

§1572. Transfer of transferable interest

1. Transferable interest. A transfer, in whole or in part, of a transferable interest:

A. Is permissible; [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

B. Does not by itself cause a member's dissociation or a dissolution and winding up of the limited liability company's activities; and [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

C. Subject to section 1574, does not entitle the transferee to:

(1) Participate in the management or conduct of the limited liability company's activities; or

(2) Have access to records or other information concerning the limited liability company's activities. [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

[PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

2. Distributions. A transferee has the right to receive, in accordance with the transfer, distributions to which the transferor would otherwise be entitled.

[PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

3. Evidence. A transferable interest may be evidenced by a certificate of transferable interest issued by a limited liability company. A limited liability company agreement may provide for the transfer of the transferable interest represented by the certificate and make other provisions with respect to the certificate. A limited liability company does not have the power to issue a certificate of transferable interest in bearer form.

[PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

4. Written notice of transfer required. A limited liability company need not give effect to a transferee's rights under this section until the limited liability company has written notice of the transfer.

[PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

5. Rights and duties of member after transfer. Except as otherwise provided in section 1582, subsection 4, paragraph B and section 1582, subsection 11, when a member transfers a transferable interest, the transferor retains the rights of a member other than the interest in distributions transferred and retains all duties and obligations of a member.

[PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

6. Transferee an admitted member. When a member transfers a transferable interest to a person that is admitted as a member with respect to the transferred interest, the transferee is liable for the member's obligations under section 1553 and section 1555, subsection 2 known to the transferee when the transferee voluntarily accepts admission as a member.

[PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

7. Account of transactions. In a dissolution and winding up of a limited liability company, a transferee is entitled to an account of the limited liability company's transactions only from the date of dissolution.

[PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

SECTION HISTORY

PL 2009, c. 629, Pt. A, §2 (NEW). PL 2009, c. 629, Pt. A, §3 (AFF).

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