

CHAPTER 29 - WYOMING LIMITED LIABILITY COMPANY ACT

ARTICLE 1 - GENERAL PROVISIONS

17-29-101. Short title.

This chapter may be cited as the "Wyoming Limited Liability Company Act".

17-29-102. Definitions.

(a) As used in this chapter:

(i) "Articles of organization" means the articles required by W.S. 17-29-201(b). The term includes the articles as amended or restated;

(ii) "Contribution" means any benefit provided by a person to a limited liability company:

(A) In order to become a member upon formation of the company and in accordance with an agreement between or among the persons that have agreed to become the initial members of the company;

(B) In order to become a member after formation of the company and in accordance with an agreement between the person and the company; or

(C) In the person's capacity as a member and in accordance with the operating agreement or an agreement between the member and the company.

(iii) "Debtor in bankruptcy" means a person that is the subject of:

(A) An order for relief under Title 11 of the United States Code or a successor statute of general application; or

(B) A comparable order under federal, state or foreign law governing insolvency.

(iv) "Designated office" means:

(A) The office of a registered agent that a limited liability company is required to designate and maintain under W.S. 17-28-101; or

(B) The principal office of a foreign limited liability company.

(v) "Distribution", except as otherwise provided in W.S. 17-29-405(g), means a transfer of money or other property from a limited liability company to another person on account of a transferable interest;

(vi) "Effective" with respect to a record required or permitted to be delivered to the secretary of state for filing under this article, means effective under W.S. 17-29-205(c);

(vii) "Foreign limited liability company" means an unincorporated entity formed under the law of a jurisdiction other than this state and denominated by that law as a limited liability company or which appears to the secretary of state to possess characteristics sufficiently similar to those of a limited liability company organized under this chapter;

(viii) "Limited liability company", except in the phrase "foreign limited liability company", means an entity formed under this chapter;

(ix) "Low profit limited liability company" means a limited liability company that has set forth in its articles of organization a business purpose that satisfies, and which limited liability company is at all times operated to satisfy, each of the following requirements:

(A) The entity significantly furthers the accomplishment of one (1) or more charitable or educational purposes within the meaning of section 170(c)(2)(B) of the Internal Revenue Code and would not have been formed but for the entity's relationship to the accomplishment of charitable or educational purposes;

(B) No significant purpose of the entity is the production of income or the appreciation of property provided, however, that the fact that an entity produces significant income or capital appreciation shall not, in the absence of other factors, be conclusive evidence of a significant purpose involving the production of income or the appreciation of property; and

(C) No purpose of the entity is to accomplish one (1) or more political or legislative purposes within the meaning of section 170(c)(2)(D) of the Internal Revenue Code.

(x) "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 W.S. 17-29-407(c);

(xi) "Manager-managed limited liability company" means a limited liability company that qualifies under W.S. 17-29-407(a);

(xii) "Member" means a person that has become a member of a limited liability company under W.S. 17-29-401 and has not dissociated under W.S. 17-29-602;

(xiii) "Member-managed limited liability company" means a limited liability company that is not a manager-managed limited liability company;

(xiv) "Operating agreement" means the agreement, whether or not referred to as an operating agreement and whether oral, in a record, implied or in any combination thereof, of all the members of a limited liability company, including a sole member, concerning the matters described in W.S. 17-29-110(a). The term includes the agreement as amended or restated;

(xv) "Organizer" means a person that acts under W.S. 17-29-201 to form a limited liability company;

(xvi) "Person" means as defined by W.S. 8-1-102(a)(vi);

(xvii) "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;

(xviii) "Record" 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;

(xix) "Sign" or "signature" includes any manual, facsimile, conformed or electronic signature;

(xx) "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;

(xxi) "Transfer" includes an assignment, conveyance, deed, bill of sale, lease, mortgage, security interest, encumbrance, gift or transfer by operation of law;

(xxii) "Transferable interest" means the right, as originally associated with a person's capacity as a member, to receive distributions from a limited liability company in accordance with the operating agreement, whether or not the person remains a member or continues to own any part of the right;

(xxiii) "Transferee" means a person to which all or part of a transferable interest has been transferred, whether or not the transferor is a member;

(xxiv) "Financial institution" means a bank, savings and loan association or state chartered credit union;

(xxv) "Majority of the members," unless the operating agreement provides otherwise, means:

(A) For a limited liability company formed before July 1, 2010, more than fifty percent (50%) of its membership interests based on each member's proportionate contribution to the capital of the limited liability company, as adjusted from time to time to properly reflect any additional contributions or withdrawals by the members, unless the limited liability company amends its articles of organization to provide otherwise;

(B) For a limited liability company formed on or after July 1, 2010, a per capita majority of the members.

17-29-103. Knowledge; notice.

(a) A person knows a fact when the person:

(i) Has actual knowledge of it; or

(ii) Is deemed to know it under paragraph (d)(i) of this section or law other than this chapter.

(b) A person has notice of a fact when the person:

(i) Has reason to know the fact from all of the facts known to the person at the time in question; or

(ii) Is deemed to have notice of the fact under paragraph (d)(ii) of this section.

(c) A person notifies another of a fact by taking steps reasonably required to inform the other person in ordinary course, whether or not the other person knows the fact.

(d) A person that is not a member is deemed:

(i) To know of a limitation on authority to transfer real property as provided in W.S. 17-29-302(g); and

(ii) To have notice of a limited liability company's:

(A) Dissolution, ninety (90) days after articles of dissolution under W.S. 17-29-702(b)(ii)(A) and the limitation on the member's or manager's authority as a result of the statement of dissolution becomes effective;

(B) Reserved; and

(C) Merger, conversion, continuance, transfer or domestication, ninety (90) days after articles of merger, conversion, continuance, transfer or domestication under article 10 of this chapter become effective.

17-29-104. Nature, purpose and duration of limited liability company.

(a) A limited liability company is an entity distinct from its members.

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

(c) A limited liability company has perpetual duration.

(d) Limited liability companies may be organized under this chapter for any lawful purpose, except for the purpose of acting as a financial institution or acting as an insurer as defined in W.S. 26-1-102(a)(xvi).

(e) Nothing in this chapter shall be interpreted as precluding an individual whose occupation requires licensure under Wyoming law from forming a limited liability company if the applicable licensing statutes do not prohibit it and the licensing body does not prohibit it by rule or regulation adopted consistent with the appropriate licensing statute. No limited liability company may offer professional services or practice a profession except by and through its licensed members or licensed employees, each of whom shall retain his professional license in good standing and shall remain as fully liable and responsible for his professional activities, and subject to all rules, regulations, standards and requirements pertaining thereto, as though practicing individually rather than in a limited liability company.

17-29-105. Powers.

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.

17-29-106. Governing law.

(a) The law of this state governs:

(i) The internal affairs of a limited liability company; and

(ii) The liability of a member as member and a manager as manager for the debts, obligations or other liabilities of a limited liability company.

17-29-107. Supplemental principles of law; applicability.

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

(b) The Financial Technology Sandbox Act shall apply to this chapter.

17-29-108. Name.

(a) The words "limited liability company," or its abbreviations "LLC" or "L.L.C.," "limited company," or its

abbreviations "LC" or "L.C.," "Ltd. liability company," "Ltd. liability co." or "limited liability co." shall be included in the name of every limited liability company formed under the provisions of this act except the name of a low profit limited liability company, as defined in W.S. 17-29-102(a)(ix) shall contain the abbreviations "L3C," "l3c," "low profit ltd. liability company," "low profit ltd. liability co." or "low profit limited liability co.". In addition, the limited liability company name may not:

(i) Contain a word or phrase which indicates or implies that it is organized for a purpose other than one (1) or more of the purposes contained in its articles of organization;

(ii) Be the same as, or deceptively similar to, any trademark or service mark registered in this state and shall be distinguishable upon the records of the secretary of state from other business names as provided in W.S. 17-16-401;

(iii) Contain a word or phrase which indicates or implies that it is organized under the Wyoming Business Corporation Act, the Wyoming Statutory Close Corporation Supplement or the Nonprofit Corporation Act.

(b) Nothing in this article shall prohibit the use of a tradename in accordance with applicable law.

17-29-109. Reservation of name.

(a) A person may reserve the exclusive use of the name of a limited liability company, including a fictitious or assumed name for a foreign limited liability company whose name is not available, 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 proposed to be reserved. If the secretary of state finds that the name for which application has been made is available, it shall be reserved for the applicant's exclusive use for a one hundred twenty (120) day period.

(b) The owner of a name reserved for a limited liability company may transfer the reservation to another person by delivering to the secretary of state for filing a signed notice of the transfer which states the name and address of the transferee.

17-29-110. Operating agreement; scope, function and limitations.

(a) Except as otherwise provided in subsections (b) and (c) of this section, the operating agreement governs all of the following:

(i) Relations among the members as members and between the members and the limited liability company;

(ii) The rights and duties under this chapter of a person in the capacity of manager;

(iii) The activities of the company and the conduct of those activities;

(iv) The means and conditions for amending the operating agreement;

(v) Management rights and voting rights of members;

(vi) Transferability of membership interests;

(vii) Distributions to members prior to dissolution;

(viii) All other aspects of the management of the limited liability company.

(b) To the extent the operating agreement does not otherwise provide for a matter described in subsection (a) of this section, this chapter governs the matter.

(c) An operating agreement shall not:

(i) Vary a limited liability company's capacity under W.S. 17-29-105 to sue and be sued in its own name;

(ii) Vary the law applicable under W.S. 17-29-106;

(iii) Vary the power of the court under W.S. 17-29-204;

(iv) Reserved;

(v) Eliminate the contractual obligation of good faith and fair dealing under W.S. 17-29-409(d);

(vi) Unreasonably restrict the duties and rights stated in W.S. 17-29-410;

(vii) Vary the power of a court to decree dissolution in the circumstances specified in W.S. 17-29-701(a)(iv) and (v);

(viii) Vary the requirement to wind up a limited liability company's business as specified in W.S. 17-29-702(a) and (b)(i);

(ix) Unreasonably restrict the right of a member to maintain an action under article 9 of this chapter;

(x) Reserved; or

(xi) Reserved.

17-29-111. Operating agreement; effect on limited liability company and persons becoming members; preformation agreement.

(a) 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.

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

(c) Two (2) 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 (1) person intending to become the initial member of a limited liability company may assent to terms providing that upon the formation of the company the terms will become the operating agreement.

17-29-112. Operating agreement; effect on third parties and relationship to records effective on behalf of limited liability company.

