

§1582. Events causing dissociation

A person is dissociated as a member from a limited liability company when: [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

1. Notice. The limited liability company has notice from the person of the person's express will to dissociate as a member, except if the person specifies in the notice a dissociation date later than the date the limited liability company had notice the person is dissociated as a member, on that later date; [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

2. Event. An event stated in the limited liability company agreement as causing the person's dissociation occurs; [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

3. Expulsion pursuant to agreement. The person is expelled as a member pursuant to the limited liability company agreement; [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

4. Expulsion upon unanimous consent. The person is expelled as a member by the unanimous consent of the other members. A person is expelled under this subsection if:

A. It is unlawful to carry on the limited liability company's activities with the person as a member; [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

B. There has been a transfer of all of the person's transferable interest in the limited liability company other than a transfer for security purposes; [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

C. The person is an organization and, within 90 days after 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will be expelled as a member because the person has filed a statement of dissolution or the equivalent, its charter has been revoked or its right to conduct activities has been suspended by its jurisdiction of formation, the statement of dissolution or the equivalent has not been revoked or its charter or right to conduct activities has not been reinstated; or [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

D. The person is an organization that has been dissolved and whose activities are being wound up; [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).]

5. Expulsion by judicial order. On application by the limited liability company, the person is expelled as a member by judicial order because the person:

A. Has engaged, or is engaging, in wrongful conduct that has adversely and materially affected, or will adversely and materially affect, the limited liability company's activities; [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

B. Has willfully and persistently committed, or is willfully and persistently committing, a material breach of the limited liability company agreement or the person's duty or obligation under this chapter or other applicable law; or [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

C. Has engaged, or is engaging, in conduct relating to the limited liability company's activities that makes it not reasonably practicable to carry on the activities with the person as a member; [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).]

6. Death; appointment of guardian or conservator; determination. In the case of a person who is an individual, the person dies, there is appointed a guardian or general conservator for the person or

there is a judicial determination that the person has otherwise become incapable of performing the person's duties as a member under this chapter or the limited liability company agreement; [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

7. Bankruptcy; assignment; appointment of trustee, receiver or liquidator. The person becomes a debtor in bankruptcy, executes an assignment for the benefit of creditors or seeks, consents or acquiesces to the appointment of a trustee, receiver or liquidator of the person or of all or substantially all of the person's property. This subsection does not apply to a person who is the sole remaining member of a limited liability company; [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

8. Successor trustee. In the case of a person that is a trust or is acting as a member by virtue of being a trustee of a trust, the trust's entire transferable interest in the limited liability company is distributed, but not solely by reason of the substitution of a successor trustee; [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

9. Estate; personal representative of estate. 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, but not solely by reason of the substitution of a successor personal representative; [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

10. Termination of legal existence. In the case of a member that is not an individual, the legal existence of the person otherwise terminates; or [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

11. Transfer of remaining interest. A person who is a member transfers the person's entire remaining transferable interest but not until the later of:

A. The transferee's becoming a member; and [PL 2009, c. 629, Pt. A, §2 (NEW); PL 2009, c. 629, Pt. A, §3 (AFF).]

B. The time the transfer is completed. [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).]

SECTION HISTORY

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

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