person has engaged or is engaging in conduct relating to the limited liability company's activities and affairs which makes it not reasonably practicable to carry on the activities and affairs with the person as a member.

7. In the case of an individual any of the following apply:

a. The individual dies.

b. In a member-managed limited liability company any of the following apply:

(1) A guardian or general conservator for the individual is appointed.

(2) A court orders that the individual has otherwise become incapable of performing the individual's duties as a member under [this chapter](#) or the operating agreement.

8. In a member-managed limited liability company, any of the following apply:

a. The person becomes a debtor in bankruptcy.

b. The person signs an assignment for the benefit of creditors.

c. The person seeks, consents to, or acquiesces in the appointment of a trustee, receiver, or liquidator of the person or of all or substantially all the person's property.

9. In the case of a person that is a testamentary or inter vivos trust or is acting as a member by virtue of being a trustee of such a trust, the trust's entire transferable interest in the limited liability company is distributed.

10. In the case of a person that is an estate or is acting as a member by virtue of being a personal representative of an estate, the estate's entire transferable interest in the limited liability company is distributed.

11. In the case of a person that is not an individual, the existence of the person terminates.

12. The limited liability company participates in a merger under [subchapter X](#) and any of the following apply:

a. The limited liability company is not the surviving entity.

b. Otherwise as a result of the merger, the person ceases to be a member.

13. The limited liability company participates in an interest exchange under [subchapter X](#) and, as a result of the interest exchange, the person ceases to be a member.

14. The limited liability company participates in a conversion under [subchapter X](#).

15. The limited liability company participates in a domestication under [subchapter X](#) and, as a result of the domestication, the person ceases to be a member.

16. The limited liability company dissolves and completes winding up.

[2008 Acts, ch 1162, §46, 155; 2023 Acts, ch 152, §50, 161](#)

Referred to in [§489.102, 489.502, 489.601](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.603 Effect of dissociation.

1. If a person is dissociated as a member, all of the following apply:

a. The person's right to participate as a member in the management and conduct of the limited liability company's activities and affairs terminates.

b. The person's duties and obligations under [section 489.409](#) as a member end with regard to matters arising and events occurring after the person's dissociation.

c. Subject to [section 489.504](#) and [subchapter X](#), any transferable interest owned by the person in the person's capacity as a member immediately before dissociation is owned by the person solely as a transferee.

2. A person's dissociation as a member of a limited liability company does not of itself

discharge the person from any debt, obligation, or other liability to the company or the other members which the person incurred while a member.

[2008 Acts, ch 1162, §47, 155; 2023 Acts, ch 152, §51, 161](#)

Referred to in [§489.102](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

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 from a limited liability company, a member may dissociate from the 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 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 from a limited liability company 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; 2023 Acts, ch 152, §52, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.605 through 489.700 Reserved.

SUBCHAPTER VII

DISSOLUTION AND WINDING UP

Referred to in [§489.14107](#)

489.701 Events causing dissolution.

1. A limited liability company is dissolved, and its activities and affairs must be wound up, upon the occurrence of any of the following:

a. An event or circumstance that the operating agreement states causes dissolution.

b. The affirmative vote or consent of all the members.

c. After the limited liability company has at least one member, that member and any other member dissociate, and ninety consecutive days pass during which the company has no members, unless before the end of the period all of the following apply:

(1) Consent to admit at least one specified person as a member is given by transferees

owning the rights to receive a majority of distributions as transferees at the time the consent is to be effective.

(2) At least one person becomes a member in accordance with the consent.

d. On application by a member, the entry by the district court of an order dissolving the limited liability company on the grounds that any of the following applies:

(1) The conduct of all or substantially all the limited liability company's activities and affairs is unlawful.

(2) It is not reasonably practicable to carry on the limited liability company's activities and affairs in conformity with the certificate of organization and the operating agreement.

(3) The managers or those members in control of the limited liability company conduct themselves according to any of the following:

(a) Have acted, are acting, or will act in a manner that is illegal or fraudulent.

(b) Have acted or are acting in a manner that is oppressive and was, is, or will be directly harmful to the applicant.

e. The signing and filing of a statement of administrative dissolution by the secretary of state under [section 489.708](#).

2. In a proceeding brought under [subsection 1](#), paragraph "d", subparagraph (3), the district court may order a remedy other than dissolution.

[2008 Acts, ch 1162, §49, 155; 2023 Acts, ch 152, §53, 161](#)

Referred to in [§489.105, 489.109, 489.401, 489.702, 489.703](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.701A Rescinding dissolution. Transferred to [§489.703; 2023 Acts, ch 152, §143, 161](#).

489.702 Winding up.

1. A dissolved limited liability company shall wind up its activities and affairs, and except as otherwise provided in [section 489.703](#), the company continues after dissolution only for the purpose of winding up.

2. In winding up its activities and affairs, all of the following apply to a limited liability company:

a. It shall discharge the limited liability company's debts, obligations, and other liabilities, settle and close the company's activities and affairs, and marshal and distribute the assets of the company.

b. It may do all of the following:

(1) Deliver to the secretary of state for filing a statement of dissolution stating the name of the limited liability company and that the company is dissolved.

(2) Preserve the limited liability company activities, affairs, and property as a going concern for a reasonable time.

(3) Prosecute and defend actions and proceedings, whether civil, criminal, or administrative.

(4) Transfer the limited liability company's property.

(5) Settle disputes by mediation or arbitration.

(6) Deliver to the secretary of state for filing a statement of termination stating the name of the limited liability company and that the company is terminated.

(7) Perform other acts necessary or appropriate to the winding up.

3. If a dissolved limited liability company has no members, the legal representative of the last person to have been a member may wind up the activities and affairs of the company. If the person does so, the person has the powers of a sole manager under [section 489.407, subsection 3](#), and is deemed to be a manager for the purposes of [section 489.304, subsection 1](#).

4. If the legal representative under [subsection 3](#) declines or fails to wind up the limited liability company's activities and affairs, a person may be appointed to do so by the consent of transferees owning a majority of the rights to receive distributions as transferees at the time the consent is to be effective. All of the following apply to a person appointed under [this subsection](#):

a. The person has the powers of a sole manager under [section 489.407, subsection 3](#), and is deemed to be a manager for the purposes of [section 489.304, subsection 1](#).

b. The person shall deliver promptly to the secretary of state for filing an amendment to the limited liability company's certificate of organization stating all of the following:

- (1) That the limited liability company has no members.
- (2) The name and street and mailing addresses of the person.
- (3) That the person has been appointed pursuant to [this subsection](#) to wind up the limited liability company's activities and affairs.

5. The district court may order judicial supervision of the winding up of a dissolved limited liability company, including the appointment of a person to wind up the company's activities and affairs pursuant to any of the following:

- a. On application of a member, if the applicant establishes good cause.
- b. On the application of a transferee, if all of the following apply:
 - (1) The limited liability company does not have any members.
 - (2) The legal representative of the last person to have been a member declines or fails to wind up the limited liability company's activities and affairs.
 - (3) Within a reasonable time following the dissolution a person has not been appointed pursuant to [subsection 3](#).

c. In connection with a proceeding under [section 489.701, subsection 1](#), paragraph "d".

[2008 Acts, ch 1162, §50, 155; 2009 Acts, ch 133, §161; 2023 Acts, ch 152, §55, 161](#)

Referred to in [§489.103, 489.105, 489.109, 489.203, 489.709, 489.14502](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.703 Rescinding dissolution.

1. A limited liability company may rescind its dissolution, unless a statement of termination applicable to the company has become effective, the district court has entered an order under [section 489.701, subsection 1](#), paragraph "d", dissolving the company, or the secretary of state has dissolved the company under [section 489.708](#).

2. Rescinding dissolution under [this section](#) requires all of the following:

- a. The affirmative vote or consent of each member.
- b. If the limited liability company has delivered to the secretary of state for filing a statement of dissolution and any of the following apply:
 - (1) If the statement has not become effective, delivery to the secretary of state for filing of a statement of withdrawal under [section 489.208](#) applicable to the statement of dissolution.
 - (2) If the statement of dissolution has become effective, delivery to the secretary of state for filing of a statement of rescission stating the name of the limited liability company and that dissolution has been rescinded under [this section](#).

3. If a limited liability company rescinds its dissolution all of the following apply:

- a. The limited liability company resumes carrying on its activities and affairs as if dissolution had never occurred.
- b. Subject to paragraph "c", any liability incurred by the limited liability company after the dissolution and before the rescission has become effective shall be determined as if dissolution had never occurred.
- c. The rights of a third party arising out of conduct in reliance on the dissolution before the third party knew or had notice of the rescission must not be adversely affected.

[2019 Acts, ch 26, §57](#)

C2020, §489.701A

[2020 Acts, ch 1063, §266, 267; 2023 Acts, ch 152, §54, 143, 161](#)

C2024, §489.703

Referred to in [§489.109, 489.702](#)

Former [§489.703](#) transferred to [§489.704; 2023 Acts, ch 152, §143, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section transferred from [§489.701A](#) in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.704 Known claims against dissolved limited liability company.

1. Except as otherwise provided in [subsection 4](#), a dissolved limited liability company may give notice of a known claim under [subsection 2](#), which has the effect provided in [subsection 3](#).

2. A dissolved limited liability company may in a record notify its known claimants of the dissolution. The notice must do all of the following:
 - a. Specify the information required to be included in a claim.
 - b. State that a claim must be in writing and provide a mailing address to which the claim is to be sent.
 - c. State the deadline for receipt of a claim, which may not be less than one hundred twenty days after the date the notice is received by the claimant.
 - d. State that the claim will be barred if not received by the deadline.
3. A claim against a dissolved limited liability company is barred if the requirements of [subsection 2](#) are met and any of the following applies:
 - a. The claim is not received by the specified deadline.
 - b. If the claim is timely received but rejected by the limited liability company, all of the following must apply:
 - (1) The limited liability company causes the claimant to receive a notice in a record stating that the claim is rejected and will be barred unless the claimant commences an action against the company to enforce the claim not later than ninety days after the claimant receives the notice.
 - (2) The claimant does not commence the required action not later than the ninety days after the claimant receives the notice.
4. [This section](#) does not apply to a claim based on an event occurring after the date of dissolution or a liability that on that date is contingent.

[2008 Acts, ch 1162, §51, 155](#)

C2009, §489.703

[2023 Acts, ch 152, §56, 143, 161](#)

C2024, §489.704

Former §489.704 transferred to [§489.705](#); [2023 Acts, ch 152, §143, 161](#)

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

Section transferred from §489.703 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.705 Other claims against dissolved limited liability company.

1. A dissolved limited liability company may publish notice of its dissolution and request persons having claims against the company to present them in accordance with the notice.
2. The notice under [subsection 1](#) must meet all of the following requirements:
 - a. Comply with any of the following:
 - (1) Publication of the notice one time in a newspaper of general circulation in the county in this state in which the dissolved limited liability company's principal office is located or, if the principal office is not located in this state, in the county in which the office of the company's registered agent is or was last located.
 - (2) Publication by posting the notice conspicuously for at least thirty days on the dissolved limited liability company's internet site.
 - b. Describe the information required to be contained in a claim, state that the claim must be in writing, and provide a mailing address to which the claim is to be sent.
 - c. State that a claim against the limited liability company is barred unless an action to enforce the claim is commenced not later than three years after publication of the notice.
3. If a dissolved limited liability company publishes a notice in accordance with [subsection 2](#), the claim of each of the following claimants is barred unless the claimant commences an action to enforce the claim against the company not later than three years after the publication date of the notice:
 - a. A claimant that did not receive notice in a record under [section 489.704](#).
 - b. A claimant whose claim was timely sent to the limited liability company but not acted on.
 - c. A claimant whose claim is contingent at, or based on an event occurring after, the date of dissolution.
4. A claim not barred under [this section](#) or [section 489.704](#) may be enforced as follows:
 - a. Against a dissolved limited liability company, to the extent of its undistributed assets.
 - b. Except as otherwise provided in [section 489.706](#), if assets of the limited liability

company have been distributed after dissolution, against a member or transferee to the extent of that person's proportionate share of the claim or of the company's assets distributed to the member or transferee after dissolution, whichever is less, but a person's total liability for all claims under this paragraph does not exceed the total amount of assets distributed to the person after dissolution.

2008 Acts, ch 1162, §52, 155

C2009, §489.704

2023 Acts, ch 152, §57, 143, 161

C2024, §489.705

Referred to in §489.405, 489.706, 489.709, 489.14502

Former §489.705 transferred to §489.708; 2023 Acts, ch 152, §143, 161

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section transferred from §489.704 in Code 2024 pursuant to directive in 2023 Acts, ch 152, §143, 161

Section amended

489.706 Court proceedings.

1. A dissolved limited liability company that has published a notice under [section 489.705](#) may file an application with the district court in the county where the company's principal office is located or, if the principal office is not located in this state, where the office of its registered agent is or was last located, for a determination of the amount and form of security to be provided for payment of claims that are reasonably expected to arise after the date of dissolution based on facts known to the company and any of the following apply:

a. At the time of application any of the following apply:

(1) The facts are contingent.

(2) The facts have not been made known to the limited liability company.

b. The facts are based on an event occurring after the date of dissolution.

2. Security is not required for any claim that is or is reasonably anticipated to be barred under [section 489.705](#).

3. Not later than ten days after the filing of an application under [subsection 1](#), the dissolved limited liability company shall give notice of the proceeding to each claimant holding a contingent claim known to the company.

4. In a proceeding under [this section](#), the court may appoint a guardian ad litem to represent all claimants whose identities are unknown. The reasonable fees and expenses of the guardian, including all reasonable expert witness fees, must be paid by the dissolved limited liability company.

5. A dissolved limited liability company that provides security in the amount and form ordered by the court under [subsection 1](#) satisfies the company's obligations with respect to claims that are contingent, have not been made known to the company, or are based on an event occurring after the date of dissolution, and such claims may not be enforced against a member or transferee on account of assets received in liquidation.

2023 Acts, ch 152, §60, 143, 161

Former §489.706 transferred to §489.710; 2023 Acts, ch 152, §143, 161

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

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

489.708 Grounds for administrative dissolution.

The secretary of state may commence a proceeding under [section 489.709](#) to dissolve a limited liability company administratively, if any of the following apply:

1. The limited liability company does not pay within sixty days after they are due any fees, taxes, interest, or penalties imposed by [this chapter](#) or other laws of this state.

2. The limited liability company does not deliver its biennial report required by [section 489.211A](#) to the secretary of state within sixty days after it is due.

3. The limited liability company is without a registered agent or the registered agent does not have a place of business in this state for sixty days or more.

4. The secretary of state has not been notified within sixty days that the limited liability company's registered agent or place of business of the registered agent has been changed, or that its registered agent has resigned, or that its registered office has been discontinued.

5. The limited liability company's period of duration stated in its certificate of organization expires.

[2008 Acts, ch 1162, §53, 155](#)

C2009, §489.705

[2010 Acts, ch 1100, §14](#); [2023 Acts, ch 152, §58, 143, 161](#)

C2024, §489.708

Former §489.708 transferred to [§489.707](#); [2023 Acts, ch 152, §143, 161](#)

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

Section transferred from §489.705 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.709 Procedure for and effect of administrative dissolution.

1. If the secretary of state determines that one or more grounds exist under [section 489.708](#) for dissolving a limited liability company, the secretary of state shall serve the company with written notice of such determination under [section 489.119](#).

2. If the limited liability company does not correct each ground for dissolution or demonstrate to the reasonable satisfaction of the secretary of state that each ground determined by the secretary of state does not exist within sixty days after service of the notice under [section 489.119](#), the secretary of state shall administratively dissolve the company by signing a certificate of dissolution that recites the ground or grounds for dissolution and its effective date. The secretary of state shall file the original of the certificate and serve a copy on the company under [section 489.119](#).

3. A limited liability company administratively dissolved continues its existence but shall not carry on any business except that necessary to wind up and liquidate its business and affairs under [section 489.702](#) and notify claimants under [sections 489.704](#) and [489.705](#).

4. The administrative dissolution of a limited liability company does not terminate the authority of its registered agent.

[2023 Acts, ch 152, §63, 161](#)

Referred to in [§489.708](#)

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

NEW section

489.710 Reinstatement following administrative dissolution.

1. A limited liability company administratively dissolved under [section 489.708](#)* may apply to the secretary of state for reinstatement at any time after the effective date of dissolution. The application must meet all of the following requirements:

a. State the name of the limited liability company at its date of dissolution and the effective date of its administrative dissolution.

b. State that the ground or grounds for dissolution either did not exist or have been eliminated.

c. If the application is received more than five years after the effective date of the dissolution, state a name that satisfies the requirements of [section 489.112](#).

d. State the federal tax identification number of the limited liability company.

2. a. The secretary of state shall refer the federal tax identification number contained in the application for reinstatement to the department of workforce development. The department of workforce development shall report to the secretary of state the tax status of the limited liability company. If the department reports to the secretary of state that a filing delinquency or liability exists against the company, the secretary of state shall not cancel the certificate of dissolution until the filing delinquency or liability is satisfied.

b. (1) If the secretary of state determines that the application contains the information required by [subsection 1](#), and that a delinquency or liability reported pursuant to paragraph “a” has been satisfied, and that the information is correct, the secretary of state shall cancel the certificate of dissolution and prepare a certificate of reinstatement that recites the secretary of state’s determination and the effective date of reinstatement, file the certificate of reinstatement, and deliver a copy to the limited liability company under [section 489.119](#).

(2) If the limited liability company’s name in [subsection 1](#), paragraph “c”, is different from the name in [subsection 1](#), paragraph “a”, the certificate of reinstatement shall constitute an amendment to the company’s certificate of organization insofar as it pertains to its name. A company shall not relinquish the right to retain its name if the reinstatement is effective within five years of the effective date of the company’s dissolution.

3. When the reinstatement is effective, it relates back to and takes effect as of the effective date of the administrative dissolution as if the administrative dissolution had never occurred.

[2008 Acts, ch 1162, §54, 155](#)

C2009, §489.706

[2010 Acts, ch 1040, §1; 2020 Acts, ch 1118, §24; 2023 Acts, ch 152, §59, 143, 161](#)

C2024, §489.710

Referred to in [§488.108, 489.14503, 490.401, 504.401, 504.403, 524.310](#)

*Reference to [§489.709](#) may be intended; corrective legislation is pending

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

Section transferred from [§489.706](#) in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.711 Appeal from denial of reinstatement.

1. If the secretary of state denies a limited liability company’s application for reinstatement following administrative dissolution, the secretary of state shall serve the company under [section 489.119](#) with a written notice that explains the reason or reasons for denial.

2. The limited liability company may appeal the denial of reinstatement to the district court of the county where the company’s principal office or, if none in this state, where its registered office is located within thirty days after service of the notice of denial is effected. The company appeals by petitioning the court to set aside the dissolution and attaching to the petition copies of the secretary of state’s certificate of dissolution, the company’s application for reinstatement, and the secretary of state’s notice of denial.

3. The court may summarily order the secretary of state to reinstate the dissolved limited liability company or may take other action the court considers appropriate.

4. The court’s final decision may be appealed as in other civil proceedings.

[2008 Acts, ch 1162, §55, 155](#)

C2009, §489.707

[2023 Acts, ch 152, §61, 143, 161](#)

C2024, §489.711

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

Section transferred from [§489.707](#) in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.712 through 489.800 Reserved.

SUBCHAPTER VIII
ACTIONS BY MEMBERS

Referred to in [§489.105](#), [489.14107](#)

489.801 Direct action by member.

1. Subject to [subsection 2](#), a member may maintain a direct action against another member, a manager, or the limited liability company to enforce the member's rights and otherwise protect the member's interests, including rights and interests under the operating agreement or [this chapter](#) or arising independently of the membership relationship.

2. A member maintaining a direct action under [this section](#) must plead and prove an actual or threatened injury that is not solely the result of an injury suffered or threatened to be suffered by the limited liability company.

[2008 Acts, ch 1162, §66, 155](#)

C2009, §489.901

[2023 Acts, ch 152, §143, 161](#)

C2024, §489.801

Referred to in [§489.409](#), [489.601](#), [489.602](#)

Former §489.801 transferred to [§489.901](#); [2023 Acts, ch 152, §143, 161](#)

Section transferred from §489.901 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

489.802 Derivative action.

A member may maintain a derivative action to enforce a right of a limited liability company, if the member first makes a demand on the other members in a member-managed limited liability company, or the managers of a manager-managed limited liability company, requesting that they cause the company to bring an action to enforce the right, and the managers or other members do not bring the action within ninety days from the date the demand was made unless the member has earlier been notified that the demand has been rejected by the company or unless irreparable injury to the company would result by waiting for the expiration of the ninety-day period.