(a) 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.

(b) The obligations of a limited liability company and its members to a person in the person's capacity as a transferee or dissociated member are governed by the operating agreement. An amendment to the operating agreement made after a person becomes a transferee or dissociated member 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 dissociated member.

(c) If a record that has been delivered by a limited liability company to the secretary of state for filing and has become effective under this chapter contains a provision that would be ineffective under W.S. 17-29-110(c) if contained in the operating agreement, the provision is likewise ineffective in the record.

(d) Subject to subsection (c) of this section, if a record that has been delivered by a limited liability company to the secretary of state for filing and has become effective under this chapter conflicts with a provision of the operating agreement:

(i) The operating agreement prevails as to members, dissociated members, transferees and managers; and

(ii) The record prevails as to other persons to the extent they reasonably rely on the record.

17-29-113. Registered office and registered agent to be maintained.

(a) Each limited liability company shall have and continuously maintain in this state:

(i) A registered office as provided in W.S. 17-28-101 through 17-28-111;

(ii) A registered agent as provided in W.S. 17-28-101 through 17-28-111.

(b) The provisions of W.S. 17-28-101 through 17-28-111 shall apply to all limited liability companies.

17-29-114. Foreign limited liability companies; operation; revocation and reinstatement of certificates of authority.

To the extent not inconsistent with this act or the provisions of the Wyoming Business Corporations Act, a foreign limited liability company shall do business in Wyoming by complying with the provisions of W.S. 17-16-1501 through 17-16-1536 in the same manner as a foreign corporation. A foreign limited liability company's certificate of authority shall be revoked or reinstated in the manner provided for foreign corporations in W.S. 17-16-1530 through 17-16-1532.

ARTICLE 2 - FORMATION, ARTICLES OF ORGANIZATION AND OTHER
FILINGS

**17-29-201. Formation of limited liability company;
articles of organization.**

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

(b) Articles of organization shall state:

(i) The name of the limited liability company, which must comply with W.S. 17-29-108;

(ii) The street address of the limited liability company's initial registered office and the name of its initial registered agent at that office; and

(iii) Reserved.

(c) The articles of organization shall be accompanied by a written consent to appointment signed by the registered agent.

(d) Subject to W.S. 17-29-112(c), articles of organization may also contain statements as to matters other than those required by subsection (b) of this section. However, a statement in articles of organization is not effective as a statement of authority.

(e) The following rules apply:

(i) A limited liability company is formed when the articles of organization become effective, unless the articles state a delayed effective date pursuant to W.S. 17-29-205(c);

(ii) If the articles state a delayed effective date, a limited liability company is not formed if, before the articles take effect, a statement of cancellation is signed and delivered to the secretary of state for filing and the secretary of state files the articles;

(iii) Subject to any delayed effective date and except in a proceeding by this state to dissolve a limited liability company, the filing of the articles of organization by the secretary of state is conclusive proof that the organizer satisfied all conditions to the formation of a limited liability company.

17-29-202. Amendment or restatement of articles of organization.

(a) Articles of organization may be amended or restated at any time. Articles of organization shall be amended when:

(i) There is a change in the name of the limited liability company;

(ii) There is a false or erroneous statement in the articles of organization.

(b) To amend its articles of organization, a limited liability company must deliver to the secretary of state for filing an amendment stating:

(i) The name of the company;

(ii) The date of filing of its articles of organization; and

(iii) The changes the amendment makes to the articles as most recently amended or restated.

(c) To restate its articles of organization, a limited liability company shall deliver to the secretary of state for filing a restatement, designated as such in its heading, stating:

(i) In the heading or an introductory paragraph, the company's present name and the date of the filing of the company's initial articles of organization; and

(ii) The changes the restatement makes to the articles as most recently amended or restated.

(d) Subject to W.S. 17-29-112(c) and 17-29-205(c), an amendment to or restatement of articles of organization is effective when delivered for filing with the secretary of state.

(e) 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 filed articles of organization was inaccurate when the articles were filed or has become inaccurate owing to changed circumstances, the member or manager shall promptly:

(i) Cause the articles to be amended; or

(ii) If appropriate, deliver to the secretary of state for filing a statement of correction under W.S. 17-28-102 or a statement of correction under W.S. 17-29-206.

17-29-203. Signing of records to be delivered for filing to secretary of state.

(a) A record delivered to the secretary of state for filing pursuant to this chapter shall be signed as follows:

(i) Except as otherwise provided in paragraphs (ii) through (iv) of this subsection, a record signed on behalf of a limited liability company shall be signed by a person authorized by the company;

(ii) A limited liability company's initial articles of organization shall be signed by at least one (1) person acting as an organizer;

(iii) Reserved;

(iv) A record filed on behalf of a dissolved limited liability company that has no members shall be signed by the person winding up the company's activities under W.S. 17-29-702(c) or a person appointed under W.S. 17-29-702(d) to wind up those activities;

(v) A statement of cancellation under W.S. 17-29-201(e)(ii) shall be signed by each organizer that signed the initial articles of organization, but a personal representative

of a deceased or incompetent organizer may sign in the place of the decedent or incompetent;

(vi) A statement of denial by a person under W.S. 17-29-303 shall be signed by that person; and

(vii) Any other record shall be signed by the person on whose behalf the record is delivered to the secretary of state.

(b) Any record filed under this chapter may be signed by an agent.

17-29-204. Signing and filing pursuant to judicial order.

(a) 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 appropriate court to order:

(i) The person to sign the record;

(ii) The person to deliver the record to the secretary of state for filing; or

(iii) The secretary of state to file the record unsigned.

(b) If a petitioner under subsection (a) of this section is not the limited liability company or foreign limited liability company to which the record pertains, the petitioner shall make the company a party to the action.

17-29-205. Delivery to and filing of records by secretary of state; effective time and date.

(a) A record authorized or required to be delivered to the secretary of state for filing under this chapter shall be captioned to describe the record's purpose, be in a medium permitted by the secretary of state, and be delivered to the secretary of state. If the filing fees required by this act or other law and any past due fees, taxes or penalties have been paid, unless the secretary of state determines that a record does not comply with the filing requirements of this chapter, the secretary of state shall file the record and:

(i) For a statement of denial under W.S. 17-29-303, send a copy of the filed statement and a receipt for the fees to the person on whose behalf the statement was delivered for filing and to the limited liability company; and

(ii) For all other records, send a copy of the filed record and a receipt for the fees to the person on whose behalf the record was filed.

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

(c) Except as otherwise provided in W.S. 17-28-103 and 17-29-206, a record delivered to the secretary of state for filing under this article shall be effective as provided in W.S. 17-16-123.

(d) If the secretary of state refuses to file a record under subsection (a) of this section, the secretary of state shall return it to the limited liability company or its representative within fifteen (15) days after the record was delivered, together with a brief, written explanation of the reason for the refusal.

17-29-206. Correcting filed record.

(a) A limited liability company or foreign limited liability company may deliver to the secretary of state for filing a statement of correction to correct a record previously delivered by the company to the secretary of state and filed by the secretary of state, if at the time of filing the record contained inaccurate information or was defectively signed.

(b) A statement of correction under subsection (a) of this section may not state a delayed effective date and shall:

(i) Describe the record to be corrected, including its filing date, or attach a copy of the record as filed;

(ii) Specify the inaccurate information and the reason it is inaccurate or the manner in which the signing was defective; and

(iii) Correct the defective signature or inaccurate information.

(c) When filed by the secretary of state, a statement of correction under subsection (a) of this section is effective retroactively as of the effective date of the record the statement corrects, but the statement is effective when filed:

(i) For the purposes of W.S. 17-29-103(d); and

(ii) As to persons that previously relied on the uncorrected record and would be adversely affected by the retroactive effect.

17-29-207. Liability for inaccurate information in filed record.

(a) 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 a loss by reliance on the information may recover damages for the loss from:

(i) 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; and

(ii) Subject to subsection (b) of this section, a member of a member-managed limited liability company or the manager of a manager-managed limited liability company, if:

(A) The record was delivered for filing on behalf of the company; and

(B) The member or manager 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:

(I) Effected an amendment under W.S. 17-29-202;

(II) Filed a petition under W.S. 17-29-204;
or

(III) Delivered to the secretary of state for filing a statement of correction under W.S. 17-28-102 or a statement of correction under W.S. 17-29-206.

(b) To the extent that 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 company to the secretary of state for filing under this chapter and imposes that responsibility on one (1) or more other members, the liability stated in paragraph (a)(ii) of this section applies to those other members and not to the member that the operating agreement relieves of the responsibility.

(c) An individual who signs a record authorized or required to be filed under this chapter affirms under penalty of perjury that the information stated in the record is accurate.

17-29-208. Certificate of existence or authorization.

(a) The secretary of state, upon request and payment of the requisite fee, shall furnish to any person a certificate of existence for a limited liability company if the records filed in the office of the secretary of state show that the company has been formed under W.S. 17-29-201 and the secretary of state has not filed articles of dissolution pertaining to the company. A certificate of existence shall state:

(i) The company's name;

(ii) That the company was duly formed under the laws of this state and the date of formation;

(iii) Whether all fees, taxes and penalties due under this chapter or other law to the secretary of state have been paid;

(iv) Whether the company's most recent annual report required by W.S. 17-29-209 has been filed by the secretary of state;

(v) Whether the secretary of state has administratively dissolved the company;

(vi) Whether the company has delivered to the secretary of state for filing articles of dissolution;

(vii) Reserved; and

(viii) Other facts of record in the office of the secretary of state which are specified by the person requesting the certificate.

(b) Subject to any qualification stated in the certificate, a certificate of existence or certificate of authorization issued by the secretary of state is conclusive evidence that the limited liability company is in existence.

17-29-209. Annual report for secretary of state.

(a) Every limited liability company organized under the laws of this state and every foreign limited liability company which obtains a certificate of authority to transact and carry on business within this state shall file with the secretary of state on or before the first day of the month of organization of every year a certification, under the penalty of perjury, by its treasurer or other fiscal agent setting forth its capital, property and assets located and employed in the state of Wyoming. The statement shall give the address of its principal office. On or before the first day of the month of organization of every year the limited liability company or foreign limited liability company shall pay to the secretary of state in addition to all other statutory taxes and fees a license fee based upon the sum of its capital, property and assets reported, of sixty dollars (\$60.00) or two-tenths of one mill on the dollar (\$.0002), whichever is greater.

(b) The provisions of subsection (a) of this section shall be modified as follows:

(i) Any limited liability company or foreign limited liability company engaged in the public calling of carrying goods, passengers or information interstate is not required to comply with the provisions of subsection (a) of this section except to the extent of capital, property and assets used in intrastate business in this state;

(ii) The value of all mines and mining claims from which gold, silver and other precious metals, soda, saline, coal, mineral oil or other valuable deposit, is or shall be produced is deemed equivalent to the assessed value of the gross product thereof, for the previous year;

(iii) The assessed value of any property shall be its actual value.

(c) Financial information in the annual report shall be current as of the end of the limited liability company's or foreign limited liability company's fiscal year immediately preceding the date the annual report is executed on behalf of the company. All other information in the annual report shall be current as of the date the annual report is executed on behalf of the company.

(d) If an annual report does not contain the information required by this section, the secretary of state shall promptly notify the reporting domestic or foreign limited liability company in writing and return the report to it for correction.

(e) Every limited liability company or foreign limited liability company registered or authorized to do business in the state of Wyoming shall preserve for three (3) years at its principal place of business, suitable records and books as may be necessary to determine the amount of fee for which it is liable under this section. All records and books shall be available for examination by the secretary of state or his designee during regular business hours except as arranged by mutual consent.

17-29-210. Fees; annual fee.

(a) The secretary of state shall charge and collect fees from limited liability companies and foreign limited liability companies for:

(i) Filing the original articles of organization, one hundred dollars (\$100.00);

(ii) For amending the articles of organization, a filing fee of sixty dollars (\$60.00);

(iii) An annual fee accompanying the report required in W.S. 17-29-209, due and payable on or before the date of the filing under W.S. 17-29-209;

(iv) Filing, service and copying fees for those services provided by his office for which a fee is not otherwise established. A fee shall not exceed the cost of providing the service;

(v) Issuing a certificate of authority for a foreign limited liability company, a filing fee of one hundred fifty dollars (\$150.00).

(b) Except for articles of organization, any document to be filed with the secretary of state shall be signed by the member, members, manager, managers or other authorized individual as set forth in the operating agreement. A person signing a document, including the articles of organization, he knows is false in any material respect with intent that the document be delivered to the secretary of state for filing under this act is guilty of a misdemeanor punishable by a fine of not more than one thousand dollars (\$1,000.00), by imprisonment for not more than six (6) months, or both.

(c) Any foreign limited liability company transacting business in this state without obtaining a certificate of authority as required by W.S. 17-16-1501 and 17-29-114 is subject to the penalties provided by W.S. 17-16-1502(d).

17-29-211. Series of members, managers, transferable interests or assets.

(a) An operating agreement may establish or provide for the establishment of one (1) or more designated series of members, managers, transferable interests or assets. This section shall govern any matter with respect to a series to the extent not otherwise provided in the operating agreement.

(b) Subject to subsection (c) of this section, if an operating agreement establishes or provides for the establishment of a particular series:

(i) The debts, obligations or other liabilities of the particular series, whether arising in contract, tort or otherwise, shall be enforceable against the assets of the series only and not against:

(A) The assets of the limited liability company generally or any other series thereof;

(B) Any member of the limited liability company.

(ii) The debts, obligations or other liabilities of the limited liability company generally or any other series thereof, whether arising in contract, tort or otherwise, shall not be enforceable against the assets of the particular series.

(c) The limitations on liabilities in subsection (b) of this section shall only apply if:

(i) The records for the particular series that account for the assets of the series are separately maintained from the records that account for the assets of the limited liability company or any other series thereof. Records that reasonably identify the assets of a particular series, including by specific listing, category, type, quantity, computational or allocational formula or procedure such as a percentage or share of assets or by any other method where the identity of the assets is objectively determinable, shall be deemed to account for the assets of the particular series separately from the assets of the limited liability company or any other series thereof;

(ii) The operating agreement specifically provides for the limitations on liabilities; and

(iii) Notice of the limitations on liabilities of the particular series is included in the articles of organization. Notice under this paragraph shall be sufficient whether or not the limited liability company has established or referenced any particular series in the notice.

(d) Nothing in this section, an operating agreement or articles of organization shall restrict:

(i) A series or limited liability company on behalf of a series from agreeing in the operating agreement or otherwise that any or all of the debts, obligations or other liabilities of the limited liability company generally or any other series thereof shall be enforceable against the assets of the series;

(ii) A limited liability company from agreeing in the operating agreement or otherwise that any or all of the debts, obligations or other liabilities of a series shall be enforceable against the assets of the limited liability company generally; or

(iii) Notwithstanding W.S. 17-29-304(a), a member or manager from agreeing in the operating agreement or otherwise to be personally liable for any or all of the debts, obligations or other liabilities of a series.

(e) A series established under this section shall have the power and capacity to, in its own name, contract, hold title to assets including real, personal and intangible property, grant liens and security interests and sue and be sued. A series may:

(i) Have separate rights, powers or duties with respect to specified property or obligations of the limited liability company or profits and losses associated with specified property or obligations;

(ii) Carry on any lawful purpose regardless of whether for profit, except for the purpose of acting as a financial institution or acting as an insurer as defined in W.S. 26-1-102(a) (xvi);

(iii) Hold assets directly or indirectly, including in the name of the series or the name of the limited liability company.

(f) An operating agreement that establishes or provides for the establishment of a series may:

(i) Provide for classes or groups of members or managers of the series having the relative rights, powers and duties specified in the operating agreement;

(ii) Provide for and specify the future creation of additional classes or groups of members or managers of the series having the relative rights, powers and duties as may be established, including rights, powers and duties senior to existing classes and groups of members or managers of the series;

(iii) Provide for the taking of an action, including the amendment of the operating agreement, without the vote or approval of any member or manager or class or group of members or managers of the series;

(iv) Provide that any member or class or group of members of a series shall have no voting rights;

(v) Grant to all or certain identified members or managers or class or group of members or managers of the series the right to vote on any matter separately or with all or any class or group of members or managers of the series. Voting by members or managers may be on a per capita, number, financial interest, class, group or other basis.

(g) The management of a series shall be vested as follows:

(i) In the members of the series pursuant to W.S. 17-29-407(b). A member shall cease to be a member of a series upon

the divestment of all of the member's transferable interests of the series. The fact that a person ceases to be a member of a particular series shall not by itself cause the person to cease to be a member of the limited liability company or any other series thereof or cause the termination of the series, regardless of whether the person was the last remaining member of the series; or

(ii) If the operating agreement provides for the management of the series in whole or in part by a manager, the management shall be vested in one (1) or more managers who shall be chosen as provided in the operating agreement and who shall hold the offices and have the responsibilities as specified in the agreement. A manager shall cease to be a manager of a series as provided in an operating agreement and subject to W.S. 17-29-407(c)(v). The fact that a person ceases to be a manager of a particular series shall not by itself cause the person to cease to be a manager of the limited liability company or any other series thereof.

(h) Notwithstanding W.S. 17-29-404 and subject to subsections (j) and (m) of this section, if a member of a series becomes entitled to receive a distribution, the member has the status of, and is entitled to all remedies available to, a creditor of the series with respect to the distribution. An operating agreement may provide for the establishment of a record date for allocations and distributions associated with a series.

(j) Notwithstanding W.S. 17-29-405(a), a limited liability company may make a distribution with respect to a series that has been established under this section unless the total assets of the series after the distribution would be less than the sum of its total liabilities plus the amount that would be needed, if the series were to be dissolved, wound up and terminated at the time of the distribution, to satisfy the preferential rights upon winding up and termination of members whose preferential rights are superior to those of the persons receiving the distribution. A member that receives a distribution knowing that the distribution was made in violation of this subsection is personally liable to the series for the amount of the distribution. This subsection shall not affect any obligation or liability of a member under an agreement or other applicable law for the amount of a distribution, except that any action under this subsection shall be subject to W.S. 17-29-406(e). For purposes of this subsection, "distribution" does not include amounts constituting reasonable compensation for present or past

services or reasonable payments made in the ordinary course of business under a bona fide retirement plan or other benefits program.

(k) Subject to W.S. 17-29-702, a series established under this section may be terminated and its affairs wound up without causing the dissolution of the limited liability company. The termination of the series shall not affect the limitations on liabilities of the series as provided in subsection (b) of this section. A series is terminated and its affairs shall be wound up upon the occurrence of any of the following:

(i) The dissolution of the limited liability company under W.S. 17-29-702;

(ii) The time or happening of events specified in the operating agreement;

(iii) The vote or consent of members of the series who own more than two-thirds (2/3) of the interests in the profits of the series; or

(iv) On application by a member or manager of the series, the entry of a court order terminating the series on the grounds that it is not reasonably practicable to carry on the purposes of the series in conformity with the operating agreement.

(m) A person winding up the affairs of a series may, in the name of the limited liability company and for and on behalf of the limited liability company and the series, take all actions with respect to the series as authorized by W.S. 17-29-702. The person shall provide for the claims and obligations of the series and distribute the assets of the series as provided in W.S. 17-29-708. Actions taken in accordance with this subsection shall not affect the liability of members and shall not impose liability on a liquidating trustee appointed in accordance with this subsection. Notwithstanding W.S. 17-29-702, the following persons may wind up the affairs of a series:

(i) A manager of the series who has not wrongfully terminated the series;

(ii) If the series has no manager who qualifies under paragraph (i) of this subsection, the members of the series or a person approved by the members;

(iii) The members who own more than fifty (50%) percent of the interests in the profits of the series;

(iv) On application of a member or manager of the series or any personal representative or assignee of the member or manager, and upon cause shown, a court or a liquidating trustee appointed by the court.

(n) A foreign limited liability company doing business in this state and governed by an operating agreement that establishes or provides for the establishment of one (1) or more designated series of members, managers, transferable interests or assets shall state the following on its certificate of authority:

(i) That the operating agreement of the foreign limited liability company establishes or provides for the establishment of series having separate rights, powers or duties with respect to specified property or obligations of the foreign limited liability company or profits and losses associated with specified property or obligations;

(ii) If any of the debts, obligations or other liabilities of any particular series, whether arising in contract, tort or otherwise, shall be enforceable against the assets of the particular series only and not against the assets of the foreign limited liability company generally or any other series thereof;

(iii) If any of the debts, obligations or other liabilities of the foreign limited liability company generally or any other series thereof, whether arising in contract, tort or otherwise, shall be enforceable against the assets of the particular series.