[2008 Acts, ch 1162, §67, 155](#)

C2009, §489.902

[2023 Acts, ch 152, §67, 143, 161](#)

C2024, §489.802

Former §489.802 repealed effective January 1, 2024, by [2023 Acts, ch 152, §142, 161](#)

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

Section transferred from §489.902 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.803 Proper plaintiff.

1. Except as otherwise provided in [subsection 2](#), a derivative action under [section 489.802](#) may be maintained only by a person that is a member at the time the action is commenced and remains a member while the action continues.

2. If the sole plaintiff in a derivative action dies while the action is pending, the court may permit another member of the limited liability company to be substituted as plaintiff.

[2008 Acts, ch 1162, §68, 155](#)

C2009, §489.903

[2023 Acts, ch 152, §143, 161](#)

C2024, §489.803

Former §489.803 repealed effective January 1, 2024, by [2023 Acts, ch 152, §142, 161](#)

Section transferred from §489.903 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

489.804 Pleading.

In a derivative action under [section 489.802](#), the complaint must state with particularity any of the following:

1. The date and content of the plaintiff's demand and the response to the demand by the managers or other members.

2. Why demand should be excused as futile.

[2008 Acts, ch 1162, §69, 155](#)

C2009, §489.904

2023 Acts, ch 152, §68, 143, 161

C2024, §489.804

Former §489.804 repealed effective January 1, 2024, by 2023 Acts, ch 152, §142, 161

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section transferred from §489.904 in Code 2024 pursuant to directive in 2023 Acts, ch 152, §143, 161

Section amended

489.805 Special litigation committee.

1. If a limited liability company is named as or made a party in a derivative proceeding, the company may appoint a special litigation committee to investigate the claims asserted in the proceeding and determine whether pursuing the action is in the best interests of the company. If the company appoints a special litigation committee, on motion by the committee made in the name of the company, except for good cause shown, the court shall stay discovery for the time reasonably necessary to permit the committee to make its investigation. [This subsection](#) does not prevent the court from doing any of the following:

a. Enforcing a person's right to information under [section 489.410](#).

b. Granting extraordinary relief in the form of a temporary restraining order or preliminary injunction.

2. A special litigation committee must be composed of one or more disinterested and independent individuals, who may be members.

3. A special litigation committee may be appointed as follows:

a. In a member-managed limited liability company, any of the following:

(1) By the affirmative vote or consent of a majority of the members not named as parties in the proceeding.

(2) If all members are named as parties in the proceeding, by a majority of the members named as defendants.

b. In a manager-managed limited liability company, any of the following:

(1) By a majority of the managers not named as parties in the proceeding.

(2) If all managers are named as parties in the proceeding, by a majority of the managers named as defendants.

4. After appropriate investigation, a special litigation committee may determine that it is in the best interests of the limited liability company that the proceeding comply with any of the following:

a. Continue under the control of the plaintiff.

b. Continue under the control of the committee.

c. Be settled on terms approved by the committee.

d. Be dismissed.

5. After making a determination under [subsection 4](#), a special litigation committee shall file with the court a statement of its determination and its report supporting its determination and shall serve each party with a copy of the determination and report. The court shall determine whether the members of the committee were disinterested and independent and whether the committee conducted its investigation and made its recommendation in good faith, independently, and with reasonable care, with the committee having the burden of proof. If the court finds that the members of the committee were disinterested and independent and that the committee acted in good faith, independently, and with reasonable care, the court shall enforce the determination of the committee. Otherwise, the court shall dissolve the stay of discovery entered under [subsection 1](#) and allow the action to continue under the control of the plaintiff.

2023 Acts, ch 152, §65, 143, 161

Referred to in [§489.105](#)

Former §489.805 repealed effective January 1, 2024, by 2023 Acts, ch 152, §142, 161

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.806 Proceeds and expenses.

1. Except as otherwise provided in [subsection 2](#), all of the following apply:

a. Any proceeds or other benefits of a derivative action, whether by judgment, compromise, or settlement, belong to the limited liability company and not to the plaintiff.

b. If the plaintiff receives any proceeds, the plaintiff shall remit them immediately to the limited liability company.

2. If a derivative action is successful in whole or in part, the court may award the plaintiff reasonable expenses, including reasonable attorney fees and costs, from the recovery of the limited liability company.

3. A derivative action on behalf of a limited liability company shall not be voluntarily dismissed or settled without the court's approval.

[2008 Acts, ch 1162, §70, 155](#)

C2009, §489.906

[2023 Acts, ch 152, §70, 143, 161](#)

C2024, §489.806

Former §489.806 repealed effective January 1, 2024, by [2023 Acts, ch 152, §142, 161](#)

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

Section transferred from §489.906 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.807 Cancellation of certificate of authority. Repealed by [2023 Acts, ch 152, §142, 161](#).

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

489.808 Effect of failure to have certificate of authority. Repealed by [2023 Acts, ch 152, §142, 161](#).

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

489.809 Action by attorney general. Transferred to §489.912; [2023 Acts, ch 152, §143, 161](#).

489.810 through 489.900 Reserved.

SUBCHAPTER IX
FOREIGN LIMITED
LIABILITY COMPANIES

Referred to in [§489.114, 489.14304](#)

489.901 Governing law.

1. The law of the jurisdiction of formation of a foreign limited liability company governs all of the following:

- a. The internal affairs of the foreign limited liability company.
- b. The liability of a member as member and manager as manager for a debt, obligation, or other liability of the foreign limited liability company.
- c. The liability of a series of the foreign limited liability company.

2. A foreign limited liability company is not precluded from registering to do business in this state because of any difference between the law of the foreign limited liability company's jurisdiction of formation and the law of this state.

3. Registration of a foreign limited liability company to do business in this state does not permit the foreign limited liability company to engage in any business or affairs or exercise any power that a limited liability company cannot lawfully engage in or exercise in this state.

[2008 Acts, ch 1162, §57, 155](#)

C2009, §489.801

[2019 Acts, ch 26, §45, 53; 2023 Acts, ch 152, §64, 143, 161](#)

C2024, §489.901

Former §489.901 transferred to [§489.801](#) by [2023 Acts, ch 152, §143, 161](#)

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

Section transferred from §489.801 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.902 Registration to do business in this state.

1. A foreign limited liability company shall not do business in this state until it registers with the secretary of state under [this chapter](#).

2. A foreign limited liability company doing business in this state shall not maintain a proceeding in any court of this state until it is registered to do business in this state.

3. The failure of a foreign limited liability company to register to do business in this state does not impair the validity of a contract or act of the foreign company or preclude it from defending a proceeding in this state.

4. A limitation on the liability of a member or manager of a foreign limited liability company is not waived solely because the foreign company does business in this state without registering.

5. [Section 489.901, subsection 1](#), applies even if a foreign limited liability company fails to register under [this subchapter](#).

[2023 Acts, ch 152, §77, 143, 161](#)

Former §489.902 transferred to [§489.802](#); [2023 Acts, ch 152, §143, 161](#)

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

NEW section

489.903 Foreign registration statement.

1. To register to do business in this state, a foreign limited liability company shall deliver a foreign registration statement to the secretary of state for filing. The registration statement must be signed by the foreign company and state all of the following:

a. The name of the foreign limited liability company and, if the name does not comply with [section 489.112](#), an alternate name as required by [section 489.906](#).

b. The foreign limited liability company's jurisdiction of formation.

c. The street and mailing addresses of the foreign limited liability company's principal office and, if the law of the foreign company's jurisdiction of formation requires the foreign company to maintain an office in that jurisdiction, the street and mailing addresses of that required office.

d. The street and mailing addresses of the place of business of the foreign limited liability company's registered agent in this state and the name of its registered agent.

2. The foreign limited liability company shall deliver the completed foreign registration statement to the secretary of state, and also deliver to the secretary of state a certificate of existence or a document of similar import duly authenticated by the secretary of state or other official having custody of corporate records in the state or country under whose law it is incorporated which is dated no earlier than ninety days prior to the date the application is filed by the secretary of state.

[2023 Acts, ch 152, §78, 143, 161](#)

Referred to in [§489.904, 489.906](#)

Former §489.903 transferred to [§489.803](#); [2023 Acts, ch 152, §143, 161](#)

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

NEW section

489.904 Amendment of foreign registration statement.

A registered foreign limited liability company shall sign and deliver to the secretary of state for filing an amendment to its foreign registration statement if there is a change in any of the following:

1. Its name or alternate name.

2. Its jurisdiction of formation, unless its registration is deemed to have been withdrawn under [section 489.908](#) or transferred under [section 489.910](#).

3. An address required by [section 489.903, subsection 1](#), paragraph "c".

4. The information required by [section 489.903, subsection 1](#), paragraph "d".

[2023 Acts, ch 152, §79, 143, 161](#)

Former §489.904 transferred to [§489.804](#); [2023 Acts, ch 152, §143, 161](#)

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

NEW section

489.905 Activities not constituting doing business in this state.

1. Activities of a foreign limited liability company that do not constitute doing business in this state for purposes of [this subchapter](#) include all of the following:

- a. Maintaining, defending, mediating, arbitrating, or settling a proceeding.
- b. Carrying on any activity concerning the internal affairs of the foreign limited liability company, including holding meetings of its members or managers.
- c. Maintaining accounts in financial institutions.
- d. Maintaining offices or agencies for the transfer, exchange, and registration of securities of the foreign limited liability company or maintaining trustees or depositories with respect to those securities.
- e. Selling through independent contractors.
- f. Soliciting or obtaining orders by any means if the orders require acceptance outside this state before they become contracts.
- g. Creating or acquiring indebtedness, mortgages, or security interests in property.
- h. Securing or collecting debts or enforcing mortgages or other security interests in property securing the debts and holding, protecting, or maintaining property so acquired.
- i. Conducting an isolated transaction that is not in the course of similar transactions.
- j. Owning, protecting, and maintaining property.
- k. Doing business in interstate commerce.

2. [This section](#) does not apply in determining the contacts or activities that may subject a foreign limited liability company to service of process, taxation, or regulation under the laws of this state other than [this chapter](#).

2023 Acts, ch 152, §69, 161

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.906 Noncomplying name of foreign limited liability company.

1. A foreign limited liability company whose name does not comply with [section 489.112](#) shall not register to do business in this state until it adopts, for the purpose of doing business in this state, an alternate name that complies with [section 489.112](#) by filing a foreign registration statement under [section 489.903](#), or if applicable, a transfer of registration statement under [section 489.910](#), setting forth that alternate name. After registering to do business in this state with an alternate name, a foreign limited liability company shall do business in this state under any of the following:

- a. The alternate name.
- b. The foreign limited liability company's name, with the addition of its jurisdiction of formation.

2. If a registered foreign limited liability company changes its name after registration to a name that does not comply with [section 489.112](#), it shall not do business in this state until it complies with [subsection 1](#) by amending its registration statement to adopt an alternate name that complies with [section 489.112](#).

2023 Acts, ch 152, §71, 143, 161

Referred to in [§489.114](#), [489.903](#), [489.910](#)

Former [§489.906](#) transferred to [§489.806](#); 2023 Acts, ch 152, §143, 161

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.907 Withdrawal of registration of registered foreign limited liability company.

1. A registered foreign limited liability company may withdraw its registration by delivering a statement of withdrawal to the secretary of state for filing. The statement of withdrawal must be signed by the foreign limited liability company and state all of the following:

- a. The name of the foreign limited liability company and its jurisdiction of formation.
- b. That the foreign limited liability company is not doing business in this state and that it withdraws its registration to do business in this state.
- c. That the foreign limited liability company revokes the authority of its registered agent in this state.

d. An address to which process on the foreign limited liability company may be sent by the secretary of state under [section 489.119, subsection 3](#).

2. After the withdrawal of the registration of a foreign limited liability company, service of process in any proceeding based on a cause of action arising during the time the entity was registered to do business in this state may be made as provided in [section 489.119](#).

[2023 Acts, ch 152, §72, 161](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.908 Deemed withdrawal upon domestication or conversion to certain domestic entities.

A registered foreign limited liability company that domesticates to a domestic limited liability company or converts to a domestic business corporation or domestic nonprofit corporation or any type of domestic filing entity or to a domestic limited liability partnership is deemed to have withdrawn its registration on the effectiveness of such event.

[2023 Acts, ch 152, §73, 161](#)

Referred to in [§489.904](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.909 Withdrawal upon dissolution or conversion to certain nonfiling entities.

1. A registered foreign limited liability company that has dissolved and completed winding up or has converted to a domestic or foreign nonfiling entity other than a limited liability partnership shall deliver to the secretary of state for filing a statement of withdrawal. The statement must be signed by the dissolved foreign limited liability company or the converted domestic or foreign nonfiling entity and state:

a. In the case of a foreign limited liability company that has completed winding up all of the following:

(1) Its name and jurisdiction of formation.

(2) That the foreign limited liability company withdraws its registration to do business in this state and revokes the authority of its registered agent to accept service on its behalf.

(3) An address to which process on the foreign limited liability company may be sent by the secretary of state under [section 489.119, subsection 3](#).

b. In the case of a foreign limited liability company that has converted to a domestic or foreign nonfiling entity other than a limited liability partnership, all of the following:

(1) The name of the converting foreign limited liability company and its jurisdiction of formation.

(2) The type of the nonfiling entity to which it has converted and its name and jurisdiction of formation.

(3) That it withdraws its registration to do business in this state and revokes the authority of its registered agent to accept service on its behalf.

(4) An address to which process on the foreign limited liability company may be sent by the secretary of state under [section 489.119, subsection 3](#).

2. After the withdrawal of the registration of a foreign limited liability company, service of process in any proceeding based on a cause of action arising during the time the entity was registered to do business in this state may be made as provided in [section 489.119](#).

[2023 Acts, ch 152, §74, 161](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.910 Transfer of registration.

1. If a registered foreign limited liability company merges into a nonregistered foreign entity or converts to a foreign entity required to register with the secretary of state to do business in this state, the foreign entity shall deliver to the secretary of state for filing a transfer of registration statement. The transfer of registration statement must be signed by the surviving or converted foreign entity and state all of the following:

a. The name of the registered foreign limited liability company and its jurisdiction of formation before the merger or conversion.

b. The name and type of the surviving or converted foreign entity and its jurisdiction of formation after the merger or conversion and, if the name does not comply with [section 489.112](#), an alternate name adopted pursuant to [section 489.906](#).

c. All of the following information regarding the surviving or converted foreign entity after the merger or conversion:

(1) The street and mailing addresses of the principal office of the foreign entity and, if the law of the foreign entity's jurisdiction of formation requires it to maintain an office in that jurisdiction, the street and mailing addresses of that office.

(2) The street and mailing addresses of the place of business of the foreign entity's registered agent in this state and the name of its registered agent.

2. On the effective date of a transfer of registration statement as determined in accordance with [section 489.207](#), the registration of the registered foreign limited liability company to do business in this state is transferred without interruption to the foreign entity into which it has merged or to which it has been converted.

[2023 Acts, ch 152, §75, 161](#)

Referred to in [§489.904, 489.906](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.911 Administrative termination of registration.

1. The secretary of state may terminate the registration of a registered foreign limited liability company in the manner provided in [subsections 2 and 3](#), if any of the following applies:

a. The foreign limited liability company does not pay within sixty days after they are due any fees, taxes, interest, or penalties imposed by [this chapter](#) or other laws of this state.

b. The foreign limited liability company does not deliver its biennial report to the secretary of state within sixty days after it is due.

c. The foreign limited liability company is without a registered agent or its registered agent has no place of business in this state for sixty days or more.

d. The secretary of state has not been notified within sixty days that the foreign limited liability company's registered agent or the registered agent's place of business has been changed, that its registered agent has resigned, or that its registered office has been discontinued.

2. The secretary of state may terminate the registration of a registered foreign limited liability company by doing all of the following:

a. Filing a certificate of termination.

b. Delivering a copy of the certificate of termination to the foreign company's registered agent or, if the foreign company does not have a registered agent, to the foreign company's principal office.

3. The certificate of termination must state all of the following:

a. The effective date of the termination, which must be not less than sixty days after the secretary of state delivers the copy of the certificate of termination as prescribed in [subsection 2, paragraph "b"](#).

b. The grounds for termination under [subsection 1](#).

4. The registration of a registered foreign limited liability company to do business in this state ceases on the effective date of the termination as set forth in the certificate of termination, unless before that date the foreign company cures each ground for termination stated in the certificate of termination. If the foreign company cures each ground, the secretary of state shall file a statement that the certificate of termination is withdrawn.

5. After the effective date of the termination as set forth in the certificate of termination, service of process in any proceeding based on a cause of action arising during the time the entity was registered to do business in this state may be made as provided in [section 489.119](#).

[2023 Acts, ch 152, §76, 161](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.912 Action by attorney general.

The attorney general may maintain an action to enjoin a foreign limited liability company from doing business in this state in violation of [this chapter](#).

[2008 Acts, ch 1162, §65, 155](#)

C2009, §489.809

[2023 Acts, ch 152, §66, 143, 161](#)

C2024, §489.912

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section transferred from §489.809 in Code 2024 pursuant to directive in [2023 Acts, ch 152, §143, 161](#)

Section amended

489.913 through 489.1000 Reserved.

SUBCHAPTER X

MERGER, INTEREST EXCHANGE, CONVERSION,
AND DOMESTICATION

Referred to in [§489.102, 489.103, 489.401, 489.407, 489.602, 489.603](#)

PART 1

GENERAL PROVISIONS

489.1001 Definitions.

As used in [this subchapter](#), unless the context otherwise requires:

1. “*Acquired entity*” means the entity, all of one or more classes or series of interests of which are acquired in an interest exchange.
2. “*Acquiring entity*” means the entity that acquires all of one or more classes or series of interests of the acquired entity in an interest exchange.
3. “*Conversion*” means a transaction authorized by [part 4](#).
4. “*Converted entity*” means the converting entity as it continues in existence after a conversion.
5. “*Converting entity*” means the domestic entity that approves a plan of conversion pursuant to [section 489.1043](#) or the foreign entity that approves a conversion pursuant to the law of its jurisdiction of formation.
6. “*Distributional interest*” means the right under an unincorporated entity’s organic law and organic rules to receive distributions from the entity.
7. “*Domestic*”, with respect to an entity, means governed as to its internal affairs by the law of this state.
8. “*Domesticated limited liability company*” means the domesticating limited liability company as it continues in existence after a domestication.
9. “*Domesticating limited liability company*” means the domestic limited liability company that approves a plan of domestication pursuant to [section 489.1053](#) or the foreign limited liability company that approves a domestication pursuant to the law of its jurisdiction of formation.
10. “*Domestication*” means a transaction authorized by [part 5](#).
11. *a.* “*Entity*” means any of the following:
 - (1) A business corporation.
 - (2) A nonprofit corporation.
 - (3) A general partnership, including a limited liability partnership.
 - (4) A limited partnership, including a limited liability limited partnership.
 - (5) A limited liability company.
 - (6) A domestic cooperative.
 - (7) An unincorporated nonprofit association.
 - (8) A statutory trust, business trust, or common-law business trust.
 - (9) Any other person that has any of the following:

- (a) A legal existence separate from any interest holder of that person.
- (b) The power to acquire an interest in real property in its own name.
- b. “Entity” does not include any of the following:
 - (1) An individual.
 - (2) A trust with a predominantly donative purpose or a charitable trust.
 - (3) An association or relationship that is not an entity listed in paragraph “a” and is not a partnership under the rules stated in [section 486A.202, subsection 3](#), or a similar provision of the law of another jurisdiction.
 - (4) A decedent’s estate.
 - (5) A government or a governmental subdivision, agency, or instrumentality.
- 12. “Filing entity” means an entity whose formation requires the filing of a public organic record. The term does not include a limited liability partnership.
- 13. “Foreign”, with respect to an entity, means an entity governed as to its internal affairs by the law of a jurisdiction other than this state.
- 14. “Governance interest” means a right under the organic law or organic rules of an unincorporated entity, other than as a governor, agent, assignee, or proxy, to any of the following:
 - a. Receive or demand access to information concerning, or the books and records of, the entity.
 - b. Vote for or consent to the election of the governors of the entity.
 - c. Receive notice of or vote on or consent to an issue involving the internal affairs of the entity.
- 15. “Governor” means any of the following:
 - a. A director of a business corporation.
 - b. A director or trustee of a nonprofit corporation.
 - c. A general partner of a general partnership.
 - d. A general partner of a limited partnership.
 - e. A manager of a manager-managed limited liability company.
 - f. A member of a member-managed limited liability company.
 - g. A director of a domestic cooperative.
 - h. A manager of an unincorporated nonprofit association.
 - i. A trustee of a statutory trust, business trust, or common-law business trust.
 - j. Any other person under whose authority the powers of an entity are exercised and under whose direction the activities and affairs of the entity are managed pursuant to the organic law and organic rules of the entity.
- 16. “Interest” means any of the following:
 - a. A share in a business corporation.
 - b. A membership in a nonprofit corporation.
 - c. A partnership interest in a general partnership.
 - d. A partnership interest in a limited partnership.
 - e. A membership interest in a limited liability company.
 - f. A share in a domestic cooperative.
 - g. A membership in an unincorporated nonprofit association.
 - h. A beneficial interest in a statutory trust, business trust, or common-law business trust.
 - i. A governance interest or distributional interest in any other type of unincorporated entity.
- 17. “Interest exchange” means a transaction authorized by [part 3](#).
- 18. “Interest holder” means any of the following:
 - a. A shareholder of a business corporation.
 - b. A member of a nonprofit corporation.
 - c. A general partner of a general partnership.
 - d. A general partner of a limited partnership.
 - e. A limited partner of a limited partnership.
 - f. A member of a limited liability company.
 - g. A shareholder of a domestic cooperative.
 - h. A member of an unincorporated nonprofit association.

i. A beneficiary or beneficial owner of a statutory trust, business trust, or common-law business trust.

j. Any other direct holder of an interest.