(o) The secretary of state shall charge and collect fees from limited liability companies and foreign limited liability companies establishing one (1) or more series in the amount of ten dollars (\$10.00) per series designated or established under this section.

ARTICLE 3 - RELATIONS OF MEMBERS AND MANAGERS TO PERSONS DEALING WITH LIMITED LIABILITY COMPANY

17-29-301. No agency power of member as member.

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

(b) 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.

17-29-302. Statement of authority.

(a) A limited liability company may deliver to the secretary of state for filing a statement of authority. The statement:

(i) Shall include the name of the company and the street and mailing addresses of its designated office;

(ii) With respect to any position that exists in or with respect to the company, may state the authority, or limitations on the authority, of all persons holding the position to:

(A) Execute an instrument transferring real property held in the name of the company; or

(B) Enter into other transactions on behalf of, or otherwise act for or bind, the company; and

(iii) May state the authority, or limitations on the authority, of a specific person to:

(A) Execute an instrument transferring real property held in the name of the company; or

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

(b) To amend or cancel a statement of authority filed by the secretary of state under W.S. 17-29-205(a), a limited liability company shall deliver to the secretary of state for filing an amendment or cancellation stating:

(i) The name of the company;

(ii) The street and mailing addresses of the company's designated office;

(iii) The caption of the statement being amended or cancelled and the date the statement being affected became effective; and

(iv) The contents of the amendment or a declaration that the statement being affected is cancelled.

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

(d) Subject to subsection (c) of this section and W.S. 17-29-103(d) and except as otherwise provided in subsections (f), (g) and (h) of this section, a limitation on the authority of a person or a position contained in an effective statement of authority is not by itself evidence of knowledge or notice of the limitation by any person.

(e) Subject to subsection (c) of this section, a grant of authority not pertaining to transfers 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:

(i) The person has knowledge to the contrary;

(ii) The statement has been cancelled or restrictively amended under subsection (b) of this section; or

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

(f) Subject to subsection (c) of this section, an effective statement of authority that grants authority to transfer real property held in the name of the limited liability company and that is recorded by certified copy 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:

(i) The statement has been cancelled or restrictively amended under subsection (b) of this section and a certified copy of the cancellation or restrictive amendment has been recorded in the office for recording transfers of the real property; or

(ii) 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.

(g) Subject to subsection (c) of this section, 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.

(h) Subject to subsection (j) of this section, an effective statement of dissolution or termination is a cancellation of any filed statement of authority for the purposes of subsection (f) of this section and is a limitation on authority for the purposes of subsection (g) of this section.

(j) After a statement of dissolution becomes effective, a limited liability company may deliver to the secretary of state for filing and, if appropriate, may record a statement of authority that is designated as a post dissolution statement of authority. The statement operates as provided in subsections (f) and (g) of this section.

(k) Unless earlier cancelled, an effective statement of authority is cancelled by operation of law five (5) years after the date on which the statement, or its most recent amendment, becomes effective. This cancellation operates without need for any recording under subsection (f) or (g) of this section.

(m) An effective statement of denial operates as a restrictive amendment under this section and may be recorded by certified copy for the purposes of paragraph (f)(i) of this section.

17-29-303. Statement of denial.

(a) 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:

(i) Provides the name of the limited liability company and the caption of the statement of authority to which the statement of denial pertains; and

(ii) Denies the grant of authority.

17-29-304. Liability of members and managers.

(a) The debts, obligations or other liabilities of a limited liability company, whether arising in contract, tort or otherwise:

(i) Are solely the debts, obligations or other liabilities of the company; and

(ii) Do not become the debts, obligations or other liabilities of a member or manager solely by reason of the member acting as a member or manager acting as a manager.

(b) Repealed by Laws 2016, ch. 54, § 2.

(c) For purposes of imposing liability on any member or manager of a limited liability company for the debts, obligations or other liabilities of the company, a court shall consider only the following factors no one (1) of which, except fraud, is sufficient to impose liability:

(i) Fraud;

(ii) Inadequate capitalization;

(iii) Failure to observe company formalities as required by law; and

(iv) Intermingling of assets, business operations and finances of the company and the members to such an extent that there is no distinction between them.

(d) In any analysis conducted under subsection (c) of this section, a court shall not consider factors intrinsic to the character and operation of a limited liability company, whether a single or multiple member limited liability company. Factors intrinsic to the character and operation of a limited liability company include but are not limited to:

(i) The ability to elect treatment as a disregarded or pass-through entity for tax purposes;

(ii) Flexible operation or organization including the failure to observe any particular formality relating to the

exercise of the company's powers or management of its activities;

(iii) The exercise of ownership, influence and governance by a member or manager;

(iv) The protection of members' and managers' personal assets from the obligations and acts of the limited liability company.

ARTICLE 4 - RELATIONS OF MEMBERS TO EACH OTHER AND TO THE LIMITED LIABILITY COMPANY

17-29-401. Becoming a member.

(a) If a limited liability company is to have only one (1) member upon formation, the person becomes a member as determined 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.

(b) If a limited liability company is to have more than one (1) member upon formation, those persons become members as agreed by them. The organizer acts on behalf of the persons in forming the company and may be, but need not be, one of the persons.

(c) Reserved.

(d) After formation of a limited liability company, a person becomes a member:

(i) As provided in the operating agreement;

(ii) As the result of a transaction effective under article 10 of this chapter;

(iii) With the consent of all the members; or

(vi) If, within ninety (90) consecutive days after the company ceases to have any members:

(A) The last person to have been a member, or the legal representative of that person, designates a person to become a member; and

(B) The designated person consents to become a member.

(e) A person may become a member without acquiring a transferable interest and without making or being obligated to make a contribution to the limited liability company.

17-29-402. Form of contribution.

A contribution may consist of tangible or intangible property or other benefit to a limited liability company, including money, services performed, promissory notes, other agreements to contribute money or property and contracts for services to be performed.

17-29-403. Liability for contributions.

A person's obligation to make a contribution to a limited liability company is not excused by the person's death, disability or other inability to perform personally. If a person does not make a required contribution, the person or the person's estate is obligated to contribute money equal to the value of the part of the contribution which has not been made, at the option of the company.

17-29-404. Sharing of and right to distributions before dissolution.

(a) Any distributions made by a limited liability company before its dissolution and winding up shall be in equal shares among members and dissociated members, except:

(i) To the extent otherwise provided in a written or verbal operating agreement as set forth in W.S. 17-29-110;

(ii) To the extent necessary to comply with any transfer effective under W.S. 17-29-502 and any charging order in effect under W.S. 17-29-503; or

(iii) To the extent otherwise represented by the company through an authorized representative in tax filings with the Internal Revenue Service in which the status elected by the company is not timely disputed by any member.

(b) A person has a right to a distribution before the dissolution and winding up of a limited liability company only if the company decides to make an interim distribution. A

person's dissociation does not entitle the person to a distribution.

(c) 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 W.S. 17-29-708(c), a limited liability company may distribute an asset in kind 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.

(d) 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.

17-29-405. Limitations on distribution.

(a) A limited liability company shall not make a distribution if after the distribution:

(i) The company would not be able to pay its debts as they become due in the ordinary course of the company's activities; or

(ii) The 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, wound up and terminated at the time of the distribution, to satisfy the preferential rights upon dissolution, winding up and termination of members whose preferential rights are superior to those of persons receiving the distribution.

(b) A limited liability company may base a determination that a distribution is not prohibited under subsection (a) of this section on financial statements prepared on the basis of accounting practices and principles that are reasonable in the circumstances or on a fair valuation or other method that is reasonable under the circumstances.

(c) Except as otherwise provided in subsection (f) of this section, the effect of a distribution under subsection (a) of this section is measured:

(i) In the case of a distribution by purchase, redemption or other acquisition of a transferable interest in

the company, as of the date money or other property is transferred or debt incurred by the company; and

(ii) In all other cases, as of the date:

(A) The distribution is authorized, if the payment occurs within one hundred twenty (120) days after that date; or

(B) The payment is made, if the payment occurs more than one hundred twenty (120) days after the distribution is authorized.

(d) Except as otherwise expressly agreed in writing, a limited liability company's indebtedness to a member 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.

(e) A limited liability company's indebtedness, including indebtedness issued in connection with or as part of a distribution, is not a liability for purposes of subsection (a) of this section if the terms of the indebtedness provide that payment of principal and interest are made only to the extent that a distribution could be made to members under this section.

(f) If indebtedness is issued as a distribution, each payment of principal or interest on the indebtedness is treated as a distribution, the effect of which is measured on the date the payment is made.

(g) In subsection (a) of this section, "distribution" does not include amounts constituting reasonable compensation for present or past services or reasonable payments made in the ordinary course of business under a bona fide retirement plan or other benefits program.

17-29-406. Liability for improper distributions.

(a) Except as otherwise provided in subsection (b) of this section, if a member of a member-managed limited liability company or manager of a manager-managed limited liability company consents to a distribution made in violation of W.S. 17-29-405 and in consenting to the distribution fails to comply with W.S. 17-29-409, the member or manager is personally liable to the company for the amount of the distribution that exceeds

the amount that could have been distributed without the violation of W.S. 17-29-405.

(b) 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 (1) or more other members, the liability stated in subsection (a) of this section applies to the other members and not the member that the operating agreement relieves of authority and responsibility.

(c) A person that receives a distribution knowing that the distribution to that person was made in violation of W.S. 17-29-405 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 W.S. 17-29-405.

(d) A person against which an action is commenced because the person is liable under subsection (a) of this section may:

(i) Implead any other person that is subject to liability under subsection (a) of this section and seek to compel contribution from the person; and

(ii) Implead any person that received a distribution in violation of subsection (c) of this section and seek to compel contribution from the person in the amount the person received in violation of subsection (c) of this section.

(e) An action under this section is barred if not commenced within two (2) years after the distribution.

17-29-407. Management of limited liability company.

(a) A limited liability company is a member-managed limited liability company unless the articles of organization or the operating agreement:

(i) Expressly provides that:

(A) The company is or will be "manager-managed";

(B) The company is or will be "managed by managers"; or

(C) Management of the company is or will be "vested in managers"; or

(ii) Includes words of similar import.

(b) In a member-managed limited liability company, unless the articles of organization or the operating agreement provide otherwise, the following rules apply:

(i) The management and conduct of the company are vested in the members;

(ii) Each member has equal rights in the management and conduct of the company's activities except:

(A) That a member's interest is otherwise defined in W.S. 17-29-102(a)(xxiv);

(B) To the extent otherwise provided in any other provision in this chapter; or

(C) To the extent otherwise represented by the company through an authorized representative in tax filings with the Internal Revenue Service in which the status elected by the company is not timely disputed by any member.

(iii) A difference arising among members as to a matter in the ordinary course of the activities of the company may be decided by a majority of the members;

(iv) An act outside the ordinary course of the activities of the company may be undertaken only with the consent of all members;

(v) The operating agreement may be amended only with the consent of all members.

(c) In a manager-managed limited liability company, unless the articles of organization or the operating agreement provide otherwise, the following rules apply:

(i) Except as otherwise expressly provided in this chapter, any matter relating to the activities of the company is decided exclusively by the managers;

(ii) Each manager has equal rights in the management and conduct of the activities of the company;

(iii) A difference arising among managers as to a matter in the ordinary course of the activities of the company may be decided by a majority of the managers;

(iv) The consent of all members is required to:

(A) Sell, lease, exchange or otherwise dispose of all, or substantially all, of the company's property, with or without the good will, outside the ordinary course of the company's activities;

(B) Approve a merger, conversion, continuance, transfer or domestication under article 10 of this chapter;

(C) Undertake any other act outside the ordinary course of the company's activities; and

(D) Amend the operating agreement.

(v) A manager may be chosen at any time by the 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 consent of a majority of the members without notice or cause;

(vi) 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;

(vii) 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.

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

(e) 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.

(f) This article does not entitle a member 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.

17-29-408. Indemnification and insurance.

(a) A limited liability company shall reimburse for any payment made and indemnify for any debt, obligation or other liability incurred by a member of a member-managed company or the manager of a manager-managed company in the course of the member's or manager's activities on behalf of the company, if, in making the payment or incurring the debt, obligation or other liability, the member or manager complied with the duties stated in W.S. 17-29-405 and 17-29-409.

(b) A limited liability company may purchase and maintain insurance on behalf of a member or manager of the company against liability asserted against or incurred by the member or manager in that capacity or arising from that status.

17-29-409. Standards of conduct for members and managers.

(a) A member of a member-managed limited liability company owes to the company and, subject to W.S. 17-29-901(b), the other members the fiduciary duties of loyalty and care stated in subsections (b) and (c).

(b) The duty of loyalty of a member in a member-managed limited liability company includes the duties:

(i) To account to the company and to hold as trustee for it any property, profit or benefit derived by the member:

(A) In the conduct or winding up of the company's activities;

(B) From a use by the member of the company's property; or

(C) From the appropriation of a limited liability company opportunity;

(ii) To refrain from dealing with the company in the conduct or winding up of the company's activities as or on behalf of a person having an interest adverse to the company; and

(iii) To refrain from competing with the company in the conduct of the company's activities before the dissolution of the company.

(c) Subject to the business judgment rule, the duty of care of a member of a member-managed limited liability company in the conduct and winding up of the company's activities is to act with the care that a person in a like position would reasonably exercise under similar circumstances and in a manner the member reasonably believes to be in the best interests or at least not opposed to the best interests of the company. In discharging this duty, a member may rely in good faith upon opinions, reports, statements or other information provided by another person that the member reasonably believes is a competent and reliable source for the information.

(d) A member in a member-managed limited liability company or a manager-managed limited liability company shall discharge the duties under this chapter or under the operating agreement and exercise any rights consistently with the contractual obligation of good faith and fair dealing.

(e) It is a defense to a claim under paragraph (b)(ii) of this section and any comparable claim in equity or at common law that the transaction was fair to or at least not opposed to the limited liability company.

(f) All of 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.

(g) In a manager-managed limited liability company, the following rules apply:

(i) Subsections (a), (b), (c) and (e) of this section apply to the manager or managers and not the members;

(ii) The duty stated under paragraph (b)(iii) of this section continues until winding up is completed;

(iii) Subsection (d) of this section applies to the members and managers;

(iv) Subsection (f) of this section applies only to the members;

(v) A member does not have any fiduciary duty to the company or to any other member solely by reason of being a member.

17-29-410. Right of members, managers and dissociated members to information.

(a) In a member-managed limited liability company, the following rules apply:

(i) On reasonable notice, a member may inspect and copy during regular business hours, at a reasonable location specified by the company, any record maintained by the company regarding the company's activities, 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;

(ii) The company shall furnish to each member:

(A) On demand, any information concerning the company's activities, 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; and

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

(iii) The duty to furnish information under paragraph (ii) of this subsection also applies to each member to the extent the member knows any of the information described in paragraph (ii) of this subsection.

(b) In a manager-managed limited liability company, the following rules apply:

(i) The informational rights stated in subsection (a) of this section and the duty stated in paragraph (a)(iii) of this section apply to the managers and not the members;

(ii) During regular business hours and at a reasonable location specified by the company, a member may obtain from the company and inspect and copy full information regarding the activities, financial condition and other circumstances of the company as is just and reasonable if:

(A) The member seeks the information for a purpose material to the member's interest as a member;

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

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

(iii) Within ten (10) days after receiving a demand pursuant to subparagraph (ii)(B) of this subsection, the company shall in a record inform the member that made the demand:

(A) Of the information that the company will provide in response to the demand and when and where the company will provide the information; and

(B) If the company declines to provide any demanded information, the company's reasons for declining.

(iv) Whenever this chapter or an operating agreement provides for a member to give or withhold consent to a matter, before the consent is given or withheld, the company shall, upon demand, provide the member with all information that is known to the company and is material to the member's decision.

(c) On ten (10) days' demand made in a record received by a limited liability company, a dissociated member may have access to information to which the person was entitled while a member if the information pertains to the period during which the person was a member, the person seeks the information in good faith and the person satisfies the requirements imposed on a member by paragraph (b)(ii) of this section. The company shall respond to a demand made pursuant to this subsection in the manner provided in paragraph (b)(iii) of this section.

(d) 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.

(e) A member or dissociated member may exercise 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 (g) of this section applies both to the agent or legal representative and the member or dissociated member.

(f) The rights under this section do not extend to a person as transferee.

(g) 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, 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.

ARTICLE 5 - TRANSFERABLE INTERESTS AND RIGHTS OF TRANSFEREES AND CREDITORS

17-29-501. Nature of transferable interest.

A transferable interest is personal property.

17-29-502. Transfer of transferable interest.

(a) A transfer, in whole or in part, of a transferable interest:

(i) Is permissible;

(ii) Except as otherwise provided in this chapter, does not by itself cause a member's dissociation or a dissolution and winding up of the limited liability company's activities; and

(iii) Subject to W.S. 17-29-504, does not entitle the transferee to:

(A) Participate in the management or conduct of the company's activities; or

(B) Except as otherwise provided in subsection (c) of this section, have access to records or other information concerning the company's activities.

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

(c) 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.

(d) A transferable interest may be evidenced by a certificate of the interest issued by the limited liability company in a record, and, subject to this section, the interest represented by the certificate may be transferred by a transfer of the certificate.

(e) A limited liability company need not give effect to a transferee's rights under this section until the company has notice of the transfer.

(f) A transfer of a transferable interest in violation of a restriction on transfer contained in the operating agreement is ineffective as to a person having notice of the restriction at the time of transfer.

(g) Except as otherwise provided in W.S. 17-29-602(a)(iv)(B), when a member transfers a transferable interest, the transferor retains the rights of a member other than the interest in distributions transferred and retains all duties and obligations of a member.

(h) When a member transfers a transferable interest to a person that becomes a member with respect to the transferred interest, the transferee is liable for the member's obligations under W.S. 17-29-403 and 17-29-406(c) known to the transferee when the transferee becomes a member.

17-29-503. Charging order.

(a) 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. A charging order requires the limited liability company to pay over to the person to which the charging order was issued any distribution that would otherwise be paid to the judgment debtor.

(b) Reserved.

(c) Reserved.

(d) The member or transferee whose transferable interest is subject to a charging order under subsection (a) of this section 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.

(e) A limited liability company or one (1) 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.

(f) This article does not deprive any member or transferee of the benefit of any exemption laws applicable to the member's or transferee's transferable interest.

(g) This section provides the exclusive remedy by which a person seeking to enforce a judgment against a judgment debtor, including any judgment debtor who may be the sole member, dissociated member or transferee, may, in the capacity of the judgment creditor, satisfy the judgment from the judgment debtor's transferable interest or from the assets of the limited liability company. Other remedies, including foreclosure on the judgment debtor's limited liability interest and a court order for directions, accounts and inquiries that the judgment debtor might have made are not available to the judgment creditor attempting to satisfy a judgment out of the judgment debtor's interest in the limited liability company and may not be ordered by the court.

17-29-504. Power of personal representative of deceased member.

If a member dies, the deceased member's personal representative or other legal representative may exercise the rights of a transferee provided in W.S. 17-29-502(c) and, for the purposes of settling the estate, the rights of a current member under W.S. 17-29-410.

ARTICLE 6 - MEMBER'S DISSOCIATION

17-29-601. Member's power to dissociate; wrongful dissociation.

(a) 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 W.S. 17-29-602(a) (i).

(b) A person's dissociation from a limited liability company is wrongful only if the dissociation:

(i) Is in breach of an express provision of the operating agreement; or

(ii) Occurs before the termination of the company and:

(A) The person is expelled as a member by judicial order under W.S. 17-29-602(a) (v); or

(B) The person is dissociated under W.S. 17-29-602(a) (vii) (A) by becoming a debtor in bankruptcy.

(c) A person that wrongfully dissociates as a member is liable to the limited liability company and, subject to W.S. 17-29-901, to the other members for damages caused by the dissociation. The liability is in addition to any other debt, obligation or other liability of the member to the company or the other members.

17-29-602. Events causing dissociation.

(a) A person is dissociated as a member from a limited liability company when:

(i) The company 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 company had notice, on that later date;

(ii) An event stated in the operating agreement as causing the person's dissociation occurs;

(iii) The person is expelled as a member pursuant to the operating agreement;

(iv) The person is expelled as a member by the unanimous consent of the other members if:

(A) It is unlawful to carry on the company's activities with the person as a member;

(B) There has been a transfer of all of the person's transferable interest in the company, other than:

(I) A transfer for security purposes; or

(II) A charging order in effect under W.S. 17-29-503.