19. *“Interest holder liability”* means any of the following:

a. Personal liability for a liability of an entity which is imposed on a person due to any of the following:

(1) Solely by reason of the status of the person as an interest holder.

(2) By the organic rules of the entity which make one or more specified interest holders or categories of interest holders liable in their capacity as interest holders for all or specified liabilities of the entity.

b. An obligation of an interest holder under the organic rules of an entity to contribute to the entity.

20. *“Merger”* means a transaction authorized by [part 2](#).

21. *“Merging entity”* means an entity that is a party to a merger and exists immediately before the merger becomes effective.

22. *“Organic law”* means the law of an entity’s jurisdiction of formation governing the internal affairs of the entity.

23. *“Organic rules”* means the public organic record and private organic rules of an entity.

24. *“Plan”* means a plan of merger, plan of interest exchange, plan of conversion, or plan of domestication.

25. *“Plan of conversion”* means a plan under [section 489.1042](#).

26. *“Plan of domestication”* means a plan under [section 489.1052](#).

27. *“Plan of interest exchange”* means a plan under [section 489.1032](#).

28. *“Plan of merger”* means a plan under [section 489.1022](#).

29. a. *“Private organic rules”* means the rules, whether or not in a record, that govern the internal affairs of an entity, are binding on all its interest holders, and are not part of its public organic record, if any.

b. *“Private organic rules”* includes all of the following:

(1) The bylaws of a business corporation.

(2) The bylaws of a nonprofit corporation.

(3) The partnership agreement of a general partnership.

(4) The partnership agreement of a limited partnership.

(5) The operating agreement of a limited liability company.

(6) The bylaws of a domestic cooperative.

(7) The governing principles of an unincorporated nonprofit association.

(8) The trust instrument of a statutory trust or similar rules of a business trust or common-law business trust.

30. *“Protected agreement”* means any of the following:

a. A record evidencing indebtedness and any related agreement in effect on January 1, 2009.

b. An agreement that is binding on an entity on January 1, 2009.

c. The organic rules of an entity in effect on January 1, 2009.

d. An agreement that is binding on any of the governors or interest holders of an entity on January 1, 2009.

31. a. *“Public organic record”* means the record the filing of which by the secretary of state is required to form an entity and any amendment to or restatement of that record.

b. *“Public organic record”* includes any of the following:

(1) The articles of incorporation of a business corporation.

(2) The articles of incorporation of a nonprofit corporation.

(3) The certificate of limited partnership of a limited partnership.

(4) The certificate of organization of a limited liability company.

(5) The articles of incorporation of a domestic cooperative.

(6) The certificate of trust of a statutory trust or similar record of a business trust.

32. *“Registered foreign entity”* means a foreign entity that is registered to do business in this state pursuant to a record filed by the secretary of state.

33. *“Statement of conversion”* means a statement under [section 489.1045](#).

34. “*Statement of domestication*” means a statement under [section 489.1055](#).
35. “*Statement of interest exchange*” means a statement under [section 489.1035](#).
36. “*Statement of merger*” means a statement under [section 489.1025](#).
37. “*Surviving entity*” means the entity that continues in existence after or is created by a merger.
38. “*Type of entity*” means a generic form of entity that is any of the following:
- Recognized at common law.
 - Formed under an organic law, whether or not some entities formed under that organic law are subject to provisions of that law that create different categories of the form of entity.
- [2008 Acts, ch 1162, §71, 155; 2023 Acts, ch 152, §80, 161](#)
 Referred to in [§489.14604](#)
 2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
 Section stricken and rewritten

489.1002 Relationship of subchapter to other laws.

1. [This subchapter](#) does not authorize an act prohibited by, and does not affect the application or requirements of, law other than [this subchapter](#).
2. A transaction effected under [this subchapter](#) shall not create or impair a right, duty, or obligation of a person under the statutory law of this state other than [this subchapter](#) relating to a change in control, takeover, business combination, control-share acquisition, or similar transaction involving a domestic merging, acquired, converting, or domesticating business corporation unless any of the following applies:
- If the corporation does not survive the transaction, the transaction satisfies any requirements of the law.
 - If the corporation survives the transaction, the approval of the plan is by a vote of the shareholders or directors which would be sufficient to create or impair the right, duty, or obligation directly under the law.

[2023 Acts, ch 152, §81, 161](#)

Referred to in [§489.14604, 489.14605](#)

Former [§489.1002](#) stricken effective January 1, 2024, by [2023 Acts, ch 152, §81, 161](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1003 Required notice or approval.

1. A domestic or foreign entity that is required to give notice to, or obtain the approval of, a governmental agency or officer of this state to be a party to a merger must give the notice or obtain the approval to be a party to an interest exchange, conversion, or domestication.
2. Property held for a charitable purpose under the law of this state by a domestic or foreign entity immediately before a transaction under [this subchapter](#) becomes effective may be diverted from the objects for which it was donated, granted, devised, or otherwise transferred only to the extent a public benefit corporation is able to divert from such objects under [chapter 504](#).
3. A bequest, devise, gift, grant, or promise contained in a will or other instrument of donation, subscription, or conveyance which is made to a merging entity that is not the surviving entity and which takes effect or remains payable after the merger inures to the surviving entity.
4. A trust obligation that would govern property if transferred to a nonsurviving entity applies to property that is transferred to the surviving entity under [this section](#).

[2023 Acts, ch 152, §82, 161](#)

Referred to in [§489.14604](#)

Former [§489.1003](#) stricken effective January 1, 2024, by [2023 Acts, ch 152, §82, 161](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1004 Nonexclusivity.

The fact that a transaction under [this subchapter](#) produces a certain result does not preclude the same result from being accomplished in any other manner permitted by law other than [this subchapter](#).

[2023 Acts, ch 152, §83, 161](#)

Referred to in [§489.14604, 489.14606](#)

Former [§489.1004](#) stricken effective January 1, 2024, by [2023 Acts, ch 152, §83, 161](#)

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

NEW section

489.1005 Reference to external facts.

1. A plan may refer to facts ascertainable outside the plan if the manner in which the facts will operate upon the plan is specified in the plan. The facts may include the occurrence of an event or a determination or action by a person, whether or not the event, determination, or action is within the control of a party to the transaction.

2. The following provisions of a record delivered to the secretary of state for filing under [this chapter](#) or a plan delivered for filing in lieu of a statement shall not be made dependent on facts outside the record or plan:

a. The name and address of any person.

b. The registered office of any entity.

c. The registered agent of any entity.

d. The number of authorized interests and designation of each class or series of interests.

e. The effective date of a record delivered to the secretary of state for filing.

f. Any required statement in a record delivered to the secretary of state for filing of the date on which the underlying transaction was approved or the manner in which that approval was given.

[2023 Acts, ch 152, §84, 161](#)

Referred to in [§489.14604, 489.14607](#)

Former [§489.1005](#) stricken effective January 1, 2024, by [2023 Acts, ch 152, §84, 161](#)

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

NEW section

489.1006 Appraisal rights.

An interest holder of a domestic merging, acquired, converting, or domesticating limited liability company is entitled to contractual appraisal rights in connection with a transaction under [this subchapter](#) to the extent provided in any of the following:

1. The operating agreement.

2. The plan.

[2023 Acts, ch 152, §85, 161](#)

Referred to in [§489.1026, 489.1046, 489.1056](#)

Former [§489.1006](#) stricken effective January 1, 2024, by [2023 Acts, ch 152, §85, 161](#)

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

NEW section

489.1007 Excluded entities and transactions.

[This subchapter](#) shall not be used to effect a transaction involving a bank, insurance company, or public utility where any chapter governing the regulation of such entity does not permit the transaction.

[2023 Acts, ch 152, §86, 161](#)

Former [§489.1007](#) stricken effective January 1, 2024, by [2023 Acts, ch 152, §86, 161](#)

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

NEW section

489.1008 through 489.1016 Repealed by [2023 Acts, ch 152, §142, 161](#). See parts 2, 4, and 5.

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

489.1017 through 489.1020 Reserved.

PART 2

MERGER

Referred to in [§489.1001](#)**489.1021 Merger authorized.**

1. By complying with [this part](#), all of the following apply:
 - a. One or more domestic limited liability companies may merge with one or more domestic or foreign entities into a domestic or foreign surviving entity.
 - b. Two or more foreign entities may merge into a domestic limited liability company.
2. By complying with the provisions of [this part](#) applicable to foreign entities, a foreign entity may be a party to a merger under [this part](#) or may be the surviving entity in such a merger if the merger is authorized by the law of the foreign entity's jurisdiction of formation.

[2023 Acts, ch 152, §87, 161](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1022 Plan of merger.

1. A domestic limited liability company may become a party to a merger under [this part](#) by approving a plan of merger. The plan must be in a record and contain all of the following:
 - a. As to each merging entity, its name, jurisdiction of formation, and type of entity.
 - b. If the surviving entity is to be created in the merger, a statement to that effect and the entity's name, jurisdiction of formation, and type of entity.
 - c. The manner of converting the interests in each party to the merger into interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing.
 - d. If the surviving entity exists before the merger, any proposed amendments to all of the following:
 - (1) Its public organic record, if any.
 - (2) Its private organic rules that are, or are proposed to be, in a record.
 - e. If the surviving entity is to be created in the merger, all of the following:
 - (1) Its proposed public organic record, if any.
 - (2) The full text of its private organic rules that are proposed to be in a record.
 - f. The other terms and conditions of the merger.
 - g. Any other provision required by the law of a merging entity's jurisdiction of formation or the organic rules of a merging entity.
2. In addition to the requirements of [subsection 1](#), a plan of merger may contain any other provision not prohibited by law.

[2023 Acts, ch 152, §88, 161](#)Referred to in [§489.105, 489.1001](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1023 Approval of merger.

1. A plan of merger is not effective unless it has been approved according to all of the following:
 - a. By a domestic merging limited liability company, by all the members of the company entitled to vote on or consent to any matter.
 - b. In a record, by each member of a domestic merging limited liability company which will have interest holder liability for debts, obligations, and other liabilities that are incurred after the merger becomes effective, unless all of the following apply:
 - (1) The operating agreement of the limited liability company provides in a record for the approval of a merger in which some or all of its members become subject to interest holder liability by the affirmative vote or consent of fewer than all the members.
 - (2) The member consented in a record to or voted for that provision of the operating agreement or became a member after the adoption of that provision.
2. A merger involving a domestic merging entity that is not a limited liability company is not effective unless the merger is approved by that entity in accordance with its organic law.

3. A merger involving a foreign merging entity is not effective unless the merger is approved by the foreign entity in accordance with the law of the foreign entity's jurisdiction of formation.

[2023 Acts, ch 152, §89, 161](#)

Referred to in [§489.105](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1024 Amendment or abandonment of plan of merger.

1. A plan of merger may be amended only with the consent of each party to the plan, except as otherwise provided in the plan.

2. A domestic merging limited liability company may approve an amendment of a plan of merger according to any of the following:

a. In the same manner as the plan was approved, if the plan does not provide for the manner in which it may be amended.

b. By its managers or members in the manner provided in the plan, but a member that was entitled to vote on or consent to approval of the merger is entitled to vote on or consent to any amendment of the plan that will change any of the following:

(1) The amount or kind of interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing, to be received by the interest holders of any party to the plan.

(2) The public organic record, if any, or private organic rules of the surviving entity that will be in effect immediately after the merger becomes effective, except for changes that do not require approval of the interest holders of the surviving entity under its organic law or organic rules.

(3) Any other terms or conditions of the plan, if the change would adversely affect the member in any material respect.

3. After a plan of merger has been approved and before a statement of merger becomes effective, the plan may be abandoned as provided in the plan. Unless prohibited by the plan, a domestic merging limited liability company may abandon the plan in the same manner as the plan was approved.

4. If a plan of merger is abandoned after a statement of merger has been delivered to the secretary of state for filing and before the statement becomes effective, a statement of abandonment, signed by a party to the plan, must be delivered to the secretary of state for filing before the statement of merger becomes effective. The statement of abandonment takes effect on filing, and the merger is abandoned and does not become effective. The statement of abandonment must contain all of the following:

a. The name of each party to the plan of merger.

b. The date on which the statement of merger was filed by the secretary of state.

c. A statement that the merger has been abandoned in accordance with [this section](#).

[2023 Acts, ch 152, §90, 161](#)

Referred to in [§489.208](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1025 Statement of merger — effective date of merger.

1. A statement of merger must be signed by each merging entity and delivered to the secretary of state for filing.

2. A statement of merger must contain all of the following:

a. The name, jurisdiction of formation, and type of entity of each merging entity that is not the surviving entity.

b. The name, jurisdiction of formation, and type of entity of the surviving entity, and if the surviving entity is a foreign entity, the street and mailing addresses of an office of the surviving entity that the secretary of state may use for purposes of [section 489.1026, subsection 5](#).

c. A statement that the merger was approved by each domestic merging entity, if any, in accordance with [this part](#) and by each foreign merging entity, if any, in accordance with the law of its jurisdiction of formation.

d. If the surviving entity exists before the merger and is a domestic filing entity, any amendment to its public organic record approved as part of the plan of merger.

e. If the surviving entity is created by the merger and is a domestic filing entity, its public organic record, as an attachment.

f. If the surviving entity is created by the merger and is a domestic limited liability partnership, its statement of qualification, as an attachment.

3. In addition to the requirements of [subsection 2](#), a statement of merger may contain any other provision not prohibited by law.

4. If the surviving entity is a domestic entity, its public organic record, if any, must satisfy the requirements of the law of this state, except that the public organic record does not need to be signed.

5. If the surviving entity is a domestic limited liability company, the merger becomes effective when the statement of merger is effective. In all other cases, the merger becomes effective on the later of the following:

a. The date and time provided by the organic law of the surviving entity.

b. When the statement is effective.

[2023 Acts, ch 152, §91, 161](#)

Referred to in [§489.1001](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1026 Effect of merger.

1. When a merger becomes effective, all of the following apply:

a. The surviving entity continues or comes into existence.

b. Each merging entity that is not the surviving entity ceases to exist.

c. All property of each merging entity vests in the surviving entity without transfer, reversion, or impairment.

d. All debts, obligations, and other liabilities of each merging entity are debts, obligations, and other liabilities of the surviving entity.

e. Except as otherwise provided by law or the plan of merger, all the rights, privileges, immunities, powers, and purposes of each merging entity vest in the surviving entity.

f. If the surviving entity exists before the merger, all of the following apply:

(1) All its property continues to be vested in it without transfer, reversion, or impairment.

(2) It remains subject to all its debts, obligations, and other liabilities.

(3) All its rights, privileges, immunities, powers, and purposes continue to be vested in it.

g. The name of the surviving entity may be substituted for the name of any merging entity that is a party to any pending action or proceeding.

h. If the surviving entity exists before the merger, all of the following apply:

(1) Its public organic record, if any, is amended to the extent provided in the statement of merger.

(2) Its private organic rules that are to be in a record, if any, are amended to the extent provided in the plan of merger.

i. If the surviving entity is created by the merger, its private organic rules are effective and all of the following apply:

(1) If it is a filing entity, its public organic record becomes effective.

(2) If it is a limited liability partnership, its statement of qualification becomes effective.

j. The interests in each merging entity which are to be converted in the merger are converted, and the interest holders of those interests are entitled only to the rights provided to them under the plan of merger and to any appraisal rights they have under [section 489.1006](#) and the merging entity's organic law.

2. Except as otherwise provided in the organic law or organic rules of a merging entity, the merger does not give rise to any rights that an interest holder, governor, or third party would have upon a dissolution, liquidation, or winding up of the merging entity.

3. When a merger becomes effective, a person that did not have interest holder liability with respect to any of the merging entities and becomes subject to interest holder liability with respect to a domestic entity as a result of the merger has interest holder liability only

to the extent provided by the organic law of that entity and only for those debts, obligations, and other liabilities that are incurred after the merger becomes effective.

4. When a merger becomes effective, the interest holder liability of a person that ceases to hold an interest in a domestic merging limited liability company with respect to which the person had interest holder liability is subject to the following rules:

a. The merger does not discharge any interest holder liability under [this chapter](#) to the extent the interest holder liability was incurred before the merger became effective.

b. The person does not have interest holder liability under [this chapter](#) for any debt, obligation, or other liability that is incurred after the merger becomes effective.

c. [This chapter](#) continues to apply to the release, collection, or discharge of any interest holder liability preserved under paragraph “a” as if the merger had not occurred.

d. The person has whatever rights of contribution from any other person as are provided by [this chapter](#), law other than [this chapter](#), or the operating agreement of the domestic merging limited liability company with respect to any interest holder liability preserved under paragraph “a” as if the merger had not occurred.

5. When a merger becomes effective, a foreign entity that is the surviving entity may be served with process in this state for the collection and enforcement of any debts, obligations, or other liabilities of a domestic merging limited liability company as provided in [section 489.119](#).

6. When a merger becomes effective, the registration to do business in this state of any foreign merging entity that is not the surviving entity is canceled.

[2023 Acts, ch 152, §92, 161](#)

Referred to in [§489.1025](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1027 through 489.1030 Reserved.

PART 3

INTEREST EXCHANGE

Referred to in [§489.1001](#)

489.1031 Interest exchange authorized.

1. By complying with [this part](#), any of the following apply:

a. A domestic limited liability company may acquire all of one or more classes or series of interests of another domestic entity or a foreign entity in exchange for interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing.

b. All of one or more classes or series of interests of a domestic limited liability company may be acquired by another domestic entity or a foreign entity in exchange for interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing.

2. By complying with the provisions of [this part](#) applicable to foreign entities, a foreign entity may be the acquiring or acquired entity in an interest exchange under [this part](#) if the interest exchange is authorized by the law of the foreign entity’s jurisdiction of formation.

3. If a protected agreement contains a provision that applies to a merger of a domestic limited liability company but does not refer to an interest exchange, the provision applies to an interest exchange in which the domestic limited liability company is the acquired entity as if the interest exchange were a merger until the provision is amended on or after January 1, 2009.

[2023 Acts, ch 152, §93, 161](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1032 Plan of interest exchange.