(C) The person is an entity as defined in W.S. 17-16-140(a) (xiii) and, within ninety (90) days after the company notifies the person that it will be expelled as a member because the person has filed articles of dissolution or the equivalent, its charter has been revoked, or its right to conduct business has been suspended by the jurisdiction of its incorporation, the articles of dissolution has not been revoked or its charter or right to conduct business has not been reinstated; or

(D) The person is some other entity not described in subparagraph (C) of this paragraph that has been dissolved and whose business is being wound up.

(v) On application by the 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 company's activities;

(B) Has willfully or persistently committed, or is willfully and persistently committing, a material breach of the operating agreement or the person's duties or obligations under W.S. 17-29-409; or

(C) Has engaged in, or is engaging in, conduct relating to the company's activities which makes it not reasonably practicable to carry on the activities with the person as a member.

(vi) In the case of a person who is an individual:

(A) The person dies; or

(B) In a member-managed limited liability company:

(I) A guardian or general conservator for the person is appointed; or

(II) There is a judicial order that the person has otherwise become incapable of performing the person's duties as a member under this chapter or the operating agreement.

(vii) In a member-managed limited liability company, the person:

(A) Becomes a debtor in bankruptcy;

(B) Executes an assignment for the benefit of creditors; or

(C) Seeks, consents to or acquiesces in the appointment of a trustee, receiver or liquidator of the person or of all or substantially all of the person's property.

(viii) 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 company is distributed;

(ix) 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 company is distributed;

(x) In the case of a member that is not an individual, partnership, limited liability company, corporation, trust or estate, the termination of the member;

(xi) The company participates in a merger under article 10 of this chapter, if:

(A) The company is not the surviving entity; or

(B) Otherwise as a result of the merger, the person ceases to be a member.

(xii) The company participates in a conversion under article 10 of this chapter;

(xiii) The company participates in a continuance, transfer or domestication under article 10 of this chapter, if, as a result of the continuance, transfer or domestication, the person ceases to be a member; or

(xiv) The company terminates.

17-29-603. Effect of person's dissociation as member.

(a) When a person is dissociated as a member of a limited liability company:

(i) The person's right to participate as a member in the management and conduct of the company's activities terminates;

(ii) If the company is member-managed, the person's fiduciary duties as a member end with regard to matters arising and events occurring after the person's dissociation; and

(iii) Subject to W.S. 17-29-504 and article 10 of this chapter, any transferable interest owned by the person immediately before dissociation in the person's capacity as a member is owned by the person solely as a transferee.

(b) 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.

ARTICLE 7 - DISSOLUTION AND WINDING UP

17-29-701. Events causing dissolution.

(a) A limited liability company is dissolved, and its activities must be wound up, upon the occurrence of any of the following:

(i) An event or circumstance that the operating agreement or articles of organization states causes dissolution;

(ii) The consent of all the members;

(iii) The passage of ninety (90) consecutive days during which the company has no members;

(iv) On application by a member, the entry of a court order dissolving the company on the grounds that:

(A) The conduct of all or substantially all of the company's activities is unlawful; or

(B) It is not reasonably practicable to carry on the company's activities in conformity with the articles of organization and the operating agreement; or

(v) On application by a member or dissociated member, the entry of a court order dissolving the company on the grounds that the managers or those members in control of the company:

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

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

(b) In a proceeding brought under paragraph (a)(v) of this section, the court may order a remedy other than dissolution.

17-29-702. Winding up.

(a) A dissolved limited liability company shall wind up its activities and the company continues after dissolution only for the purpose of winding up.

(b) In winding up its activities, a limited liability company:

(i) Shall discharge the company's debts, obligations, or other liabilities, settle and close the company's activities and marshal and distribute the assets of the company; and

(ii) May:

(A) Deliver to the secretary of state for filing articles of dissolution stating the name of the company and that the company is dissolved;

(B) Preserve the company activities and property as a going concern for a reasonable time;

(C) Prosecute and defend actions and proceedings, whether civil, criminal or administrative;

(D) Transfer the company's property;

(E) Settle disputes by mediation or arbitration;

(F) Reserved; and

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

(c) 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 of the company. If the person does so, the person has the powers of a sole manager under W.S. 17-29-407(c) and is deemed to be a manager for the purposes of W.S. 17-29-304(a)(ii).

(d) If the legal representative under subsection (c) of this section declines or fails to wind up the company's activities, 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. A person appointed under this subsection:

(i) Has the powers of a sole manager under W.S. 17-29-407(c) and is deemed to be a manager for the purposes of W.S. 17-29-304(a)(ii); and

(ii) Shall promptly deliver to the secretary of state for filing an amendment to the company's articles of organization to:

(A) State that the company has no members;

(B) State that the person has been appointed pursuant to this subsection to wind up the company; and

(C) Provide the street and mailing addresses of the person.

(e) A 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:

(i) On application of a member, if the applicant establishes good cause;

(ii) On the application of a transferee, if:

(A) The company does not have any members;

(B) The legal representative of the last person to have been a member declines or fails to wind up the company's activities; and

(C) Within a reasonable time following the dissolution a person has not been appointed pursuant to subsection (c) of this section; or

(iii) In connection with a proceeding under W.S. 17-29-701(a)(iv) or (v).

17-29-703. Known claims against dissolved limited liability company.

(a) Except as otherwise provided in subsection (d) of this section, a dissolved limited liability company may give notice of a known claim under subsection (b) of this section, which has the effect as provided in subsection (c) of this section.

(b) A dissolved limited liability company may in a record notify its known claimants of the dissolution. The notice shall:

(i) Specify the information required to be included in a claim;

(ii) Provide a mailing address to which the claim is to be sent;

(iii) State the deadline for receipt of the claim, which may not be less than one hundred twenty (120) days after the date the notice is received by the claimant; and

(iv) State that the claim will be barred if not received by the deadline.

(c) A claim against a dissolved limited liability company is barred if the requirements of subsection (b) of this section are met and:

(i) The claim is not received by the specified deadline; or

(ii) If the claim is timely received but rejected by the company:

(A) The 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 within ninety (90) days after the claimant receives the notice; and

(B) The claimant does not commence the required action within the ninety (90) days.

(d) This section does not apply to a claim based on an event occurring after the effective date of dissolution or a liability that on that date is contingent.

17-29-704. Other claims against dissolved limited liability company.

(a) 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.

(b) The notice authorized by subsection (a) of this section shall:

(i) Be published at least once 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 it has none in this state, in the county in which the company's designated office is or was last located;

(ii) Describe the information required to be contained in a claim and provide a mailing address to which the claim is to be sent; and

(iii) State that a claim against the company is barred unless an action to enforce the claim is commenced within three (3) years after publication of the notice.

(c) If a dissolved limited liability company publishes a notice in accordance with subsection (b) of this section, unless the claimant commences an action to enforce the claim against the company within three (3) years after the publication date of the notice, the claim of each of the following claimants is barred:

(i) A claimant that did not receive notice in a record under W.S. 17-29-703;

(ii) A claimant whose claim was timely sent to the company but not acted on; and

(iii) A claimant whose claim is contingent at, or based on an event occurring after, the effective date of dissolution.

(d) A claim not barred under this section or W.S. 17-29-703(c) may be enforced:

(i) Against a dissolved limited liability company, to the extent of its undistributed assets; and

(ii) If assets of the 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 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.

17-29-705. Administrative forfeiture of authority and articles of organization.

(a) If any limited liability company's registered agent has filed its resignation with the secretary of state and the limited liability company has not replaced its registered agent and registered office, or the limited liability company is without a registered agent or registered office in this state for any reason, it shall be deemed to be transacting business within this state without authority and to have forfeited any franchises, rights or privileges acquired under the laws thereof and the forfeiture shall be made effective in the following manner. The secretary of state shall provide by first class mail or by electronic means a notice of its failure to comply with aforesaid provisions. Unless compliance is made within sixty (60) days of mailing or electronic submission of the notice, the

limited liability company shall be deemed defunct and to have forfeited its articles of organization acquired under the laws of this state. Provided, that any defunct limited liability company may at any time within two (2) years after the forfeiture of its articles of organization or certificate of authority, in the manner herein provided, be revived and reinstated, by filing the necessary statement under this act and paying a reinstatement fee established by the secretary of state by rule, together with a penalty of two hundred fifty dollars (\$250.00). The reinstatement fee shall not exceed the costs of providing the reinstatement service. The limited liability company shall retain its registered name during the two (2) year reinstatement period under this section.

(b) If any limited liability company has failed to pay the fee required by W.S. 17-29-210 or any penalties imposed under W.S. 17-28-109, it shall be deemed to be transacting business within this state without authority and to have forfeited any franchises, rights or privileges acquired under the laws thereof. The forfeiture shall be made effective in the following manner. The secretary of state shall provide notice to the limited liability company at its last known mailing address by first class mail or by electronic means. Unless compliance is made within sixty (60) days of the date of notice the limited liability company shall be deemed defunct and to have forfeited its articles of organization or certificate of authority acquired under the laws of this state. Provided, that any defunct limited liability company may at any time within two (2) years after the forfeiture of its articles of organization or certificate of authority, be revived and reinstated by paying the amount of the delinquent fees. When the reinstatement is effective, it relates back to and takes effect as of the effective date deemed defunct pursuant to this subsection and the limited liability company resumes carrying on its business as if it had never been deemed defunct.

(c) A limited liability company shall be deemed to be transacting business within this state without authority, to have forfeited any franchises, rights or privileges acquired under the laws thereof and shall be deemed defunct and to have forfeited its articles of organization or certificate of authority acquired under the laws of this state, and the forfeiture shall be made effective in the manner provided in subsection (a) of this section, if:

(i) A member of the limited liability company signed a document he knew was false in any material respect with intent

that the document be delivered to the secretary of state for filing;

(ii) The limited liability company has failed to respond to a valid and enforceable subpoena; or

(iii) It is in the public interest and the limited liability company or any of its members:

(A) Failed to provide records to the registered agent as required in this chapter;

(B) Has provided fraudulent information or has failed to correct false information upon request of the secretary of state on any filing with the secretary of state under this chapter; or

(C) Cannot be served by either the registered agent or by mail or electronically by the secretary of state acting as the agent for process.

(d) The secretary of state may classify a limited liability company as delinquent awaiting forfeiture of its articles of organization or certificate of authority at the time the secretary of state provides the notice required under subsections (a) through (c) of this section to the limited liability company.