1. A domestic limited liability company may be the acquired entity in an interest exchange

under [this part](#) by approving a plan of interest exchange. The plan must be in a record and contain all of the following:

- a. The name of the acquired entity.
- b. The name, jurisdiction of formation, and type of entity of the acquiring entity.
- c. The manner of converting the interests in the acquired entity into interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing.
- d. Any proposed amendments to all of the following:
 - (1) The certificate of organization of the acquired entity.
 - (2) The operating agreement of the acquired entity that are, or are proposed to be, in a record.
- e. The other terms and conditions of the interest exchange.
- f. Any other provision required by the law of this state or the operating agreement of the acquired entity.

2. In addition to the requirements of [subsection 1](#), a plan of interest exchange may contain any other provision not prohibited by law.

[2023 Acts, ch 152, §94, 161](#)

Referred to in [§489.105, 489.1001](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1033 Approval of interest exchange.

1. A plan of interest exchange is not effective unless it has been approved according to all of the following:

- a. By all the members of a domestic acquired limited liability company entitled to vote on or consent to any matter.
- b. In a record, by each member of the domestic acquired limited liability company that will have interest holder liability for debts, obligations, and other liabilities that are incurred after the interest exchange becomes effective, unless all of the following apply:

(1) The operating agreement of the limited liability company provides in a record for the approval of an interest exchange or a merger in which some or all of its members become subject to interest holder liability by the affirmative vote or consent of fewer than all the members.

(2) The member consented in a record to or voted for that provision of the operating agreement or became a member after the adoption of that provision.

2. An interest exchange involving a domestic acquired entity that is not a limited liability company is not effective unless it is approved by the domestic entity in accordance with its organic law.

3. An interest exchange involving a foreign acquired entity is not effective unless it is approved by the foreign entity in accordance with the law of the foreign entity's jurisdiction of formation.

4. Except as otherwise provided in its organic law or organic rules, the interest holders of the acquiring entity are not required to approve the interest exchange.

[2023 Acts, ch 152, §95, 161](#)

Referred to in [§489.105](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1034 Amendment or abandonment of plan of interest exchange.

1. A plan of interest exchange may be amended only with the consent of each party to the plan, except as otherwise provided in the plan.

2. A domestic acquired limited liability company may approve an amendment of a plan of interest exchange according to any of the following:

a. In the same manner as the plan was approved, if the plan does not provide for the manner in which it may be amended.

b. By its managers or members in the manner provided in the plan, but a member that was entitled to vote on or consent to approval of the interest exchange is entitled to vote on or consent to any amendment of the plan that will change any of the following:

(1) The amount or kind of interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing, to be received by any of the members of the acquired company under the plan.

(2) The certificate of organization or operating agreement of the acquired company that will be in effect immediately after the interest exchange becomes effective, except for changes that do not require approval of the members of the acquired company under [this chapter](#) or the operating agreement.

(3) Any other terms or conditions of the plan, if the change would adversely affect the member in any material respect.

3. After a plan of interest exchange has been approved and before a statement of interest exchange becomes effective, the plan may be abandoned as provided in the plan. Unless prohibited by the plan, a domestic acquired limited liability company may abandon the plan in the same manner as the plan was approved.

4. If a plan of interest exchange is abandoned after a statement of interest exchange has been delivered to the secretary of state for filing and before the statement becomes effective, a statement of abandonment, signed by the acquired limited liability company, must be delivered to the secretary of state for filing before the statement of interest exchange becomes effective. The statement of abandonment takes effect on filing, and the interest exchange is abandoned and does not become effective. The statement of abandonment must contain all of the following:

- a. The name of the acquired limited liability company.
- b. The date on which the statement of interest exchange was filed by the secretary of state.
- c. A statement that the interest exchange has been abandoned in accordance with [this section](#).

[2023 Acts, ch 152, §96, 161](#)

Referred to in [§489.208](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1035 Statement of interest exchange — effective date of interest exchange.

1. A statement of interest exchange must be signed by a domestic acquired limited liability company and delivered to the secretary of state for filing.

2. A statement of interest exchange must contain all of the following:

- a. The name of the acquired limited liability company.
- b. The name, jurisdiction of formation, and type of entity of the acquiring entity.
- c. A statement that the plan of interest exchange was approved by the acquired company in accordance with [this part](#).

d. Any amendments to the acquired company's certificate of organization approved as part of the plan of interest exchange.

3. In addition to the requirements of [subsection 2](#), a statement of interest exchange may contain any other provision not prohibited by law.

4. An interest exchange becomes effective when the statement of interest exchange is effective.

[2023 Acts, ch 152, §97, 161](#)

Referred to in [§489.1001](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1036 Effect of interest exchange.

1. When an interest exchange in which the acquired entity is a domestic limited liability company becomes effective, all of the following apply:

a. The interests in the acquired limited liability company which are the subject of the interest exchange are converted, and the members holding those interests are entitled only to the rights provided to them under the plan of interest exchange and to any appraisal rights they have under [section 486.1006](#).*

b. The acquiring entity becomes the interest holder of the interests in the acquired limited liability company stated in the plan of interest exchange to be acquired by the acquiring entity.

c. The certificate of organization of the acquired limited liability company is amended to the extent provided in the statement of interest exchange.

d. The provisions of the operating agreement of the acquired limited liability company that are to be in a record, if any, are amended to the extent provided in the plan of interest exchange.

2. Except as otherwise provided in the operating agreement of a domestic acquired limited liability company, the interest exchange does not give rise to any rights that a member, manager, or third party would have upon a dissolution, liquidation, or winding up of the acquired limited liability company.

3. When an interest exchange becomes effective, a person that did not have interest holder liability with respect to a domestic acquired limited liability company and becomes subject to interest holder liability with respect to a domestic entity as a result of the interest exchange has interest holder liability only to the extent provided by the organic law of the entity and only for those debts, obligations, and other liabilities that are incurred after the interest exchange becomes effective.

4. When an interest exchange becomes effective, the interest holder liability of a person that ceases to hold an interest in a domestic acquired limited liability company with respect to which the person had interest holder liability is subject to all of the following rules:

a. The interest exchange does not discharge any interest holder liability under [this chapter](#) to the extent the interest holder liability was incurred before the interest exchange became effective.

b. The person does not have interest holder liability under [this chapter](#) for any debt, obligation, or other liability that is incurred after the interest exchange becomes effective.

c. [This chapter](#) continues to apply to the release, collection, or discharge of any interest holder liability preserved under paragraph “a” as if the interest exchange had not occurred.

d. The person has whatever rights of contribution from any other person as are provided by [this chapter](#), law other than [this chapter](#), or the operating agreement of the acquired limited liability company with respect to any interest holder liability preserved under paragraph “a” as if the interest exchange had not occurred.

[2023 Acts, ch 152, §98, 161](#)

*Reference to §489.1006 probably intended; corrective legislation is pending
Section effective January 1, 2024; 2023 Acts, ch 152, §161
NEW section

481.1037 through 481.1040 Reserved.

PART 4

CONVERSION

Referred to in [§489.1001](#)

489.1041 Conversion authorized.

1. By complying with [this part](#), a domestic limited liability company may become any of the following:

a. A domestic entity that is a different type of entity.

b. A foreign entity that is a different type of entity, if the conversion is authorized by the law of the foreign entity’s jurisdiction of formation.

2. By complying with the provisions of [this part](#) applicable to foreign entities, a foreign entity that is not a foreign limited liability company may become a domestic limited liability company if the conversion is authorized by the law of the foreign entity’s jurisdiction of formation.

3. If a protected agreement contains a provision that applies to a merger of a domestic limited liability company but does not refer to a conversion, the provision applies to a conversion of the limited liability company as if the conversion were a merger until the provision is amended on or after January 1, 2009.

4. A domestic entity that is not a limited liability company may become a domestic limited liability company if all of the following apply:

- a. The domestic converting entity complies with [section 489.1043](#).
- b. The domestic converting entity files a statement of conversion in accordance with [section 489.1045](#).

[2023 Acts, ch 152, §99, 161](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1042 Plan of conversion.

1. A domestic limited liability company may convert to a different type of entity under [this part](#) by approving a plan of conversion. The plan must be in a record and contain all of the following:

- a. The name of the converting limited liability company.
- b. The name, jurisdiction of formation, and type of entity of the converted entity.
- c. The manner of converting the interests in the converting limited liability company into interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing.
- d. The proposed public organic record of the converted entity if it will be a filing entity.
- e. The full text of the private organic rules of the converted entity which are proposed to be in a record.
- f. The other terms and conditions of the conversion.
- g. Any other provision required by the law of this state or the operating agreement of the converting limited liability company.

2. In addition to the requirements of [subsection 1](#), a plan of conversion may contain any other provision not prohibited by law.

[2023 Acts, ch 152, §100, 161](#)

Referred to in [§489.105](#), [489.1001](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1043 Approval of conversion.

1. A plan of conversion is not effective unless it has been approved according to all of the following:

a. By a domestic converting limited liability company, by all the members of the limited liability company entitled to vote on or consent to any matter.

b. In a record, by each member of a domestic converting limited liability company which will have interest holder liability for debts, obligations, and other liabilities that are incurred after the conversion becomes effective, unless all of the following apply:

(1) The operating agreement of the limited liability company provides in a record for the approval of a conversion or a merger in which some or all of its members become subject to interest holder liability by the affirmative vote or consent of fewer than all the members.

(2) The member voted for or consented in a record to that provision of the operating agreement or became a member after the adoption of that provision.

2. A conversion involving a domestic converting entity that is not a limited liability company is not effective unless it is approved by the domestic converting entity in accordance with its organic law.

3. A conversion of a foreign converting entity is not effective unless it is approved by the foreign entity in accordance with the law of the foreign entity's jurisdiction of formation.

[2023 Acts, ch 152, §101, 161](#)

Referred to in [§489.105](#), [489.1001](#), [489.1041](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1044 Amendment or abandonment of plan of conversion.

1. A plan of conversion of a domestic converting limited liability company may be amended according to any of the following:

- a. In the same manner as the plan was approved, if the plan does not provide for the manner in which it may be amended.

b. By its managers or members in the manner provided in the plan, but a member that was entitled to vote on or consent to approval of the conversion is entitled to vote on or consent to any amendment of the plan that will change any of the following:

(1) The amount or kind of interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing, to be received by any of the members of the converting limited liability company under the plan.

(2) The public organic record, if any, or private organic rules of the converted entity which will be in effect immediately after the conversion becomes effective, except for changes that do not require approval of the interest holders of the converted entity under its organic law or organic rules.

(3) Any other terms or conditions of the plan, if the change would adversely affect the member in any material respect.

2. After a plan of conversion has been approved by a domestic converting limited liability company and before a statement of conversion becomes effective, the plan may be abandoned as provided in the plan. Unless prohibited by the plan, a domestic converting limited liability company may abandon the plan in the same manner as the plan was approved.

3. If a plan of conversion is abandoned after a statement of conversion has been delivered to the secretary of state for filing and before the statement becomes effective, a statement of abandonment, signed by the converting entity, must be delivered to the secretary of state for filing before the statement of conversion becomes effective. The statement of abandonment takes effect on filing, and the conversion is abandoned and does not become effective. The statement of abandonment must contain all of the following:

- a. The name of the converting limited liability company.
- b. The date on which the statement of conversion was filed by the secretary of state.
- c. A statement that the conversion has been abandoned in accordance with [this section](#).

[2023 Acts, ch 152, §102, 161](#)

Referred to in [§489.208](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1045 Statement of conversion — effective date of conversion.

1. A statement of conversion must be signed by the converting entity and delivered to the secretary of state for filing.

2. A statement of conversion must contain all of the following:

- a. The name, jurisdiction of formation, and type of entity of the converting entity.
- b. The name, jurisdiction of formation, and type of entity of the converted entity and if the converted entity is a foreign entity, the street and mailing addresses of an office of the converted entity that the secretary of state may use for purposes of [section 489.1046, subsection 5](#).

c. If the converting entity is a domestic limited liability company, a statement that the plan of conversion was approved in accordance with [this part](#) or, if the converting entity is a foreign entity, a statement that the conversion was approved by the foreign entity in accordance with the law of its jurisdiction of formation.

d. If the converted entity is a domestic filing entity, its public organic record, as an attachment.

e. If the converted entity is a domestic limited liability partnership, its statement of qualification, as an attachment.

3. In addition to the requirements of [subsection 2](#), a statement of conversion may contain any other provision not prohibited by law.

4. If the converted entity is a domestic entity, its public organic record, if any, must satisfy the requirements of the law of this state, except that the public organic record does not need to be signed.

5. If the converted entity is a domestic limited liability company, the conversion becomes effective when the statement of conversion is effective. In all other cases, the conversion becomes effective on the later of the following:

- a. The date and time provided by the organic law of the converted entity.

b. When the statement is effective.

[2023 Acts, ch 152, §103, 161](#)

Referred to in [§489.1001, 489.1041](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1046 Effect of conversion.

1. When a conversion becomes effective all of the following apply:

a. The converted entity is any of the following:

- (1) Organized under and subject to the organic law of the converted entity.
- (2) The same entity without interruption as the converting entity.

b. All property of the converting entity continues to be vested in the converted entity without transfer, reversion, or impairment.

c. All debts, obligations, and other liabilities of the converting entity continue as debts, obligations, and other liabilities of the converted entity.

d. Except as otherwise provided by law or the plan of conversion, all the rights, privileges, immunities, powers, and purposes of the converting entity remain in the converted entity.

e. The name of the converted entity may be substituted for the name of the converting entity in any pending action or proceeding.

f. The certificate of organization of the converted entity becomes effective.

g. The provisions of the operating agreement of the converted entity which are to be in a record, if any, approved as part of the plan of conversion become effective.

h. The interests in the converting entity are converted, and the interest holders of the converting entity are entitled only to the rights provided to them under the plan of conversion and to any appraisal rights they have under [section 489.1006](#).

2. Except as otherwise provided in the operating agreement of a domestic converting limited liability company, the conversion does not give rise to any rights that a member, manager, or third party would have upon a dissolution, liquidation, or winding up of the converting entity.

3. When a conversion becomes effective, a person that did not have interest holder liability with respect to the converting entity and becomes subject to interest holder liability with respect to a domestic entity as a result of the conversion has interest holder liability only to the extent provided by the organic law of the entity and only for those debts, obligations, and other liabilities that are incurred after the conversion becomes effective.

4. When a conversion becomes effective, the interest holder liability of a person that ceases to hold an interest in a domestic converting limited liability company with respect to which the person had interest holder liability is subject to all of the following rules:

a. The conversion does not discharge any interest holder liability under [this chapter](#) to the extent the interest holder liability was incurred before the conversion became effective.

b. The person does not have interest holder liability under [this chapter](#) for any debt, obligation, or other liability that arises after the conversion becomes effective.

c. [This chapter](#) continues to apply to the release, collection, or discharge of any interest holder liability preserved under paragraph “a” as if the conversion had not occurred.

d. The person has whatever rights of contribution from any other person as are provided by [this chapter](#), law other than [this chapter](#), or the organic rules of the converting entity with respect to any interest holder liability preserved under paragraph “a” as if the conversion had not occurred.

5. When a conversion becomes effective, a foreign entity that is the converted entity may be served with process in this state for the collection and enforcement of any of its debts, obligations, and other liabilities as provided in [section 489.119](#).

6. If the converting entity is a registered foreign entity, its registration to do business in this state is canceled when the conversion becomes effective.

7. A conversion does not require the entity to wind up its affairs and does not constitute or cause the dissolution of the entity.

[2023 Acts, ch 152, §104, 161](#)

Referred to in [§489.1045](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1047 through 489.1050 Reserved.

PART 5
DOMESTICATION

Referred to in [§489.1001](#)

489.1051 Domestication authorized.

1. By complying with [this part](#), a domestic limited liability company may become a foreign limited liability company if the domestication is authorized by the law of the foreign jurisdiction.

2. By complying with the provisions of [this part](#) applicable to foreign limited liability companies, a foreign limited liability company may become a domestic limited liability company if the domestication is authorized by the law of the foreign limited liability company's jurisdiction of formation.

3. If a protected agreement contains a provision that applies to a merger of a domestic limited liability company but does not refer to a domestication, the provision applies to a domestication of the limited liability company as if the domestication were a merger until the provision is amended on or after January 1, 2009.

[2023 Acts, ch 152, §105, 161](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1052 Plan of domestication.

1. A domestic limited liability company may become a foreign limited liability company in a domestication by approving a plan of domestication. The plan must be in a record and contain all of the following:

- a. The name of the domesticating limited liability company.
- b. The name and jurisdiction of formation of the domesticated limited liability company.
- c. The manner of converting the interests in the domesticating limited liability company into interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing.
- d. The proposed certificate of organization of the domesticated limited liability company.
- e. The full text of the provisions of the operating agreement of the domesticated limited liability company that are proposed to be in a record.
- f. The other terms and conditions of the domestication.
- g. Any other provision required by the law of this state or the operating agreement of the domesticating limited liability company.

2. In addition to the requirements of [subsection 1](#), a plan of domestication may contain any other provision not prohibited by law.

[2023 Acts, ch 152, §106, 161](#)

Referred to in [§489.105, 489.1001](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1053 Approval of domestication.

1. A plan of domestication of a domestic domesticating limited liability company is not effective unless it has been approved according to any of the following:

- a. By all the members entitled to vote on or consent to any matter.
- b. In a record, by each member that will have interest holder liability for debts, obligations, and other liabilities that are incurred after the domestication becomes effective, unless all of the following apply:

(1) The operating agreement of the domesticating limited liability company in a record provides for the approval of a domestication or merger in which some or all of its members become subject to interest holder liability by the affirmative vote or consent of fewer than all the members.

(2) The member voted for or consented in a record to that provision of the operating agreement or became a member after the adoption of that provision.

2. A domestication of a foreign domesticating limited liability company is not effective unless it is approved in accordance with the law of the foreign limited liability company's jurisdiction of formation.

[2023 Acts, ch 152, §107, 161](#)

Referred to in [§489.105, 489.1001](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1054 Amendment or abandonment of plan of domestication.

1. A plan of domestication of a domestic domesticating limited liability company may be amended according to any of the following:

a. In the same manner as the plan was approved, if the plan does not provide for the manner in which it may be amended.

b. By its managers or members in the manner provided in the plan, but a member that was entitled to vote on or consent to approval of the domestication is entitled to vote on or consent to any amendment of the plan that will change any of the following:

(1) The amount or kind of interests, securities, obligations, money, other property, rights to acquire interests or securities, or any combination of the foregoing, to be received by any of the members of the domesticating limited liability company under the plan.

(2) The certificate of organization or operating agreement of the domesticated limited liability company that will be in effect immediately after the domestication becomes effective, except for changes that do not require approval of the members of the domesticated limited liability company under its organic law or operating agreement.

(3) Any other terms or conditions of the plan, if the change would adversely affect the member in any material respect.

2. After a plan of domestication has been approved by a domestic domesticating limited liability company and before a statement of domestication becomes effective, the plan may be abandoned as provided in the plan. Unless prohibited by the plan, a domestic domesticating limited liability company may abandon the plan in the same manner as the plan was approved.

3. If a plan of domestication is abandoned after a statement of domestication has been delivered to the secretary of state for filing and before the statement becomes effective, a statement of abandonment, signed by the domesticating limited liability company, must be delivered to the secretary of state for filing before the statement of domestication becomes effective. The statement of abandonment takes effect on filing, and the domestication is abandoned and does not become effective. The statement of abandonment must contain all of the following:

a. The name of the domesticating limited liability company.

b. The date on which the statement of domestication was filed by the secretary of state.

c. A statement that the domestication has been abandoned in accordance with [this section](#).

[2023 Acts, ch 152, §108, 161](#)

Referred to in [§489.208](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1055 Statement of domestication — effective date of domestication.

1. A statement of domestication must be signed by the domesticating limited liability company and delivered to the secretary of state for filing.

2. A statement of domestication must contain all of the following:

a. The name and jurisdiction of formation of the domesticating limited liability company.

b. The name and jurisdiction of formation of the domesticated limited liability company and the street and mailing addresses of an office of the domesticated limited liability company that the secretary of state may use for purposes of [section 489.1056, subsection 5](#).

c. If the domesticating limited liability company is a domestic limited liability company, a statement that the plan of domestication was approved in accordance with [this part](#) or, if the domesticating limited liability company is a foreign limited liability company, a statement that the domestication was approved in accordance with the law of its jurisdiction of formation.

d. The certificate of organization of the domesticated limited liability company, as an attachment.

3. In addition to the requirements of [subsection 2](#), a statement of domestication may contain any other provision not prohibited by law.

4. The certificate of organization of a domestic domesticated limited liability company must satisfy the requirements of [this chapter](#), but the certificate does not need to be signed.

5. If the domesticated entity is a domestic limited liability company, the domestication becomes effective when the statement of domestication is effective. If the domesticated entity is a foreign limited liability company, the domestication becomes effective on the later of all of the following:

a. The date and time provided by the organic law of the domesticated entity.

b. When the statement is effective.

[2023 Acts, ch 152, §109, 161](#)

Referred to in [§489.1001](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1056 Effect of domestication.

1. When a domestication becomes effective, all of the following apply:

a. The domesticated entity is all of the following:

(1) Organized under and subject to the organic law of the domesticated entity.

(2) The same entity without interruption as the domesticating entity.

b. All property of the domesticating entity continues to be vested in the domesticated entity without transfer, reversion, or impairment.

c. All debts, obligations, and other liabilities of the domesticating entity continue as debts, obligations, and other liabilities of the domesticated entity.

d. Except as otherwise provided by law or the plan of domestication, all the rights, privileges, immunities, powers, and purposes of the domesticating entity remain in the domesticated entity.

e. The name of the domesticated entity may be substituted for the name of the domesticating entity in any pending action or proceeding.

f. The certificate of organization of the domesticated entity becomes effective.

g. The provisions of the operating agreement of the domesticated entity that are to be in a record, if any, approved as part of the plan of domestication become effective.

h. The interests in the domesticating entity are converted to the extent and as approved in connection with the domestication, and the members of the domesticating entity are entitled only to the rights provided to them under the plan of domestication and to any appraisal rights they have under [section 489.1006](#).

2. Except as otherwise provided in the organic law or operating agreement of the domesticating limited liability company, the domestication does not give rise to any rights that a member, manager, or third party would otherwise have upon a dissolution, liquidation, or winding up of the domesticating company.

3. When a domestication becomes effective, a person that did not have interest holder liability with respect to the domesticating limited liability company and becomes subject to interest holder liability with respect to a domestic limited liability company as a result of the domestication has interest holder liability only to the extent provided by [this chapter](#) and only for those debts, obligations, and other liabilities that are incurred after the domestication becomes effective.

4. When a domestication becomes effective, the interest holder liability of a person that ceases to hold an interest in a domestic domesticating limited liability company with respect to which the person had interest holder liability is subject to all of the following rules:

a. The domestication does not discharge any interest holder liability under [this chapter](#) to the extent the interest holder liability was incurred before the domestication became effective.

b. A person does not have interest holder liability under [this chapter](#) for any debt, obligation, or other liability that is incurred after the domestication becomes effective.

c. [This chapter](#) continues to apply to the release, collection, or discharge of any interest holder liability preserved under paragraph “a” as if the domestication had not occurred.

d. A person has whatever rights of contribution from any other person as are provided by [this chapter](#), law other than [this chapter](#), or the operating agreement of the domestic domesticating limited liability company with respect to any interest holder liability preserved under paragraph “a” as if the domestication had not occurred.

5. When a domestication becomes effective, a foreign limited liability company that is the domesticated company may be served with process in this state for the collection and enforcement of any of its debts, obligations, and other liabilities as provided in [section 489.119](#).

6. If the domesticating limited liability company is a registered foreign entity, the registration of the limited liability company is canceled when the domestication becomes effective.

7. A domestication does not require a domestic domesticating limited liability company to wind up its affairs and does not constitute or cause the dissolution of the limited liability company.

[2023 Acts, ch 152, §110, 161](#)

Referred to in [§489.1055](#)

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1057 through 489.1100 Reserved.

SUBCHAPTER XI

PROFESSIONAL LIMITED LIABILITY COMPANIES

Referred to in [§542.7](#)

489.1101 Definitions.

As used in [this subchapter](#), unless the context otherwise requires:

1. “*Employee*” or “*agent*” does not include a clerk, stenographer, secretary, bookkeeper, technician, or other person who is not usually and ordinarily considered by custom and practice to be practicing a profession nor any other person who performs all that person’s duties for the professional limited liability company under the direct supervision and control of one or more managers, employees, or agents of the professional limited liability company who are duly licensed in this state to practice a profession which the limited liability company is authorized to practice in this state. [This subchapter](#) does not require any such persons to be licensed to practice a profession if they are not required to be licensed under any other law of this state.

2. “*Foreign professional limited liability company*” means a limited liability company organized under laws other than the laws of this state for a purpose for which a professional limited liability company may be organized under [this subchapter](#).

3. “*Licensed*” includes registered, certified, admitted to practice, or otherwise legally authorized under the laws of this state.

4. “*Profession*” means the following professions:

- a. Certified public accountancy.
- b. Architecture.
- c. Chiropractic.
- d. Dentistry.
- e. Physical therapy.
- f. Practice as a physician assistant.
- g. Psychology.
- h. Professional engineering.
- i. Land surveying.
- j. Landscape architecture.
- k. Law.
- l. Medicine and surgery.

- m. Optometry.
- n. Osteopathic medicine and surgery.
- o. Accounting practitioner.
- p. Podiatry.
- q. Real estate brokerage.
- r. Speech pathology.
- s. Audiology.
- t. Veterinary medicine.
- u. Pharmacy.
- v. Nursing.
- w. Marital and family therapy or mental health counseling, provided that the marital and family therapist or mental health counselor is licensed under [chapters 147 and 154D](#).
- x. Social work, provided that the social worker is licensed pursuant to [chapter 147 and section 154C.3, subsection 1](#), paragraph “c”.

5. “*Professional limited liability company*” means a limited liability company subject to [this subchapter](#), except a foreign professional limited liability company.

6. “*Regulating board*” means any board, commission, court, or governmental authority which, under the laws of this state, is charged with the licensing, registration, certification, admission to practice, or other legal authorization of the practitioners of any profession.

7. a. “*Voluntary transfer*” includes a sale, voluntary assignment, gift, pledge, or encumbrance; a voluntary change of legal or equitable ownership or beneficial interest; or a voluntary change of persons having voting rights with respect to any transferable interest, except as proxies.

b. “*Voluntary transfer*” does not include a transfer of an individual’s interest in a limited liability company or other property to a guardian or conservator appointed for that individual or the individual’s property.

[2008 Acts, ch 1088, §141; 2008 Acts, ch 1162, §87, 155; 2011 Acts, ch 1, §1, 5, 6; 2018 Acts, ch 1066, §1, 5; 2019 Acts, ch 24, §72; 2023 Acts, ch 152, §111, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.1102 Purposes and powers.

1. A professional limited liability company shall be organized only for the purpose of engaging in the practice of one specific profession, or two or more specific professions which could lawfully be practiced in combination by a licensed individual or a partnership of licensed individuals, and for the additional purpose of doing all lawful things which may be incidental to or necessary or convenient in connection with the practice of the profession or professions. The certificate of organization of a professional limited liability company shall state in substance that the purposes for which the professional limited liability company is organized are to engage in the general practice of a specified profession or professions, or one or more specified branches or divisions thereof, and to do all lawful things which may be incidental to or necessary or convenient in connection with the practice of the profession or professions.

2. a. For purposes of [this section](#), medicine and surgery, osteopathic medicine and surgery, and practice as a physician assistant shall be deemed to be professions which could lawfully be practiced in combination by licensed individuals or a partnership of licensed individuals.

b. Nothing in [this section](#) shall be construed to expand the scope of practice of a physician assistant.

c. For purposes of [this section](#), marital and family therapy, mental health counseling, psychology, and social work shall be deemed to be professions which could lawfully be practiced in combination by licensed individuals or a partnership of licensed individuals.

[2008 Acts, ch 1162, §88, 155; 2011 Acts, ch 1, §2, 5, 6; 2018 Acts, ch 1066, §2, 5; 2023 Acts, ch 73, §22](#)

Referred to in [§489.1105, 489.1114](#)
Subsection 2, paragraph b amended

489.1103 Name.

The name of a professional limited liability company, the name of a foreign professional limited liability company or its name as modified for use in this state, and any fictitious name or trade name adopted by a professional limited liability company or foreign professional limited liability company shall contain the words “Professional Limited Company”, “Professional Limited Liability Company”, or the abbreviation “P.L.C.”, “PLC”, “P.L.L.C.”, or “PLLC”, and except for the addition of such words or abbreviation, shall be a name which could lawfully be used by a licensed individual or by a partnership of licensed individuals in the practice in this state of a profession which the professional limited liability company is authorized to practice. Each regulating board may by rule adopt additional requirements as to the corporate names and fictitious or trade names of professional limited liability companies and foreign professional limited liability companies which are authorized to practice a profession which is within the jurisdiction of the regulating board.

2008 Acts, ch 1162, §89, 155; 2011 Acts, ch 56, §3, 5, 6; 2016 Acts, ch 1097, §21

489.1104 Who may organize.

One or more individuals having capacity to contract and licensed to practice a profession in this state in which the professional limited liability company is to be authorized to practice, may organize a professional limited liability company.

2008 Acts, ch 1162, §90, 155

489.1105 Practice by professional limited liability company.

1. Notwithstanding any other statute or rule of law, a professional limited liability company may practice a profession, but may do so in this state only through a member, manager, employee, or agent, who is licensed to practice the same profession in this state. In its practice of a profession, a professional limited liability company shall not do any act which could not lawfully be done by an individual licensed to practice the profession which the professional limited liability company is authorized to practice.

2. a. [This section](#) shall not prohibit persons practicing medicine and surgery, persons practicing osteopathic medicine and surgery, or persons practicing as physician assistants from practicing their respective professions in lawful combination pursuant to [section 489.1102](#).

b. Nothing in [this section](#) shall be construed to expand the scope of practice of a physician assistant.

c. For purposes of [this section](#), marital and family therapy, mental health counseling, psychology, and social work shall be deemed to be professions which could lawfully be practiced in combination by licensed individuals or a partnership of licensed individuals.

2008 Acts, ch 1162, §91, 155; 2011 Acts, ch 1, §3, 5, 6; 2020 Acts, ch 1063, §268; 2023 Acts, ch 73, §23

Subsection 2, paragraph b amended

489.1106 Professional regulation.

A professional limited liability company shall not be required to register with or to obtain any license, registration, certificate, or other legal authorization from a regulating board in order to practice a profession. Except as provided in [this section](#), [this subchapter](#) does not restrict or limit in any manner the authority or duties of any regulating board with respect to an individual practicing a profession which is within the jurisdiction of the regulating board, even if the individual is a member, manager, employee, or agent of a professional limited liability company or foreign professional limited liability company and practices the individual’s profession through such professional limited liability company.

2008 Acts, ch 1162, §92, 155; 2023 Acts, ch 152, §112, 161

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.1107 Relationship and liability to persons served.

[This subchapter](#) does not modify any law applicable to the relationship between an individual practicing a profession and a person receiving professional services, including

but not limited to any liability arising out of such practice or any law respecting privileged communications. [This subchapter](#) does not modify or affect the ethical standards or standards of conduct of any profession, including but not limited to any standards prohibiting or limiting the practice of the profession by a limited liability company or prohibiting or limiting the practice of two or more professions in combination. All such standards shall apply to the members, managers, employees, and agents through whom a professional limited liability company practices any profession in this state, to the same extent that the standards apply to an individual practitioner.

[2008 Acts, ch 1162, §93, 155; 2023 Acts, ch 152, §113, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.1108 Issuance of interests.

An interest of a professional limited liability company shall be issued only to an individual who is licensed to practice in any state a profession which the professional limited liability company is authorized to practice. Interests of a professional limited liability company shall not at any time be issued in, transferred into, or held in joint tenancy, tenancy in common, or any other form of joint ownership or co-ownership. [Chapter 502](#) shall not be applicable to nor govern any transaction relating to any interests of a professional limited liability company.

[2008 Acts, ch 1162, §94, 155](#)

489.1109 Assignment of interests.

A member or other person shall not make a voluntary assignment of an interest in a professional limited liability company to any person, except to the professional limited liability company or to an individual who is licensed to practice in this state a profession which the limited liability company is authorized to practice. The certificate of organization or operating agreement of the professional limited liability company may contain any additional provisions restricting the assignment of interests. Unless the certificate of organization or an operating agreement otherwise provides, a voluntary assignment requires the unanimous consent of the members.

[2008 Acts, ch 1162, §95, 155](#)

489.1110 Convertible interests — rights and options.

A professional limited liability company shall not create or issue any interest convertible into an interest of the professional limited liability company. The provisions of [this subchapter](#) with respect to the issuance and transfer of interests apply to the creation, issuance, and transfer of any right or option entitling the holder to purchase from a professional limited liability company any interest of the professional limited liability company. A right or option shall not be transferable, whether voluntarily, involuntarily, by operation of law, or in any other manner. Upon the death of the holder, or when the holder ceases to be licensed to practice a profession in this state which the professional limited liability company is authorized to practice, the right or option shall expire.

[2008 Acts, ch 1162, §96, 155; 2023 Acts, ch 152, §114, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.1111 Voting trust — proxy.

A member of a professional limited liability company shall not create or enter into a voting trust or any other agreement conferring upon any other person the right to vote or otherwise represent any interests of a professional limited liability company, and no such voting trust or agreement is valid or effective. Any proxy of a member of a professional limited liability company shall be an individual licensed to practice a profession in this state which the professional limited liability company is authorized to practice. Any provision in any proxy instrument denying the right of the member to revoke the proxy at any time or for any period of time is not valid or effective. [This section](#) does not otherwise limit the right of

a member to vote by proxy, but the certificate of organization or operating agreement of the professional limited liability company may further limit or deny the right to vote by proxy.

2008 Acts, ch 1162, §97, 155

489.1112 Required purchase by professional limited liability company of its own interests.

1. Notwithstanding any other statute or rule of law, a professional limited liability company shall purchase its own interests as provided in [this section](#); and a member of a professional limited liability company and the member's executor, administrator, legal representative, and successors in interest, shall sell and transfer the interests held by them as provided in [this section](#).

2. Upon the death of a member, the professional limited liability company shall immediately purchase all interests held by the deceased member.

3. In order to remain a member of a professional limited liability company, the member shall at all times be licensed to practice in this state a profession which the professional limited liability company is authorized to practice. When a member does not have or ceases to have this qualification, the professional limited liability company shall immediately purchase all interests held by that member.

4. When a person other than a member of record becomes entitled to have interests of a professional limited liability company transferred into that person's name or to exercise voting rights, except as a proxy, with respect to interests of the professional limited liability company, the professional limited liability company shall immediately purchase the interests. Without limiting the generality of the foregoing, [this section](#) shall be applicable whether the event occurs as a result of appointment of a guardian or conservator for a member or the member's property, transfer of interests by operation of law, involuntary transfer of interests, judicial proceeding, execution, levy, bankruptcy proceeding, receivership proceeding, foreclosure or enforcement of a pledge or encumbrance, or any other situation or occurrence. However, [this section](#) does not apply to any voluntary transfer of interests as defined in [this subchapter](#).

5. Interests purchased by a professional limited liability company under [this section](#) shall be transferred to the professional limited liability company as of the close of business on the date of the death or other event which requires purchase. The member and the member's executors, administrators, legal representatives, or successors in interest, shall promptly do all things which may be necessary or convenient to cause transfer to be made as of the transfer date. However, the interests shall promptly be transferred on the books and records of the professional limited liability company as of the transfer date, notwithstanding any delay in transferring or surrendering the interests or certificates representing the interests, and the transfer shall be valid and effective for all purposes as of the close of business on the transfer date. The purchase price for such interests shall be paid as provided in [this subchapter](#), but the transfer of interests to the professional limited liability company as provided in [this section](#) shall not be delayed or affected by any delay or default in making payment.

6. *a.* Notwithstanding [subsections 1 through 5](#), purchase by the professional limited liability company is not required upon the occurrence of any event other than death of a member, if the professional limited liability company is dissolved within sixty days after the occurrence of the event or voluntarily elects to no longer be a professional limited liability company but continue its existence as a limited liability company pursuant to [section 489.1119](#) within sixty days after the occurrence of the event. The certificate of organization or operating agreement of the professional limited liability company may provide that purchase is not required upon the death of a member, if the professional limited liability company is dissolved within sixty days after the date of the member's death.

b. Notwithstanding [subsections 1 through 5](#), purchase by the professional limited liability company is not required upon the death of a member if the professional limited liability company voluntarily elects to no longer be a professional limited liability company but continue its existence as a limited liability company pursuant to [section 489.1119](#) within sixty days after death.

7. Unless otherwise provided in the certificate of organization or an operating agreement

of the professional limited liability company or in an agreement among all members of the professional limited liability company, all of the following apply:

a. The purchase price for interests shall be its book value as of the end of the month immediately preceding the death or other event which requires purchase. Book value shall be determined from the books and records of the professional limited liability company in accordance with the regular method of accounting used by the professional limited liability company, uniformly and consistently applied. Adjustments to book value shall be made, if necessary, to take into account work in process and accounts receivable. A final determination of book value made in good faith by an independent certified public accountant or firm of certified public accountants employed by the professional limited liability company for the purpose shall be conclusive on all persons.

b. The purchase price shall be paid in cash as follows:

(1) Upon the death of a member, thirty percent of the purchase price shall be paid within ninety days after death, and the balance shall be paid in three equal annual installments on the first three anniversaries of the death.

(2) Upon the happening of any other event referred to in [this section](#), one-tenth of the purchase price shall be paid within ninety days after the date of the event, and the balance shall be paid in three equal annual installments on the first three anniversaries of the date of the event.

c. Interest from the date of death or other event shall be payable annually on principal payment dates, at the rate of six percent per annum on the unpaid balance of the purchase price.

d. All persons who are members of the professional limited liability company on the date of death or other event, and their executors, administrators, and legal representatives, shall, to the extent the professional limited liability company fails to meet its obligations under [this section](#), be jointly liable for the payment of the purchase price and interest in proportion to their percentage of ownership of the professional limited liability company's interests, disregarding interests of the deceased or withdrawing member.

e. The part of the purchase price remaining unpaid after the initial payment shall be evidenced by a negotiable promissory note, which shall be executed by the professional limited liability company and all members liable for payment. Any person liable on the note shall have the right to prepay the note in full or in part at any time.

f. If the person making any payment is not reasonably able to determine which of two or more persons is entitled to receive a payment, or if the payment is payable to a person who is unknown, or who is under disability and there is no person legally competent to receive the payment, or who cannot be found after the exercise of reasonable diligence by the person making the payment, it shall be deposited with the treasurer of state and shall be subject to the provisions of [section 490.1440](#) with respect to funds deposited with the treasurer of state upon the voluntary or involuntary dissolution of a business corporation.

8. Notwithstanding the other provisions of [this section](#), no part of the purchase price shall be required to be paid until the certificates, if any, representing the interests have been surrendered to the professional limited liability company.

9. Notwithstanding the other provisions of [this section](#), payment of any part of the purchase price for interests of a deceased member shall not be required until the executor or administrator of the deceased member provides any indemnity, release, or other document from any taxing authority, which is reasonably necessary to protect the professional limited liability company against liability for estate, inheritance, and death taxes.

10. The certificate of organization or an operating agreement of the professional limited liability company or an agreement among all members of a professional limited liability company may provide for a different purchase price, a different method of determining the purchase price, a different interest rate or no interest, and other terms, conditions, and schedules of payment.

11. The certificate of organization or an operating agreement of the professional limited liability company or an agreement among all members of a professional limited liability company may provide for the optional or mandatory purchase of its own interests by the

professional limited liability company in other situations, subject to any applicable law regarding such a purchase.

[2008 Acts, ch 1162, §98, 155](#); [2023 Acts, ch 152, §115, 161](#)

2023 amendment to subsections 4, 5, and 6 effective January 1, 2024; 2023 Acts, ch 152, §161
Subsections 4, 5, and 6 amended

489.1113 Certificates representing interests.

Each certificate representing an interest of a professional limited liability company shall state in substance that the certificate represents an interest in a professional limited liability company and is not transferable except as expressly provided in [this subchapter](#) and in the certificate of organization or an operating agreement of the professional limited liability company.

[2008 Acts, ch 1162, §99, 155](#); [2023 Acts, ch 152, §116, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.1114 Management.

1. All managers of a professional limited liability company shall at all times be individuals who are licensed to practice a profession in this state or a lawful combination of professions pursuant to [section 489.1102](#), which the limited liability company is authorized to practice.