(e) In addition to the other provisions of this section, if any low profit limited liability company has ceased to meet the definition of a low profit limited liability company as provided in W.S. 17-29-102(a)(ix) and has failed for thirty (30) days after ceasing to meet the definition to file an amendment to its articles of organization with the secretary of state amending its name to conform with the requirements of W.S. 17-29-108, it shall be deemed to be transacting business in this state without authority and to have forfeited any franchises, rights or privileges acquired under the laws thereof and the forfeiture shall be made effective in the same manner as provided in subsection (a) of this section. The reinstatement provisions and fees provided in subsection (a) of this section shall apply.

17-29-706. Reserved.

17-29-707. Appeal from rejection of reinstatement.

Appeals of decisions of the secretary of state under this article may be made as provided in W.S. 17-16-1423.

17-29-708. Distribution of assets in winding up limited liability company's activities.

(a) In winding up its activities, a limited liability company shall apply its assets to discharge its obligations to creditors, including members that are creditors.

(b) After a limited liability company complies with subsection (a) of this section, any surplus shall be distributed in the following order, subject to any charging order in effect under W.S. 17-29-503:

(i) To each person owning a transferable interest that reflects contributions made by a member and not previously returned, an amount equal to the value of the unreturned contributions; and

(ii) In equal shares among members and dissociated members, except:

(A) To the extent otherwise provided in a written or verbal operating agreement as set forth in W.S. 17-29-110;

(B) To the extent necessary to comply with any transfer effective under W.S. 17-29-502; or

(C) To the extent otherwise represented by the company through an authorized representative in tax filings with the Internal Revenue Service in which the status elected by the company is not timely disputed by any member.

(c) If a limited liability company does not have sufficient surplus to comply with paragraph (b)(i) of this section, any surplus shall be distributed among the owners of transferable interests in proportion to the value of their respective unreturned contributions.

(d) Repealed by Laws 2017, ch. 51, § 2.

ARTICLE 8 - RESERVED

ARTICLE 9 - ACTIONS BY MEMBERS

17-29-901. Direct action by member.

(a) Subject to subsection (b) of this section, 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.

(b) A member maintaining a direct action under this section shall 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.

17-29-902. Derivative action.

(a) A member may maintain a derivative action to enforce a right of a limited liability company if:

(i) 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 a reasonable time; or

(ii) A demand under paragraph (i) of this subsection would be futile.

17-29-903. Proper plaintiff.

(a) Except as otherwise provided in subsection (b) of this section, a derivative action under W.S. 17-29-902 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.

(b) 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.

17-29-904. Pleading.

(a) In a derivative action under W.S. 17-29-902, the complaint shall state with particularity:

(i) The date and content of plaintiff's demand and the response to the demand by the managers or other members; or

(ii) If a demand has not been made, the reasons a demand under W.S. 17-29-902(a)(i) would be futile.

17-29-905. Special litigation committee.

(a) 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 enforcing a person's right to information under W.S. 17-29-410 or, for good cause shown, granting extraordinary relief in the form of a temporary restraining order or preliminary injunction.

(b) A special litigation committee may be composed of one (1) or more disinterested and independent individuals, who may be members.

(c) A special litigation committee may be appointed:

(i) In a member-managed limited liability company:

(A) By the consent of a majority of the members not named as defendants or plaintiffs in the proceeding; and

(B) If all members are named as defendants or plaintiffs in the proceeding, by a majority of the members named as defendants; or

(ii) In a manager-managed limited liability company:

(A) By a majority of the managers not named as defendants or plaintiffs in the proceeding; and

(B) If all managers are named as defendants or plaintiffs in the proceeding, by a majority of the managers named as defendants.

(d) After appropriate investigation, a special litigation committee may determine that it is in the best interests of the limited liability company that the proceeding:

- (i) Continue under the control of the plaintiff;
- (ii) Continue under the control of the committee;
- (iii) Be settled on terms approved by the committee;

or

- (iv) Be dismissed.

(e) After making a determination under subsection (d) of this section, a special litigation committee shall file with the court a statement of its determination and its report supporting its determination, giving notice to the plaintiff. 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 (a) of this section and allow the action to proceed under the direction of the plaintiff.

17-29-906. Proceeds and expenses.

(a) Except as otherwise provided in subsection (b) of this section:

(i) Any proceeds or other benefits of a derivative action under W.S. 17-29-902, whether by judgment, compromise or settlement, belong to the limited liability company and not to the plaintiff; and

(ii) If the plaintiff receives any proceeds, the plaintiff shall remit them immediately to the company.

(b) If a derivative action under W.S. 17-29-902 is successful in whole or in part, the court may award the plaintiff reasonable expenses, including reasonable attorney's

fees and costs, from the recovery of the limited liability company.

ARTICLE 10 - MERGER, CONVERSION, CONTINUANCE, TRANSFER
AND DOMESTICATION

17-29-1001. Definitions.

(a) As used in this chapter:

(i) "Constituent limited liability company" means a constituent organization that is a limited liability company;

(ii) "Constituent organization" means an organization that is party to a merger;

(iii) "Converted organization" means the organization into which a converting organization converts pursuant to W.S. 17-29-1006;

(iv) "Converting limited liability company" means a converting organization that is a limited liability company;

(v) "Converting organization" means an organization that converts into another organization pursuant to W.S. 17-29-1006;

(vi) "Governing statute" means the statute that governs an organization's internal affairs;

(vii) "Organization" means a general partnership, including a limited liability partnership, limited partnership, including a limited liability limited partnership, limited liability company, business trust, statutory trust, corporation or any other person having a governing statute. The term includes a domestic or foreign organization regardless of whether organized for profit;

(viii) "Organizational documents" means:

(A) For a domestic or foreign general partnership, its partnership agreement;

(B) For a limited partnership or foreign limited partnership, its certificate of limited partnership and partnership agreement;

(C) For a domestic or foreign limited liability company, its certificate or articles of organization and operating agreement, or comparable records as provided in its governing statute;

(D) For a business or statutory trust, its agreement of trust, declaration of trust or certificate of trust;

(E) For a domestic or foreign corporation for profit, its articles of incorporation, bylaws and other agreements among its shareholders which are authorized by its governing statute or comparable records as provided in its governing statute; and

(F) For any other organization, the basic records that create the organization and determine its internal governance and the relations among the persons that own it, have an interest in it or are members of it.

(ix) "Personal liability" means liability for a debt, obligation or other liability of an organization which is imposed on a person that co-owns, has an interest in or is a member of the organization:

(A) By the governing statute solely by reason of the person co-owning, having an interest in or being a member of the organization; or

(B) By the organization's organizational documents under a provision of the governing statute authorizing those documents to make one (1) or more specified persons liable for all or specified debts, obligations or other liabilities of the organization solely by reason of the person or persons co-owning, having an interest in or being a member of the organization.

(x) "Surviving organization" means an organization into which one (1) or more other organizations are merged whether the organization preexisted the merger or was created by the merger.

17-29-1002. Merger.

(a) A limited liability company may merge with one (1) or more other constituent organizations pursuant to this section, W.S. 17-29-1003 through 17-29-1005 and a plan of merger, if:

(i) The governing statute of each of the other organizations authorizes the merger;

(ii) The merger is not expressly prohibited by the law of a jurisdiction that enacted any of the governing statutes;

(iii) Each of the other organizations complies with its governing statute in effecting the merger; and

(iv) No member of a domestic limited liability company that is a party to the merger will, as a result of the merger, become personally liable for the liabilities or obligations of any other person or entity unless that member approves the plan of merger and otherwise consents to becoming personally liable.

(b) A plan of merger shall be in a record and shall include:

(i) The name and form of each constituent organization;

(ii) The name and form of the surviving organization and, if the surviving organization is to be created by the merger, a statement to that effect;

(iii) The terms and conditions of the merger, including the manner and basis for converting the interests in each constituent organization into any combination of money, interests in the surviving organization or other consideration;

(iv) If the surviving organization is to be created by the merger, the surviving organization's organizational documents that are proposed to be in a record; and

(v) If the surviving organization is not to be created by the merger, any amendments to be made by the merger to the surviving organization's organizational documents that are, or are proposed to be, in a record.

17-29-1003. Action on plan of merger by constituent limited liability company.

(a) Subject to W.S. 17-29-1014, a plan of merger shall be consented to by all the members of a constituent limited liability company.

(b) Subject to W.S. 17-29-1014 and any contractual rights, after a merger is approved, and at any time before articles of merger are delivered to the secretary of state for filing under W.S. 17-29-1004, a constituent limited liability company may amend the plan or abandon the merger:

(i) As provided in the plan; or

(ii) Except as otherwise prohibited in the plan, with the same consent as was required to approve the plan.

17-29-1004. Filings required for merger; effective date.

(a) After each constituent organization has approved a merger, articles of merger shall be signed on behalf of:

(i) Each domestic constituent limited liability company, as provided in W.S. 17-29-203(a); and

(ii) Each other constituent organization, as provided in its governing statute.

(b) Articles of merger under this section shall include:

(i) The name and form of each constituent organization and the jurisdiction of its governing statute;

(ii) The name and form of the surviving organization, the jurisdiction of its governing statute and, if the surviving organization is created by the merger, a statement to that effect;

(iii) The date the merger is effective under the governing statute of the surviving organization;

(iv) If the surviving organization is to be created by the merger:

(A) If it will be a limited liability company, the company's articles of organization; or

(B) If it will be an organization other than a limited liability company, the organizational document that creates the organization that is in a public record.

(v) If the surviving organization preexists the merger, any amendments provided for in the plan of merger for the organizational document that created the organization that are in a public record;

(vi) A statement as to each constituent organization that the merger was approved as required by the organization's governing statute;

(vii) If the surviving organization is a foreign organization not authorized to transact business in this state, the street and mailing addresses of an office that the secretary of state may use for the purposes of W.S. 17-29-1005(b); and

(viii) Any additional information required by the governing statute of any constituent organization.

(c) Each constituent limited liability company shall deliver the articles of merger for filing in the office of the secretary of state.

(d) A merger becomes effective under this chapter:

(i) If the surviving organization is a limited liability company, upon the later of:

(A) Compliance with subsection (c) of this section; or

(B) Subject to W.S. 17-29-205(c), as specified in the articles of merger; or

(ii) If the surviving organization is not a limited liability company, as provided by the governing statute of the surviving organization.

(e) If the secretary of state finds that the articles of merger comply with the requirements of law, that all required fees have been paid and a certificate has been requested, he shall issue a certificate of merger.

17-29-1005. Effect of merger.