2. Notwithstanding [subsection 1](#), upon the occurrence of any event that requires the professional limited liability company either to be dissolved or to elect to no longer be a professional limited liability company but continue its existence as a limited liability company, as provided in [section 489.1119](#), all of the following apply:

a. The professional limited liability company ceases to practice the profession that the professional limited liability company is authorized to practice, as provided in [section 489.1119](#).

b. The individuals who are not licensed to practice in this state a profession that the professional limited liability company is authorized to practice may be appointed as officers and directors for the sole purpose of doing any of the following:

(1) Carrying out the dissolution of the professional limited liability company.

(2) If applicable, carrying out the voluntary election of the professional limited liability company to no longer be a professional limited liability company but continue its existence as a limited liability company, as provided in [section 489.1119](#).

[2008 Acts, ch 1162, §100, 155](#); [2011 Acts, ch 1, §4, 5, 6](#); [2023 Acts, ch 152, §117, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.1115 Merger.

A professional limited liability company shall not merge with any entity except another professional limited liability company subject to [this subchapter](#) or a professional corporation subject to [chapter 496C](#). Merger is not permitted unless the surviving or new professional limited liability company is a professional limited liability company that complies with all requirements of [this subchapter](#).

[2008 Acts, ch 1162, §101, 155](#); [2023 Acts, ch 152, §118, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.1116 Dissolution or liquidation.

A violation of any provision of [this subchapter](#) by a professional limited liability company or any of its members or managers shall be cause for its involuntary dissolution, or liquidation of its assets and business by the district court. Upon the death of the last remaining member of a professional limited liability company, or when the last remaining member is not licensed or ceases to be licensed to practice a profession in this state which the professional limited liability company is authorized to practice, or when any person other than the member of record becomes entitled to have all interests of the last remaining member of the professional limited liability company transferred into that person's name or to exercise voting rights, except as a proxy, with respect to such interests, the professional limited liability company shall not practice any profession. In that case, the professional

limited liability company shall either be promptly dissolved or shall promptly elect to no longer be a professional limited liability company but continue its existence as a limited liability company as provided in [section 489.1119](#). However, if prior to dissolution all outstanding interests of the professional limited liability company are acquired by two or more persons licensed to practice a profession in this state which the professional limited liability company is authorized to practice, the professional limited liability company need not be dissolved nor elect to no longer be a professional limited liability company and may instead practice the profession as provided in [this subchapter](#).

[2008 Acts, ch 1162, §102, 155; 2023 Acts, ch 152, §119, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.1117 Foreign professional limited liability company.

1. A foreign professional limited liability company may practice a profession in this state if it complies with the provisions of [this subchapter](#). The secretary of state may prescribe forms for this purpose. A foreign professional limited liability company may practice a profession in this state only through members, managers, employees, and agents who are licensed to practice the profession in this state. The provisions of [this subchapter](#) with respect to the practice of a profession by a professional limited liability company apply to a foreign professional limited liability company.

2. [This subchapter](#) does not prohibit the practice of a profession in this state by an individual who is a member, manager, employee, or agent of a foreign professional limited liability company, if the individual could lawfully practice the profession in this state in the absence of any relationship to a foreign professional limited liability company. [This subsection](#) applies regardless of whether or not the foreign professional limited liability company is authorized to practice a profession in this state.

[2008 Acts, ch 1162, §103, 155; 2023 Acts, ch 152, §120, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.1118 Limited liability companies organized under the other laws.

[This subchapter](#) does not apply to or interfere with the practice of any profession by or through any professional limited liability company organized after July 1, 1992, under any other law of this state or any other state or country, if the practice is lawful under any other statute or rule of law of this state. Any such professional limited liability company may voluntarily elect to adopt [this subchapter](#) and become subject to its provisions, by amending its certificate of organization to be consistent with all provisions of [this subchapter](#) and by stating in its amended certificate of organization that the limited liability company has voluntarily elected to adopt [this subchapter](#). Any limited liability company organized under any law of any other state or country may become subject to the provisions of [this subchapter](#) by complying with all provisions of [this subchapter](#) with respect to foreign professional limited liability companies.

[2008 Acts, ch 1162, §104, 155; 2023 Acts, ch 152, §121, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.1119 Election to no longer be a professional limited liability company.

A professional limited liability company may elect to no longer be a professional limited liability company but continue its existence as a limited liability company by filing with the secretary of state an amendment to or restatement of its certificate of organization that states that the limited liability company is no longer a professional limited liability company and amending its name to no longer indicate it is a professional limited liability company.

[2023 Acts, ch 152, §123, 161](#)

Former §489.1119 transferred to §489.1120; 2023 Acts, ch 152, §143, 161
Section effective January 1, 2024; 2023 Acts, ch 152, §161
NEW section

489.1120 Conflicts with other provisions of this chapter.

The provisions of [this subchapter](#) shall prevail over any inconsistent provisions of [this chapter](#).

2008 Acts, ch 1162, §105, 155

C2009, §489.1119

2023 Acts, ch 152, §122, 143, 161

C2024, §489.1120

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section transferred from §489.1119 in Code 2024 pursuant to directive in 2023 Acts, ch 152, §143, 161

Section amended

489.1121 through 489.1200 Reserved.

SUBCHAPTER XII

MISCELLANEOUS PROVISIONS

489.1201 Uniformity of application and construction.

In applying and construing [this chapter](#), consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

2008 Acts, ch 1162, §112, 155

C2009, §489.1301

2023 Acts, ch 152, §143, 161

C2024, §489.1201

Former §489.1201 repealed by its own terms; 2019 Acts, ch 26, §46

Section transferred from §489.1301 in Code 2024 pursuant to directive in 2023 Acts, ch 152, §143, 161

489.1202 Relation to Electronic Signatures in Global and National Commerce Act.

[This chapter](#) modifies, limits, and supersedes the federal Electronic Signatures in Global and National Commerce Act, 15 U.S.C. §7001 et seq., but does not modify, limit, or supersede section 101(c) of that Act, 15 U.S.C. §7001(c), or authorize electronic delivery of any of the notices described in section 103(b) of that Act, 15 U.S.C. §7003(b).

2008 Acts, ch 1162, §113, 155

C2009, §489.1302

2023 Acts, ch 152, §143, 161

C2024, §489.1202

Former §489.1202 repealed by its own terms; 2019 Acts, ch 26, §47

Section transferred from §489.1302 in Code 2024 pursuant to directive in 2023 Acts, ch 152, §143, 161

489.1203 Savings clause.

[This chapter](#) does not affect an action commenced, proceeding brought, or right accrued before January 1, 2009.

2008 Acts, ch 1162, §114, 155

C2009, §489.1303

2013 Acts, ch 90, §145; 2023 Acts, ch 152, §143, 161

C2024, §489.1203

Former §489.1203 repealed by its own terms; 2019 Acts, ch 26, §48

Section transferred from §489.1303 in Code 2024 pursuant to directive in 2023 Acts, ch 152, §143, 161

489.1204 Severability clause.

If any provision of [this chapter](#) or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of [this chapter](#) which can be given effect without the invalid provision or application, and to this end the provisions of [this chapter](#) are severable.

2023 Acts, ch 152, §124, 161

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1205 Termination of a series. Repealed by its own terms; 2019 Acts, ch 26, §50.

489.1206 Foreign series. Repealed by its own terms; 2019 Acts, ch 26, §51.

489.1207 Application to existing relationships.

1. For purposes of applying [this chapter](#) to a limited liability company formed before January 1, 2024, references in the limited liability company's operating agreement to provisions in [this chapter](#) in effect before January 1, 2024, are deemed to be references to the comparable provision in [this chapter](#) after January 1, 2024.

2. A limited liability company that has published notice of its dissolution and requested persons having claims against the limited liability company to present them in accordance with the notice pursuant to [section 489.704*](#) as that section existed immediately prior to January 1, 2024, shall be subject to the requirements set forth in that section as it existed immediately prior to January 1, 2024, including the right of a claim by a person that is commenced within five years after publication of the notice.

3. For the purposes of applying [this chapter](#) to a limited liability company formed before January 1, 2009, all of the following apply:

a. The limited liability company's articles of organization are deemed to be the company's certificate of organization.

b. For the purposes of applying [section 489.102, subsection 15](#), and subject to [section 489.107, subsection 4](#), language in the limited liability company's articles of organization designating the limited liability company's management structure operates as if that language were in the operating agreement.

c. If a professional limited liability company's name complied with [section 490A.1503](#) as that section existed on December 30, 2010, that company's name shall also be deemed to comply with the name requirements of [section 489.1103](#) of the 2011 edition of the Iowa Code.

[2023 Acts, ch 152, §125, 161](#)

*Reference to [§489.705](#) may be intended; corrective legislation is pending

Section effective January 1, 2024; 2023 Acts, ch 152, §161

NEW section

489.1208 through 489.1300 Reserved.

SUBCHAPTER XIII

PRIOR PROVISIONS

489.1301 Uniformity of application and construction. Transferred to §489.1201; 2023 Acts, ch 152, §143, 161.

489.1302 Relation to Electronic Signatures in Global and National Commerce Act. Transferred to §489.1202; 2023 Acts, ch 152, §143, 161.

489.1303 Savings clause. Transferred to §489.1203; 2023 Acts, ch 152, §143, 161.

489.1304 Application to existing relationships. Repealed by 2023 Acts, ch 152, §142, 161.
2023 repeal effective January 1, 2024; 2023 Acts, ch 152, §161

489.1305 through 489.14100 Reserved.

SUBCHAPTER XIV
UNIFORM PROTECTED SERIES ACT

Referred to in [§10.1](#), [10.10](#), [489.101](#)

PART 1
GENERAL PROVISIONS

489.14101 Short title.

[This subchapter](#) may be cited as the “*Uniform Protected Series Act*”.

[2019 Acts, ch 26, §1, 41](#); [2023 Acts, ch 152, §126, 161](#)

Referred to in [§489.101](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161

Section amended

489.14102 Definitions.

As used in [this subchapter](#), unless the context otherwise requires:

1. “Asset” means any of the following:
 - a. Property in which a series limited liability company or protected series has rights.
 - b. Property as to which the company or protected series has the power to transfer rights.
2. “Associated asset” means an asset that meets the requirements of [section 489.14301](#).
3. “Associated member” means a member that meets the requirements of [section 489.14302](#).
4. “Foreign protected series” means an arrangement, configuration, or other structure established by a foreign limited liability company which has attributes comparable to a protected series established under [this subchapter](#). The term applies whether or not the law under which the foreign company is organized refers to “protected series”.
5. “Foreign series limited liability company” means a foreign limited liability company that has at least one foreign protected series.
6. “Nonassociated asset” means any of the following:
 - a. An asset of a series limited liability company which is not an associated asset of the company.
 - b. An asset of a protected series of the company which is not an associated asset of the protected series.
7. “Person” means the same as defined in [section 4.1](#) and includes a protected series.
8. “Protected series”, except in the phrase “foreign protected series”, means a protected series established under [section 489.14201](#).
9. “Protected-series manager” means a person under whose authority the powers of a protected series are exercised and under whose direction the activities and affairs of the protected series are managed under the operating agreement, [this subchapter](#), and [this chapter](#).
10. “Protected-series transferable interest” means a right to receive a distribution from a protected series.
11. “Protected-series transferee” means a person to which all or part of a protected-series transferable interest of a protected series of a series limited liability company has been transferred, other than the company. The term includes a person that owns a protected-series transferable interest as a result of ceasing to be an associated member of a protected series.
12. “Series limited liability company”, except in the phrase “foreign series limited liability company”, means a limited liability company that has at least one protected series.

[2019 Acts, ch 26, §2, 41](#); [2023 Acts, ch 152, §127, 128, 161](#)

2023 amendments to unnumbered paragraph 1 and subsections 4 and 9 effective January 1, 2024; 2023 Acts, ch 152, §161

Unnumbered paragraph 1 amended

Subsections 4 and 9 amended

489.14103 Nature of protected series.

A protected series of a series limited liability company is a person distinct from all of the following:

1. The company, subject to [section 489.14104, subsection 3](#), [section 489.14501, subsection 1](#), and [section 489.14502, subsection 4](#).
2. Another protected series of the company.
3. A member of the company, whether or not the member is an associated member of the protected series.
4. A protected-series transferee of a protected series of the company.
5. A transferee of a transferable interest of the company.

[2019 Acts, ch 26, §3, 41](#)

Referred to in [§489.14107](#)

489.14104 Powers and duration of protected series.

1. A protected series of a series limited liability company has the capacity to sue and be sued in its own name.
2. Except as otherwise provided in [subsections 3 and 4](#), a protected series of a series limited liability company has the same powers and purposes as the company.
3. A protected series of a series limited liability company ceases to exist not later than when the company completes its winding up.
4. A protected series of a series limited liability company shall not do any of the following:
 - a. Be a member of the company.
 - b. Establish a protected series.
 - c. Except as permitted by law of this state other than [this subchapter](#), have a purpose or power that the law of this state other than [this subchapter](#) prohibits a limited liability company from doing or having.

[2019 Acts, ch 26, §4, 41](#); [2023 Acts, ch 152, §129, 161](#)

Referred to in [§489.14103, 489.14107](#)

2023 amendment to subsection 4, paragraph c effective January 1, 2024; 2023 Acts, ch 152, §161
Subsection 4, paragraph c amended

489.14105 Governing law.

The law of this state governs all of the following:

1. The internal affairs of a protected series of a series limited liability company, including all of the following:
 - a. Relations among any associated members of the protected series.
 - b. Relations among the protected series and any of the following:
 - (1) Any associated member.
 - (2) The protected-series manager.
 - (3) Any protected-series transferee.
 - c. Relations between any associated member and any of the following:
 - (1) The protected-series manager.
 - (2) Any protected-series transferee.
 - d. The rights and duties of a protected-series manager.
 - e. Governance decisions affecting the activities and affairs of the protected series and the conduct of those activities and affairs.
 - f. Procedures and conditions for becoming an associated member or protected-series transferee.
2. The relations between a protected series of a series limited liability company and each of the following:
 - a. The company.
 - b. Another protected series of the company.
 - c. A member of the company which is not an associated member of the protected series.
 - d. A protected-series manager that is not a protected-series manager of the protected series.
 - e. A protected-series transferee that is not a protected-series transferee of the protected series.

3. The liability of a person for a debt, obligation, or other liability of a protected series of a series limited liability company if the debt, obligation, or liability is asserted solely by reason of the person being or acting as any of the following:

- a. An associated member, protected-series transferee, or protected-series manager of the protected series.
- b. A member of the company which is not an associated member of the protected series.
- c. A protected-series manager that is not a protected-series manager of the protected series.
- d. A protected-series transferee that is not a protected-series transferee of the protected series.
- e. A manager of the company.
- f. A transferee of a transferable interest of the company.

4. The liability of a series limited liability company for a debt, obligation, or other liability of a protected series of the company if the debt, obligation, or liability is asserted solely by reason of the company doing any of the following:

- a. Having delivered to the secretary of state for filing under [section 489.14201, subsection 2](#), a protected series designation pertaining to the protected series or under [section 489.14201, subsection 4](#), or [section 489.14202, subsection 3](#), a statement of designation change pertaining to the protected series.
- b. Being or acting as a protected-series manager of the protected series.
- c. Having the protected series be or act as a manager of the company.
- d. Owning a protected-series transferable interest of the protected series.

5. The liability of a protected series of a series limited liability company for a debt, obligation, or other liability of the company or of another protected series of the company if the debt, obligation, or liability is asserted solely by reason of any of the following:

- a. The protected series is any of the following:
 - (1) A protected series of the company or having as a protected-series manager the company or another protected series of the company.
 - (2) Acting as a protected-series manager of another protected series of the company or a manager of the company.

b. The company owning a protected-series transferable interest of the protected series.

[2019 Acts, ch 26, §5, 41](#)

Referred to in [§489.14107](#)

489.14106 Relation of operating agreement, this subchapter, and this chapter.

1. Except as otherwise provided in [this section](#) and subject to sections [489.14107](#) and [489.14108](#), the operating agreement of a series limited liability company governs all of the following:

- a. The internal affairs of a protected series, including all of the following:
 - (1) Relations among any associated members of the protected series.
 - (2) Relations among the protected series and any of the following:
 - (a) Any associated member.
 - (b) The protected-series manager.
 - (c) Any protected-series transferee.
 - (3) Relations between any associated member and any of the following:
 - (a) The protected-series manager.
 - (b) Any protected-series transferee.
 - (4) The rights and duties of a protected-series manager.
 - (5) Governance decisions affecting the activities and affairs of the protected series and the conduct of those activities and affairs.
 - (6) Procedures and conditions for becoming an associated member or protected-series transferee.
- b. Relations among the protected series, the company, and any other protected series of the company.
- c. Relations between all of the following:

(1) The protected series, its protected-series manager, any associated member of the protected series, or any protected-series transferee of the protected series.

(2) A person in the person's capacity as any of the following:

- (a) A member of the company which is not an associated member of the protected series.
- (b) A protected-series transferee or protected-series manager of another protected series.
- (c) A transferee of the company.

2. If [this chapter](#) otherwise restricts the power of an operating agreement to affect a matter, the restriction applies to a matter under [this subchapter](#) in accordance with [section 489.14108](#).

3. If law of this state other than [this subchapter](#) imposes a prohibition, limitation, requirement, condition, obligation, liability, or other restriction on a limited liability company, a member, manager, or other agent of the company, or a transferee of the company, except as otherwise provided in law of this state other than [this subchapter](#), the restriction applies in accordance with [section 489.14108](#).

4. Except as otherwise provided in [section 489.14107](#), if the operating agreement of a series limited liability company does not provide for a matter described in [subsection 1](#) in a manner permitted by [this subchapter](#), the matter is determined in accordance with the following rules:

a. To the extent [this subchapter](#) addresses the matter, [this subchapter](#) governs.

b. To the extent [this subchapter](#) does not address the matter, the other subchapters of [this chapter](#) govern the matter in accordance with [section 489.14108](#).

2019 Acts, ch 26, §6, 41; 2023 Acts, ch 152, §130, 161

Referred to in §489.14107, 489.14108

2023 amendment to subsections 2 – 4 effective January 1, 2024; 2023 Acts, ch 152, §161

Subsections 2 – 4 amended

489.14107 Additional limitations on operating agreement.

1. An operating agreement shall not vary the effect of any of the following:

- a. [This section](#).
- b. [Section 489.14103](#).
- c. [Section 489.14104, subsection 1](#).
- d. [Section 489.14104, subsection 2](#), to provide a protected series a power beyond the powers [this chapter](#) provides a limited liability company.
- e. [Section 489.14104, subsection 3 or 4](#).
- f. [Section 489.14105](#).
- g. [Section 489.14106](#).
- h. [Section 489.14108](#).
- i. [Section 489.14201](#), except to vary the manner in which a limited liability company approves establishing a protected series.
- j. [Section 489.14202](#).
- k. [Section 489.14301](#).
- l. [Section 489.14302](#).
- m. [Section 489.14303, subsection 1 or 2](#).
- n. [Section 489.14304, subsection 3 or 6](#).
- o. [Section 489.14401](#), except to decrease or eliminate a limitation of liability stated in [section 489.14401](#).
- p. [Section 489.14402](#).
- q. [Section 489.14403](#).
- r. [Section 489.14404](#).
- s. [Section 489.14501, subsections 1, 4, and 5](#).
- t. [Section 489.14502](#), except to designate a different person to manage winding up.
- u. [Section 489.14503](#).
- v. [Subchapter VI](#).
- w. [Subchapter VII](#).
- x. [Subchapter VIII](#).
- y. A provision of [this subchapter](#) pertaining to any of the following:
 - (1) Registered agents.

(2) The secretary of state, including provisions pertaining to records authorized or required to be delivered to the secretary of state for filing under [this subchapter](#).

2. An operating agreement shall not unreasonably restrict the duties and rights under [section 489.14305](#) but may impose reasonable restrictions on the availability and use of information obtained under [section 489.14305](#) and may provide appropriate remedies, including liquidated damages, for a breach of any reasonable restriction on use.

[2019 Acts, ch 26, §7, 41; 2022 Acts, ch 1021, §140; 2023 Acts, ch 152, §131, 161](#)

Referred to in [§489.14106, 489.14108](#)

2023 amendment to subsection 1, paragraphs v – y effective January 1, 2024; 2023 Acts, ch 152, §161
Subsection 1, paragraphs v – y amended

489.14108 Rules for applying specified provisions of this chapter to specified provisions of this subchapter.

1. Except as otherwise provided in [subsection 2](#) and [section 489.14107](#), the following rules apply in applying [section 489.14106](#), [section 489.14304](#), [subsections 3 and 6](#), [section 489.14501](#), [subsection 4](#), paragraph “a”, [section 489.14502](#), [subsection 1](#), and [section 489.14503](#), [subsection 2](#):

a. A protected series of a series limited liability company is deemed to be a limited liability company that is formed separately from the series limited liability company and is distinct from the series limited liability company and any other protected series of the series limited liability company.

b. An associated member of the protected series is deemed to be a member of the company deemed to exist under paragraph “a”.

c. A protected-series transferee of the protected series is deemed to be a transferee of the company deemed to exist under paragraph “a”.

d. A protected-series transferable interest of the protected series is deemed to be a transferable interest of the company deemed to exist under paragraph “a”.

e. A protected-series manager is deemed to be a manager of the company deemed to exist under paragraph “a”.

f. An asset of the protected series is deemed to be an asset of the company deemed to exist under paragraph “a”, whether or not the asset is an associated asset of the protected series.

g. Any creditor or other obligee of the protected series is deemed to be a creditor or obligee of the company deemed to exist under paragraph “a”.

2. [Subsection 1](#) does not apply if its application would do any of the following:

a. Contravene [section 489.105](#).

b. Authorize or require the secretary of state to do any of the following:

(1) Accept for filing a type of record that neither [this subchapter](#) nor any of the other subchapters of [this chapter](#) authorizes or requires a person to deliver to the secretary of state for filing.

(2) Make or deliver a record that neither [this subchapter](#) nor the other subchapters of [this chapter](#) authorizes or requires the secretary of state to make or deliver.

[2019 Acts, ch 26, §8, 41; 2023 Acts, ch 152, §132, 161](#)

Referred to in [§489.14106, 489.14107, 489.14303, 489.14304, 489.14501, 489.14502, 489.14503](#)

2023 amendment to subsection 2, paragraph b, subparagraphs (1) and (2) effective January 1, 2024; 2023 Acts, ch 152, §161
Subsection 2, paragraph b, subparagraphs (1) and (2) amended

489.14109 through 489.14200 Reserved.

PART 2

ESTABLISHING PROTECTED SERIES

489.14201 Protected series designation — amendment.

1. With the affirmative vote or consent of all members of a limited liability company, the company may establish a protected series.

2. To establish a protected series, a limited liability company shall deliver to the secretary

of state for filing a protected series designation, signed by the company, stating the name of the company and the name of the protected series to be established.

3. A protected series is established when the protected series designation takes effect under [section 489.205](#).*

4. To amend a protected series designation, a series limited liability company shall deliver to the secretary of state for filing a statement of designation change, signed by the company, that changes the name of the company, the name of the protected series to which the designation applies, or both. The change takes effect when the statement of designation change takes effect under [section 489.205](#).*

[2019 Acts, ch 26, §9, 41](#)

Referred to in [§489.14102](#), [489.14105](#), [489.14107](#)

*Reference to §489.205 may not be intended; former §489.205 stricken and rewritten by [2023 Acts, ch 152, §25](#); corrective legislation is pending

489.14202 Name.

1. Except as otherwise provided in [subsection 2](#), the name of a protected series must comply with [section 489.112](#).

2. The name of a protected series of a series limited liability company must do all of the following:

a. Begin with the name of the company, including any word or abbreviation required by [section 489.112](#).

b. Contain the phrase “*Protected Series*” or “*protected series*” or the abbreviation “P.S.” or “PS”.

3. If a series limited liability company changes its name, the company shall deliver to the secretary of state for filing a statement of designation change for each of the company’s protected series, changing the name of each protected series to comply with [this section](#).

[2019 Acts, ch 26, §10, 41](#)

Referred to in [§489.14105](#), [489.14107](#), [489.14703](#)

Section not amended; internal reference changes applied

489.14203 Registered agent.

1. The registered agent in this state for a series limited liability company is the registered agent in this state for each protected series of the company.

2. Before delivering a protected series designation to the secretary of state for filing, a limited liability company shall agree with a registered agent that the agent will serve as the registered agent in this state for both the company and the protected series.

3. A person that signs a protected series designation delivered to the secretary of state for filing affirms as a fact that the limited liability company on whose behalf the designation is delivered has complied with [subsection 2](#).

4. A person that ceases to be the registered agent for a series limited liability company ceases to be the registered agent for each protected series of the company.

5. A person that ceases to be the registered agent for a protected series of a series limited liability company, other than as a result of the termination of the protected series, ceases to be the registered agent of the company and any other protected series of the company.

6. Except as otherwise agreed by a series limited liability company and its registered agent, the agent is not obligated to distinguish between a process, notice, demand, or other record concerning the company and a process, notice, demand, or other record concerning a protected series of the company.

[2019 Acts, ch 26, §11, 41](#)

489.14204 Service of process, notice, demand, or other record.

1. A protected series of a series limited liability company may be served with a process, notice, demand, or other record required or permitted by law by any of the following:

a. Serving the company.

b. Serving the registered agent of the protected series.

c. Other means authorized by law of this state other than the other subchapters of [this chapter](#).

2. Service of a summons and complaint on a series limited liability company is notice

to each protected series of the company of service of the summons and complaint and the contents of the complaint.

3. Service of a summons and complaint on a protected series of a series limited liability company is notice to the company and any other protected series of the company of service of the summons and complaint and the contents of the complaint.

4. Service of a summons and complaint on a foreign series limited liability company is notice to each foreign protected series of the foreign company of service of the summons and complaint and the contents of the complaint.

5. Service of a summons and complaint on a foreign protected series of a foreign series limited liability company is notice to the foreign company and any other foreign protected series of the company of service of the summons and complaint and the contents of the complaint.

6. Notice to a person under [subsection 2, 3, 4, or 5](#) is effective whether or not the summons and complaint identify the person if the summons and complaint name as a party and identify any of the following:

a. The series limited liability company or a protected series of the company.

b. The foreign series limited liability company or a foreign protected series of the foreign company.

[2019 Acts, ch 26, §12, 41; 2023 Acts, ch 152, §133, 161](#)

2023 amendment to subsection 1, paragraph c effective January 1, 2024; 2023 Acts, ch 152, §161
Subsection 1, paragraph c amended

489.14205 Certificate of existence for protected series.

1. On request of any person, the secretary of state shall issue a certificate of existence for a protected series of a series limited liability company or a certificate of authority for a foreign protected series in the following circumstances:

a. In the case of a protected series, if all of the following apply:

(1) No statement of dissolution, termination, or relocation pertaining to the protected series has been filed.

(2) The company has delivered to the secretary of state for filing the most recent biennial report required by [section 489.211A](#) and the report includes the name of the protected series, unless any of the following applies:

(a) When the company delivered the report for filing, the protected series designation pertaining to the protected series had not yet taken effect.

(b) After the company delivered the report for filing, the company delivered to the secretary of state for filing a statement of designation change changing the name of the protected series.

b. In the case of a foreign protected series, it is authorized to do business in this state.

2. A certificate issued under [subsection 1](#) must state all of the following:

a. In the case of a protected series, all of the following:

(1) The name of the protected series of the series limited liability company and the name of the company.

(2) That the requirements of [subsection 1](#) are met.

(3) The date the protected series designation pertaining to the protected series took effect.

(4) If a statement of designation change pertaining to the protected series has been filed, the effective date and contents of the statement.

b. In the case of a foreign protected series, that it is authorized to do business in this state.

c. That all fees, taxes, interest, and penalties due under [this chapter](#) or other law to the secretary of state have been paid if all of the following apply:

(1) Payment is reflected in the records of the secretary of state.

(2) Nonpayment affects the existence or good standing of the protected series.

d. Other facts reflected in the records of the secretary of state pertaining to the protected series or foreign protected series which the person requesting the certificate reasonably requests.

3. Subject to any qualification stated by the secretary of state in a certificate issued under

[subsection 1](#), the certificate may be relied on as conclusive evidence of the facts stated in the certificate.

[2019 Acts, ch 26, §13, 41](#)

Section not amended; internal reference change applied

489.14206 Information required in biennial report — effect of failure to provide.

1. In the biennial report required by [section 489.211A](#), a series limited liability company shall include the name of each protected series of the company for which all of the following apply:

a. For which the company has previously delivered to the secretary of state for filing a protected series designation.

b. Which has not dissolved and completed winding up.

2. A failure by a series limited liability company to comply with [subsection 1](#) with regard to a protected series prevents issuance of a certificate of existence pertaining to the protected series but does not otherwise affect the protected series.

[2019 Acts, ch 26, §14, 41; 2020 Acts, ch 1063, §383](#)

Section not amended; internal reference change applied

489.14207 through 489.14300 Reserved.

PART 3

ASSOCIATED ASSETS AND MEMBERS — TRANSFERABLE INTERESTS —
MANAGEMENT — INFORMATION RIGHTS

489.14301 Associated asset.

1. Only an asset of a protected series may be an associated asset of the protected series. Only an asset of a series limited liability company may be an associated asset of the company.

2. An asset of a protected series of a series limited liability company is an associated asset of the protected series only if the protected series creates and maintains records that state the name of the protected series and describe the asset with sufficient specificity to permit a disinterested, reasonable individual to do all of the following:

a. Identify the asset and distinguish it from any other asset of the protected series, any asset of the company, and any asset of any other protected series of the company.

b. Determine when and from what person the protected series acquired the asset or how the asset otherwise became an asset of the protected series.

c. If the protected series acquired the asset from the company or another protected series of the company, determine any consideration paid, the payor, and the payee.

3. An asset of a series limited liability company is an associated asset of the company only if the company creates and maintains records that state the name of the company and describe the asset with sufficient specificity to permit a disinterested, reasonable individual to do all of the following:

a. Identify the asset and distinguish it from any other asset of the company and any asset of any protected series of the company.

b. Determine when and from what person the company acquired the asset or how the asset otherwise became an asset of the company.

c. If the company acquired the asset from a protected series of the company, determine any consideration paid, the payor, and the payee.

4. The records and recordkeeping required by [subsections 2 and 3](#) may be organized by specific listing, category, type, quantity, or computational or allocational formula or procedure, including a percentage or share of any asset, or in any other reasonable manner.

5. To the extent permitted by [this section](#) and law of this state other than [this subchapter](#), a series limited liability company or protected series of the company may hold an associated asset directly or indirectly, through a representative, nominee, or similar arrangement, except that all of the following applies:

a. A protected series shall not hold an associated asset in the name of the company or another protected series of the company.

b. The company shall not hold an associated asset in the name of a protected series of the company.

[2019 Acts, ch 26, §15, 41](#); [2023 Acts, ch 152, §134, 161](#)

Referred to in [§489.14102](#), [489.14107](#), [489.14404](#)

2023 amendment to subsection 5, unnumbered paragraph 1 effective January 1, 2024; 2023 Acts, ch 152, §161
Subsection 5, unnumbered paragraph 1 amended

489.14302 Associated member.

1. Only a member of a series limited liability company may be an associated member of a protected series of the company.

2. A member of a series limited liability company becomes an associated member of a protected series of the company if the operating agreement or a procedure established by the agreement states all of the following:

a. That the member is an associated member of the protected series.

b. The date on which the member became an associated member.

c. Any protected-series transferable interest the associated member has in connection with becoming or being an associated member.

3. If a person that is an associated member of a protected series of a series limited liability company is dissociated from the company, the person ceases to be an associated member of the protected series.

[2019 Acts, ch 26, §16, 41](#)

Referred to in [§489.14102](#), [489.14107](#)

489.14303 Protected-series transferable interest.

1. A protected-series transferable interest of a protected series of a series limited liability company must be owned initially by an associated member of the protected series or the company.

2. If a protected series of a series limited liability company has no associated members when established, the company owns the protected-series transferable interests in the protected series.

3. In addition to acquiring a protected-series transferable series interest under [subsection 2](#), a series limited liability company may acquire a protected-series transferable interest through a transfer from another person or as provided in the operating agreement.

4. Except for [section 489.14108, subsection 1](#), paragraph “c”, a provision of [this subchapter](#) which applies to a protected-series transferee of a protected series of a series limited liability company applies to the company in its capacity as an owner of a protected-series transferable interest of the protected series. A provision of the operating agreement of a series limited liability company which applies to a protected-series transferee of a protected series of the company applies to the company in its capacity as an owner of a protected-series transferable interest of the protected series.

[2019 Acts, ch 26, §17, 41](#); [2023 Acts, ch 152, §135, 161](#)

Referred to in [§489.14107](#)

2023 amendment to subsection 4 effective January 1, 2024; 2023 Acts, ch 152, §161
Subsection 4 amended

489.14304 Management.

1. A protected series may have more than one protected-series manager.

2. If a protected series has no associated members, the series limited liability company is the protected-series manager.

3. [Section 489.14108](#) applies to determine any duties of a protected-series manager of a protected series of a series limited liability company to all of the following:

a. The protected series.

b. Any associated member of the protected series.

c. Any protected-series transferee of the protected series.

4. Solely by reason of being or acting as a protected-series manager of a protected series of a series limited liability company, a person owes no duty to any of the following:

- a. The company.
- b. Another protected series of the company.
- c. Another person in that person's capacity as any of the following:
 - (1) A member of the company which is not an associated member of the protected series.
 - (2) A protected-series transferee or protected-series manager of another protected series.
 - (3) A transferee of the company.

5. An associated member of a protected series of a series limited liability company has the same rights as any other member of the company to vote on or consent to an amendment to the company's operating agreement or any other matter being decided by the members, whether or not the amendment or matter affects the interests of the protected series or the associated member.

6. **Subchapter IX** applies to a protected series in accordance with [section 489.14108](#), [2019 Acts, ch 26, §18, 41](#); [2023 Acts, ch 152, §136, 161](#)

Referred to in [§489.14107](#), [489.14108](#)

2023 amendment to subsection 6 effective January 1, 2024; 2023 Acts, ch 152, §161

Subsection 6 amended

489.14305 Right of person not associated member of protected series to information concerning protected series.

1. A member of a series limited liability company which is not an associated member of a protected series of the company has a right to information concerning the protected series to the same extent, in the same manner, and under the same conditions that a member that is not a manager of a manager-managed limited liability company has a right to information concerning the company under [section 489.410, subsection 2](#).

2. A person formerly an associated member of a protected series has a right to information concerning the protected series to the same extent, in the same manner, and under the same conditions that a person dissociated as a member of a manager-managed limited liability company has a right to information concerning the company under [section 489.410, subsection 3](#).

3. If an associated member of a protected series dies, the legal representative of the deceased associated member has a right to information concerning the protected series to the same extent, in the same manner, and under the same conditions that the legal representative of a deceased member of a limited liability company has a right to information concerning the company under [section 489.504](#).

4. A protected-series manager of a protected series has a right to information concerning the protected series to the same extent, in the same manner, and under the same conditions that a manager of a manager-managed limited liability company has a right to information concerning the company under [section 489.410, subsection 2](#).

[2019 Acts, ch 26, §19, 41](#)

Referred to in [§489.14107](#)

489.14306 through 489.14400 Reserved.

PART 4

LIMITATION ON LIABILITY AND ENFORCEMENT OF CLAIMS

489.14401 Limitations on liability.

1. A person is not liable, directly or indirectly, by way of contribution or otherwise, for a debt, obligation, or other liability of any of the following:

a. A protected series of a series limited liability company solely by reason of being or acting as any of the following:

(1) An associated member, protected-series manager, or protected-series transferee of the protected series.

(2) A member, manager, or a transferee of the company.

b. A series limited liability company solely by reason of being or acting as an associated

member, protected-series manager, or protected-series transferee of a protected series of the company.

2. Subject to [section 489.14404](#), all of the following rules apply:

a. A debt, obligation, or other liability of a series limited liability company is solely the debt, obligation, or liability of the company.

b. A debt, obligation, or other liability of a protected series is solely the debt, obligation, or liability of the protected series.

c. A series limited liability company is not liable, directly or indirectly, by way of contribution or otherwise, for a debt, obligation, or other liability of a protected series of the company solely by reason of the protected series being a protected series of the company or the company for any of the following:

(1) Being or acting as a protected-series manager of the protected series.

(2) Having the protected series manage the company.

(3) Owning a protected-series transferable interest of the protected series.

d. A protected series of a series limited liability company is not liable, directly or indirectly, by way of contribution or otherwise, for a debt, obligation, or other liability of the company or another protected series of the company solely by reason of any of the following:

(1) Being a protected series of the company.

(2) Being or acting as a manager of the company or a protected-series manager of another protected series of the company.

(3) Having the company or another protected series of the company be or act as a protected-series manager of the protected series.

[2019 Acts, ch 26, §20, 41](#)

Referred to in [§489.14107](#), [489.14402](#)

489.14402 Claim seeking to disregard limitation of liability.

1. Except as otherwise provided in [subsection 2](#), a claim seeking to disregard a limitation in [section 489.14401](#) is governed by the principles of law and equity, including a principle providing a right to a creditor or holding a person liable for a debt, obligation, or other liability of another person, which would apply if each protected series of a series limited liability company were a limited liability company formed separately from the series limited liability company and distinct from the series limited liability company and any other protected series of the series limited liability company.

2. The failure of a limited liability company or a protected series to observe formalities relating to the exercise of its powers or management of its activities and affairs is not a ground to disregard a limitation in [section 489.14401, subsection 1](#), but may be a ground to disregard a limitation in [section 489.14401, subsection 2](#).

3. [This section](#) applies to a claim seeking to disregard a limitation of liability applicable to a foreign series limited liability company or foreign protected series and comparable to a limitation stated in [section 489.14401](#), if any of the following apply:

a. The claimant is a resident of this state or doing business or authorized to do business in this state.

b. The claim is to establish or enforce a liability arising under law of this state other than [this subchapter](#) or from an act or omission in this state.

[2019 Acts, ch 26, §21, 41; 2023 Acts, ch 152, §137, 161](#)

Referred to in [§489.14107](#), [489.14701](#), [489.14703](#)

2023 amendment to subsection 3, paragraph b effective January 1, 2024; 2023 Acts, ch 152, §161

Subsection 3, paragraph b amended

489.14403 Remedies of judgment creditor of associated member or protected-series transferee.

[Section 489.503](#) applies to a judgment creditor of any of the following:

1. An associated member or protected-series transferee of a protected series.

2. A series limited liability company, to the extent the company owns a protected-series transferable interest of a protected series.

[2019 Acts, ch 26, §22, 41](#)

Referred to in [§489.14107](#)

489.14404 Enforcement against nonassociated asset.

1. As used in [this section](#):

a. “*Enforcement date*” means 12:01 a.m. on the date on which a claimant first serves process on a series limited liability company or protected series in an action seeking to enforce under [this section](#) a claim against an asset of the company or protected series by attachment, levy, or the like.

b. Subject to [section 489.14608, subsection 2](#), “*incurrence date*” means the date on which a series limited liability company or protected series incurred the liability giving rise to a claim that a claimant seeks to enforce under [this section](#).

2. If a claim against a series limited liability company or a protected series of the company has been reduced to judgment, in addition to any other remedy provided by law or equity, the judgment may be enforced in accordance with the following rules:

a. A judgment against the company may be enforced against an asset of a protected series of the company if any of the following applies:

(1) The asset was a nonassociated asset of the protected series on the incurrence date.

(2) The asset is a nonassociated asset of the protected series on the enforcement date.

b. A judgment against a protected series may be enforced against an asset of the company if any of the following apply:

(1) The asset was a nonassociated asset of the company on the incurrence date.

(2) The asset is a nonassociated asset of the company on the enforcement date.

c. A judgment against a protected series may be enforced against an asset of another protected series of the company if any of the following applies:

(1) The asset was a nonassociated asset of the other protected series on the incurrence date.

(2) The asset is a nonassociated asset of the other protected series on the enforcement date.

3. In addition to any other remedy provided by law or equity, if a claim against a series limited liability company or a protected series has not been reduced to a judgment and law other than [this subchapter](#) permits a prejudgment remedy by attachment, levy, or the like, the court may apply [subsection 2](#) as a prejudgment remedy.

4. In a proceeding under [this section](#), the party asserting that an asset is or was an associated asset of a series limited liability company or a protected series of the company has the burden of proof on the issue.

5. [This section](#) applies to an asset of a foreign series limited liability company or foreign protected series if all of the following applies:

a. The asset is real or tangible property located in this state.

b. The claimant is a resident of this state or doing business or authorized to do business in this state, or the claim under [section 489.14404](#) is to enforce a judgment, or to seek a prejudgment remedy, pertaining to a liability arising from law of this state other than [this subchapter](#) or an act or omission in this state.

c. The asset is not identified in the records of the foreign series limited liability company or foreign protected series in a manner comparable to the manner required by [section 489.14301](#).

[2019 Acts, ch 26, §23, 41; 2023 Acts, ch 152, §138, 139, 161](#)

Referred to in [§489.14107, 489.14401, 489.14608, 489.14701, 489.14703](#)

2023 amendment to subsection 3 effective January 1, 2024; 2023 Acts, ch 152, §161

2023 amendment to subsection 5, paragraph b effective January 1, 2024; 2023 Acts, ch 152, §161

Subsection 3 amended

Subsection 5, paragraph b amended

489.14405 through 489.14500 Reserved.

PART 5

DISSOLUTION AND WINDING UP OF PROTECTED SERIES

489.14501 Events causing dissolution of protected series.

A protected series of a series limited liability company is dissolved, and its activities and affairs must be wound up, only on any of the following:

1. Dissolution of the company.
2. Occurrence of an event or circumstance the operating agreement states causes dissolution of the protected series.
3. Affirmative vote or consent of all members.
4. Entry by the court of an order dissolving the protected series on application by an associated member or protected-series manager of the protected series subject to all of the following:
 - a. In accordance with [section 489.14108](#).
 - b. To the same extent, in the same manner, and on the same grounds the court would enter an order dissolving a limited liability company on application by a member or manager of the company.
5. Entry by the court of an order dissolving the protected series on application by the company or a member of the company on the ground that the conduct of all or substantially all the activities and affairs of the protected series is illegal.

[2019 Acts, ch 26, §24, 41](#)

Referred to in [§489.14103](#), [489.14107](#), [489.14108](#)

489.14502 Winding up dissolved protected series.

1. Subject to [subsections 2 and 3](#) and in accordance with [section 489.14108](#) all of the following apply:

a. A dissolved protected series shall wind up its activities and affairs in the same manner that a limited liability company winds up its activities and affairs under [sections 489.702, 489.704, and 489.705](#) subject to the same requirements and conditions and with the same effects.

b. Judicial supervision or another judicial remedy is available in the winding up of the protected series to the same extent, in the same manner, under the same conditions, and with the same effects that apply under [section 489.702, subsection 5](#).

2. When a protected series of a series limited liability company dissolves, the company may deliver to the secretary of state for filing a statement of protected series dissolution stating the name of the company and the protected series and that the protected series is dissolved. The filing of the statement by the secretary of state has the same effect as the filing by the secretary of state of a statement of dissolution under [section 489.103, subsection 4, paragraph "b", subparagraph \(1\)](#).

3. When a protected series of a series limited liability company has completed winding up, the company may deliver to the secretary of state for filing a statement of designation cancellation stating the name of the company and the protected series and that the protected series is terminated. The filing of the statement by the secretary of state has the same effect as the filing by the secretary of state of a statement of termination under [section 489.103, subsection 4, paragraph "b", subparagraph \(2\)](#).

4. A series limited liability company has not completed its winding up until each of the protected series of the company has completed its winding up.

[2019 Acts, ch 26, §25, 41](#)

Referred to in [§489.14103](#), [489.14107](#), [489.14108](#)

Section not amended; internal reference changes applied

489.14503 Effect of reinstatement of series limited liability company or revocation of voluntary dissolution.

If a series limited liability company that has been administratively dissolved is reinstated, or a series limited liability company that voluntarily dissolved rescinds its dissolution both of the following apply:

1. Each protected series of the company ceases winding up.
2. The provisions of [section 489.710](#) apply to each protected series of the company in accordance with [section 489.14108](#).

[2019 Acts, ch 26, §26, 41](#)

Referred to in [§489.14107](#), [489.14108](#)

Section not amended; internal reference change applied

489.14504 through 489.14600 Reserved.

PART 6

ENTITY TRANSACTIONS RESTRICTED

489.14601 Definitions.

As used in this part:

1. “*After a merger*” or “*after the merger*” means when a merger under [section 489.14604](#) becomes effective and afterwards.
2. “*Before a merger*” or “*before the merger*” means before a merger under [section 489.14604](#) becomes effective.
3. “*Continuing protected series*” means a protected series of a surviving company which continues in uninterrupted existence after a merger under [section 489.14604](#).
4. “*Merging company*” means a limited liability company that is party to a merger under [section 489.14604](#).
5. “*Nonsurviving company*” means a merging company that does not continue in existence after a merger under [section 489.14604](#).
6. “*Relocated protected series*” means a protected series of a nonsurviving company which, after a merger under [section 489.14604](#), continues in uninterrupted existence as a protected series of the surviving company.
7. “*Surviving company*” means a merging company that continues in existence after a merger under [section 489.14604](#).

[2019 Acts, ch 26, §27, 41](#)

489.14602 Protected series shall not be party to entity transaction.

A protected series shall not do any of the following:

1. Be an acquiring, acquired, converting, converted, merging, or surviving entity.
2. Participate in a domestication.
3. Be a party to or be formed, organized, established, or created in a transaction substantially like a merger, interest exchange, conversion, or domestication.

[2019 Acts, ch 26, §28, 41](#)

489.14603 Restriction on entity transaction involving protected series.

A series limited liability company shall not be any of the following:

1. An acquiring, acquired, converting, converted, domesticating, or domesticated entity.
2. Except as otherwise provided in [section 489.14604](#), a party to or the surviving company of a merger.

[2019 Acts, ch 26, §29, 41](#)

489.14604 Merger authorized — parties restricted.

A series limited liability company may be party to a merger in accordance with [sections 489.1001 through 489.1005](#),* [this section](#), and [sections 489.14605 through 489.14608](#) only if all of the following apply:

1. Each other party to the merger is a limited liability company.
2. The surviving company is not created in the merger.

[2019 Acts, ch 26, §30, 41](#)

Referred to in [§489.14601](#), [489.14603](#), [489.14605](#), [489.14606](#), [489.14607](#), [489.14608](#)

*Former [§489.1001 through 489.1005](#) stricken and replaced by 2023 Acts, ch 1522023 Acts, ch 152; corrective legislation is pending

489.14605 Plan of merger.

In a merger under [section 489.14604](#), the plan of merger must do all of the following:

1. Comply with [section 489.1002](#).*
2. State in a record all of the following:
 - a. For any protected series of a nonsurviving company, whether after the merger the protected series will be a relocated protected series or be dissolved, wound up, and terminated.
 - b. For any protected series of the surviving company which exists before the merger, whether after the merger the protected series will be a continuing protected series or be dissolved, wound up, and terminated.
 - c. For each relocated protected series or continuing protected series all of the following:
 - (1) The name of any person that becomes an associated member or protected-series transferee of the protected series after the merger, any consideration to be paid by, on behalf of, or in respect of the person, the name of the payor, and the name of the payee.
 - (2) The name of any person whose rights or obligations in the person's capacity as an associated member or protected-series transferee will change after the merger.
 - (3) Any consideration to be paid to a person who before the merger was an associated member or protected-series transferee of the protected series and the name of the payor.
 - (4) If after the merger the protected series will be a relocated protected series, its new name.
 - d. For any protected series to be established by the surviving company as a result of the merger all of the following:
 - (1) The name of the protected series.
 - (2) Any protected-series transferable interest to be owned by the surviving company when the protected series is established.
 - (3) The name of and any protected-series transferable interest owned by any person that will be an associated member of the protected series when the protected series is established.
 - e. For any person that is an associated member of a relocated protected series and will remain a member after the merger, any amendment to the operating agreement of the surviving company which is all of the following:
 - (1) Is or is proposed to be in a record.
 - (2) Is necessary or appropriate to state the rights and obligations of the person as a member of the surviving company.

[2019 Acts, ch 26, §31, 41](#)

Referred to in [§489.14604](#)

*Former [§489.1002](#) stricken and replaced by 2023 Acts, ch 1522023 Acts, ch 152; corrective legislation is pending

489.14606 Articles of merger.

In a merger under [section 489.14604](#), the articles of merger must do all of the following:

1. Comply with [section 489.1004](#).*
2. Include as an attachment the following records, each to become effective when the merger becomes effective upon any of the following:
 - a. For a protected series of a merging company being terminated as a result of the merger, a statement of termination signed by the company.
 - b. For a protected series of a nonsurviving company which after the merger will be a relocated protected series all of the following:
 - (1) A statement of relocation signed by the nonsurviving company which contains the name of the company and the name of the protected series before and after the merger.
 - (2) A statement of protected series designation signed by the surviving company.
 - c. For a protected series being established by the surviving company as a result of the merger, a protected series designation signed by the company.

[2019 Acts, ch 26, §32, 41](#)

Referred to in [§489.14604](#)

*Former [§489.1004](#) stricken and rewritten by 2023 Acts, ch 1522023 Acts, ch 152; corrective legislation is pending

489.14607 Effect of merger.

When a merger under [section 489.14604](#) becomes effective, in addition to the effects stated in [section 489.1005](#),* all of the following apply:

1. As provided in the plan of merger, each protected series of each merging company which was established before the merger is any of the following:
 - a. Is a relocated protected series or continuing protected series.
 - b. Is dissolved, wound up, and terminated.
2. Any protected series to be established as a result of the merger is established.
3. Any relocated protected series or continuing protected series is the same person without interruption as it was before the merger.
4. All property of a relocated protected series or continuing protected series continues to be vested in the protected series without transfer, reversion, or impairment.
5. All debts, obligations, and other liabilities of a relocated protected series or continuing protected series continue as debts, obligations, and other liabilities of the protected series.
6. Except as otherwise provided by law or the plan of merger, all the rights, privileges, immunities, powers, and purposes of a relocated protected series or continuing protected series remain in the protected series.
7. The new name of a relocated protected series may be substituted for the former name of the protected series in any pending action or proceeding.
8. If provided in the plan of merger all of the following apply:
 - a. A person becomes an associated member or protected-series transferee of a relocated protected series or continuing protected series.
 - b. A person becomes an associated member of a protected series established by the surviving company as a result of the merger.
 - c. Any change in the rights or obligations of a person in the person's capacity as an associated member or protected-series transferee of a relocated protected series or continuing protected series take effect.
 - d. Any consideration to be paid to a person that before the merger was an associated member or protected-series transferee of a relocated protected series or continuing protected series is due.
9. Any person that is a member of a relocated protected series becomes a member of the surviving company, if not already a member.

[2019 Acts, ch 26, §33, 41](#)

Referred to in [§489.14604](#)

*Former [§489.1005](#) stricken and rewritten by 2023 Acts, ch 1522023 Acts, ch 152; corrective legislation is pending

489.14608 Application of section 489.14404 after merger.

1. A creditor's right that existed under [section 489.14404](#) immediately before a merger under [section 489.14604](#) may be enforced after the merger in accordance with all of the following:

a. A creditor's right that existed immediately before the merger against the surviving company, a continuing protected series, or a relocated protected series continues without change after the merger.

b. A creditor's right that existed immediately before the merger against a nonsurviving company all of the following apply:

(1) May be asserted against an asset of the nonsurviving company which vested in the surviving company as a result of the merger.

(2) Does not otherwise change.

c. Subject to [subsection 2](#), all of the following apply:

(1) In addition to the remedy stated in paragraph "a", a creditor with a right under [section 489.14404](#) which existed immediately before the merger against a nonsurviving company or a relocated protected series may assert the right against any of the following:

(a) An asset of the surviving company, other than an asset of the nonsurviving company which vested in the surviving company as a result of the merger.

(b) An asset of a continuing protected series.

(c) An asset of a protected series established by the surviving company as a result of the merger.

(d) If the creditor's right was against an asset of the nonsurviving company, an asset of a relocated series.

(e) If the creditor's right was against an asset of a relocated protected series, an asset of another relocated protected series.

(2) In addition to the remedy stated in paragraph "b", a creditor with a right that existed immediately before the merger against the surviving company or a continuing protected series may assert the right against any of the following:

(a) An asset of a relocated protected series.

(b) An asset of a nonsurviving company which vested in the surviving company as a result of the merger.

2. For the purposes of [subsection 1](#), paragraph "c", and [section 489.14404, subsection 2](#), paragraph "a", subparagraph (1); [section 489.14404, subsection 2](#), paragraph "b", subparagraph (1); and [section 489.14404, subsection 2](#), paragraph "c", subparagraph (1), the incurrence date is deemed to be the date on which the merger becomes effective.

3. A merger under [section 489.14604](#) does not affect the manner in which [section 489.14404](#) applies to a liability incurred after the merger.

[2019 Acts, ch 26, §34, 41](#)

Referred to in [§489.14404](#), [489.14604](#)

489.14609 through 489.14700 Reserved.

PART 7

FOREIGN PROTECTED SERIES

489.14701 Governing law.

The law of the jurisdiction of formation of a foreign series limited liability company governs all of the following:

1. The internal affairs of a foreign protected series of the company, including all of the following:

a. Relations among any associated members of the foreign protected series.

b. Relations between the foreign protected series and any of the following:

(1) Any associated member.

(2) The protected-series manager.

(3) Any protected-series transferee.

c. Relations between any associated member and any of the following:

(1) The protected-series manager.

(2) Any protected-series transferee.

d. The rights and duties of a protected-series manager.

e. Governance decisions affecting the activities and affairs of the foreign protected series and the conduct of those activities and affairs.

f. Procedures and conditions for becoming an associated member or protected-series transferee.

2. Relations between the foreign protected series and all of the following:

a. The company.

b. Another foreign protected series of the company.

c. A member of the company which is not an associated member of the foreign protected series.

d. A foreign protected-series manager that is not a protected-series manager of the protected series.

e. A foreign protected-series transferee that is not a foreign protected-series transferee of the protected series.

f. A transferee of a transferable interest of the company.

3. Except as otherwise provided in sections [489.14402](#) and [489.14404](#), the liability of a person for a debt, obligation, or other liability of a foreign protected series of a foreign series limited liability company if the debt, obligation, or liability is asserted solely by reason of the person being or acting as any of the following:

- a. An associated member, protected-series transferee, or protected-series manager of the foreign protected series.
- b. A member of the company which is not an associated member of the foreign protected series.
- c. A protected-series manager of another foreign protected series of the company.
- d. A protected-series transferee of another foreign protected series of the company.
- e. A manager of the company.
- f. A transferee of a transferable interest of the company.

4. Except as otherwise provided in sections [489.14402](#) and [489.14404](#) all of the following apply:

a. The liability of the foreign series limited liability company for a debt, obligation, or other liability of a foreign protected series of the company if the debt, obligation, or liability is asserted solely by reason of the foreign protected series being a foreign protected series of the company or the company as a consequence of any of the following:

- (1) Being or acting as a foreign protected-series manager of the foreign protected series.
- (2) Having the foreign protected series manage the company.
- (3) Owning a protected-series transferable interest of the foreign protected series.

b. The liability of a foreign protected series for a debt, obligation, or other liability of the company or another foreign protected series of the company if the debt, obligation, or liability is asserted solely by reason of the foreign protected series as a consequence of any of the following:

(1) Being a foreign protected series of the company or having the company or another foreign protected series of the company be or act as foreign protected-series manager of the foreign protected series.

(2) Managing the company or being or acting as a foreign protected-series manager of another foreign protected series of the company.

[2019 Acts, ch 26, §35, 41](#)

489.14702 No attribution of activities constituting doing business or for establishing jurisdiction.

In determining whether a foreign series limited liability company or foreign protected series of the company does business in this state or is subject to the personal jurisdiction of the courts of this state all of the following apply:

1. The activities and affairs of the company are not attributable to a foreign protected series of the company solely by reason of the foreign protected series being a foreign protected series of the company.

2. The activities and affairs of a foreign protected series are not attributable to the company or another foreign protected series of the company solely by reason of the foreign protected series being a foreign protected series of the company.

[2019 Acts, ch 26, §36, 41](#)

489.14703 Authorization of foreign protected series.

1. Except as otherwise provided in [this section](#) and subject to sections [489.14402](#) and [489.14404](#), the law of this state governing the filing of a certificate of authority of a foreign limited liability company to do business in this state, including the consequences of not complying with that law, applies to a foreign protected series of a foreign series limited liability company as if the foreign protected series were a foreign limited liability company formed separately from the foreign series limited liability company and distinct from the foreign series limited liability company and any other foreign protected series of the foreign series limited liability company.

2. An application by a foreign protected series of a foreign series limited liability company for a certificate of authority to do business in this state must include all of the following:

a. The name and jurisdiction of formation of the foreign series limited liability company.
 b. If the company has other foreign protected series, the name and street and mailing address of an individual who knows the name and street and mailing address of all of the following:

- (1) Each other foreign protected series of the foreign series limited liability company.
- (2) The foreign protected-series manager of and agent for service of process for each other foreign protected series of the foreign series limited liability company.

2A. If the jurisdiction under whose law the foreign protected series was organized does not provide for the protected series to obtain a certificate of existence, the foreign protected series shall attach a certificate of existence for the series limited liability company of which it is a protected series. In that case, a foreign protected series of the foreign series limited liability company will be deemed to be in existence and good standing as long as the series limited liability company is in existence and good standing.

3. The name of a foreign protected series applying for a certificate of authority or authorized to do business in this state must comply with [section 489.14202](#) and may do so using a fictitious name pursuant to [section 489.112](#), if the fictitious name complies with [section 489.14202](#).

4. A foreign protected series that has in effect a certificate of authority pursuant to [this section](#) shall file with the secretary of state an amendment to its application if there is any change in the information required by [subsection 2](#).

[2019 Acts, ch 26, §37, 41](#)

Section not amended; internal reference change applied

489.14704 Disclosure required when foreign series limited liability company or foreign protected series party to proceeding.

1. Not later than thirty days after becoming a party to a proceeding before a civil, administrative, or other adjudicative tribunal of or located in this state or a tribunal of the United States located in this state all of the following apply:

a. A foreign series limited liability company shall disclose to each other party the name and street and mailing address of all of the following:

- (1) Each foreign protected series of the company.
- (2) Each foreign protected-series manager of and a registered agent for service of process for each foreign protected series of the company.

b. A foreign protected series of a foreign series limited liability company shall disclose to each other party the name and street and mailing address of all of the following:

(1) The company and each manager of the company and an agent for service of process for the company.

(2) Any other foreign protected series of the company and each foreign protected-series manager of and an agent for service of process for the other foreign protected series.

2. If a foreign series limited liability company or foreign protected series challenges the personal jurisdiction of the tribunal, the requirement that the foreign company or foreign protected series make disclosure under [subsection 1](#) is tolled until the tribunal determines whether it has personal jurisdiction.

3. If a foreign series limited liability company or foreign protected series does not comply with [subsection 1](#), a party to the proceeding may do any of the following:

a. Request the tribunal to treat the noncompliance as a failure to comply with the tribunal's discovery rules.

b. Bring a separate proceeding in the court to enforce [subsection 1](#).

[2019 Acts, ch 26, §38, 41](#)

489.14705 through 489.14800 Reserved.

PART 8
TRANSITION PROVISIONS

489.14801 Uniformity of application and construction.

In applying and construing [this subchapter](#), consideration shall be given to the need to promote uniformity of the law with respect to its subject matter among states that enact the uniform protected series Act as approved and recommended by the national conference of commissioners on uniform state laws.

[2020 Acts, ch 1013, §1](#); [2023 Acts, ch 152, §140, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended

489.14802 Reserved.

489.14803 Transitional provisions. Repealed by its own terms; [2019 Acts, ch 26, §39](#).

489.14804 Savings clause.

[This subchapter](#) does not affect an action commenced, proceeding brought, or right accrued before July 1, 2020.

[2019 Acts, ch 26, §40, 41](#); [2023 Acts, ch 152, §141, 161](#)

2023 amendment effective January 1, 2024; 2023 Acts, ch 152, §161
Section amended