(a) When a merger becomes effective:

(i) The surviving organization continues or comes into existence;

(ii) Each constituent organization that merges into the surviving organization ceases to exist as a separate entity;

(iii) All property owned by each constituent organization that ceases to exist vests in the surviving organization;

(iv) All debts, obligations or other liabilities of each constituent organization that ceases to exist continue as debts, obligations or other liabilities of the surviving organization;

(v) An action or proceeding pending by or against any constituent organization that ceases to exist may be continued as if the merger had not occurred;

(vi) Except as prohibited by other law, all of the rights, privileges, immunities, powers and purposes of each constituent organization that ceases to exist vest in the surviving organization;

(vii) Except as otherwise provided in the plan of merger, the terms and conditions of the plan of merger take effect;

(viii) Except as otherwise agreed, if a constituent limited liability company ceases to exist, the merger does not dissolve the limited liability company for the purposes of article 7 of this chapter;

(ix) If the surviving organization is created by the merger:

(A) If it is a limited liability company, the articles of organization becomes effective; or

(B) If it is an organization other than a limited liability company, the organizational document that creates the organization becomes effective; and

(x) If the surviving organization preexisted the merger, any amendments provided for in the articles of merger for the organizational document that created the organization become effective.

(b) A surviving organization that is a foreign organization consents to the jurisdiction of the courts of this state to enforce any debt, obligation or other liability owed by a constituent organization. A surviving organization that is a foreign organization and not authorized to transact business in this state appoints the secretary of state as its agent for service of process for the purposes of enforcing a debt, obligation or other liability under this subsection.

17-29-1006. Conversion.

An organization other than a limited liability company may be converted to a limited liability company pursuant to chapter 26 of this title and the organization's governing statutes.

17-29-1007. Reserved.

17-29-1008. Reserved.

17-29-1009. Effect of conversion.

(a) The effect of an organization other than a limited liability company converting to a limited liability company shall be as provided in chapter 26 of this title and the organization's governing statutes.

(b) A converted organization that is a foreign organization consents to the jurisdiction of the courts of this state to enforce any debt, obligation or other liability for which the converting limited liability company is liable. A converted organization that is a foreign organization and not authorized to transact business in this state appoints the secretary of state as its agent for service of process for purposes of enforcing a debt, obligation or other liability under this subsection.

17-29-1010. Continuance.

(a) Subject to subsection (b) of this section, any organization organized for any purpose except acting as an insurer as defined in W.S. 26-1-102(a)(xvi), or acting as a financial institution under the laws of any foreign jurisdiction may, if the foreign jurisdiction will acknowledge that the organization's domicile has terminated in the foreign jurisdiction, apply to the secretary of state for registration under this act. The secretary of state may issue a certificate

of registration upon receipt of an application supported by articles of continuance as provided by this act together with the statements, information and documents set out in subsection (c) of this section. The certificate of registration may then be issued continuing the organization in Wyoming as if it had been organized as a limited liability company in this state. The certificate of registration may be subject to any limitations and conditions as may appear proper to the secretary of state.

(b) The secretary of state shall cause notice of issuance of a certificate of registration to be given forthwith to the proper officer of the foreign jurisdiction in which the organization was previously organized.

(c) The articles of continuance filed by a foreign organization with the secretary of state shall contain:

(i) A certified copy of its original articles of organization and all amendments thereto or its equivalent basic charter;

(ii) The names of the organization and the foreign jurisdiction in which it has previously been lawfully organized;

(iii) The date of organization;

(iv) The address of its principal mailing address;

(v) The name and address of the proposed registered agent in this state;

(vi) Reserved;

(vii) Repealed By Laws 2014, Ch. 65, § 2.

(viii) Repealed By Laws 2014, Ch. 65, § 2.

(ix) Repealed By Laws 2014, Ch. 65, § 2.

(x) Any additional information permitted in articles of organization under W.S. 17-29-201.

(d) The application shall be executed by the manager or managers if any or by any member who is authorized to execute the application on behalf of the organization.

(e) The provisions of the articles of continuance may, without expressly so stating, vary from the provisions of the organization's articles of organization or equivalent basic charter or other authorization, if the variation is one which a company organized under the Revised Uniform Limited Liability Company Act could effect by way of amendment to its articles of organization. Upon issuance of a certificate of continuance by the secretary of state, the articles of continuance shall be deemed to be the articles of organization of the continued organization. The organization may elect to incorporate by reference in the articles of continuance its basic charter or other authorization which has been adopted by it in the foreign jurisdiction, in order to permit the same to continue to act as the articles of organization, provided, however, that the basic charter or other authorization shall be deemed amended to the extent necessary to make the same conform to the laws of Wyoming and to the provisions of the articles of continuance.

(f) Except for the purpose of W.S. 16-6-101 through 16-6-118, the existence of any organization heretofore or hereafter issued a certificate of continuation under this act shall be deemed to have commenced on the date the organization commenced its existence in the jurisdiction in which it was first formed, organized or otherwise came into being. The laws of Wyoming shall apply to an organization continuing under this act to the same extent as if it had been organized under the laws of Wyoming from and after the issuance of a certificate of continuation under this act by the secretary of state. When a foreign organization is continued under this act, the continuance shall not affect the ownership of its property, or its liability for any existing obligations, causes of action, claims, pending or threatened prosecution or civil or administration actions, convictions, rulings, orders or judgments.

(g) Continuance under this act does not deprive a member of any right or privilege that he claims under, or relieve any member of any liability in respect of, his membership.

17-29-1011. Transfer of a Wyoming limited liability company to another jurisdiction.

(a) A limited liability company created, domesticated or continued under this chapter may, if authorized by resolution duly adopted as set forth in subsection (f) of this section, and by the laws of any other jurisdiction, within or without the United States, apply to the proper officer of the other

jurisdiction for a certificate of registration, and to the secretary of state of this state for a certificate of transfer. The application for certificate of transfer shall set forth the following:

(i) The name of the limited liability company immediately prior to the transfer, and if that name is unavailable for use in the foreign jurisdiction or the limited liability company desires to change its name in connection with the transfer, the name by which the limited liability company will be known in the foreign jurisdiction;

(ii) A statement of the jurisdiction to which the limited liability company is to be transferred;

(iii) A statement that the limited liability company shall surrender its articles of organization under this chapter upon the effectiveness of the transfer;

(iv) A statement that the transfer was duly approved by the members in the manner required under subsection (f) of this section; and

(v) Any other terms and conditions of the transfer, including any desired amendments to the articles of organization of the limited liability company following its transfer.

(b) The secretary of state shall require that the limited liability company maintain within the state an agent for service of process for at least one (1) year after the transfer is effected and shall impose any conditions he considers appropriate for the protection of creditors, including the provision of notice to the public of the application described in subsection (a) of this section, the provision of a bond or a deposit of funds in an appropriate depository located in Wyoming and subject to the jurisdiction of the courts of Wyoming, and if such conditions are not met, the secretary of state may refuse to issue a certificate of transfer.

(c) The secretary of state, upon compliance by the applicant and the secretary with subsections (a) and (b) of this section and receipt of payment of the special toll charge prescribed by subsection (e) of this section shall immediately transmit a notice of issuance of a certificate of transfer to the proper officer of the jurisdiction to which the limited liability company is transferred.

(d) Upon issuance of a certificate of transfer, the limited liability company shall be continued as if it had been organized under the laws of the other jurisdiction and becomes a limited liability company under the laws of the other jurisdiction upon issuance by such jurisdiction of a certificate of registration.

(e) Every limited liability company organized, domesticated or continued under the laws of this state in order to receive a certificate of transfer pursuant to subsection (c) of this section shall pay to the secretary of state, in addition to all other statutory taxes and fees, a special toll charge of sixty dollars (\$60.00).

(f) A resolution to transfer the limited liability company to another jurisdiction shall be adopted by the members.

(g) The limited liability company may represent to the proper officer of the jurisdiction to which the limited liability company is transferred that the laws of the state of Wyoming permit such transfer, and may describe the permission extended by this section as authorizing the domestication, continuance or other transfer of domicile as may be required by the laws of the foreign jurisdiction in order for the limited liability company to be accepted in that jurisdiction, provided that the limited liability company may not misrepresent the requirements or effects of the provisions of this section.

17-29-1012. Domestication of foreign limited liability companies.

Any limited liability company created under the laws of any of the several states of the United States for any purpose except acting as an insurer as defined in W.S. 26-1-102(a)(xvi), or acting as a financial institution may become a domestic limited liability company of this state by delivering or causing to be delivered to the secretary of state articles of domestication. Upon filing the articles of domestication, the secretary of state shall issue to the foreign limited liability company a certificate of domestication which shall continue the company as if it had been created under this chapter. The articles of domestication, upon being filed by the secretary of state, constitute the articles of the domesticated foreign limited liability company and it shall thereafter have all the powers and privileges and be subjected to all the duties and limitations granted and imposed upon domestic limited liability

companies under the provisions of the Revised Uniform Limited Liability Company Act.

17-29-1013. Application for certificate of domestication; articles of domestication.

(a) A foreign limited liability company, in order to procure a certificate of domestication shall file articles of domestication with the secretary of state, which articles shall include and set forth:

(i) A certified copy of its original articles of organization and all amendments thereto or its equivalent basic charter or other authorization, and a certificate of good standing not more than thirty (30) days old;

(ii) The name of the company and the jurisdiction under the laws of which it is created;

(iii) The date of organization and the period of duration of the company;

(iv) The address of the principal office of the company and the jurisdiction under the laws of which it is created;

(v) The address of the proposed registered office of the company in this state, and the name of its proposed registered agent in this state at that address;

(vi) Repealed By Laws 2014, Ch. 65, § 2.

(vii) Repealed By Laws 2014, Ch. 65, § 2.

(viii) Repealed By Laws 2014, Ch. 65, § 2.

(ix) Repealed By Laws 2014, Ch. 65, § 2.

(x) Any additional information permitted in articles of organization under W.S. 17-29-201.

17-29-1014. Restrictions on approval of mergers, conversions, continuances, transfers and domestications.

(a) If a member of a constituent, converting, continuing, transferring or domesticating limited liability company will have personal liability with respect to a surviving, converted,

continued, transferred or domesticated organization, approval or amendment of a plan of merger, conversion, continuance, transfer or domestication are ineffective without the consent of the member, unless:

(i) The company's operating agreement provides for approval of a merger, conversion, continuance, transfer or domestication with the consent of fewer than all the members; and

(ii) The member has consented to the provision of the operating agreement.

(b) A member does not give the consent required by subsection (a) of this section merely by consenting to a provision of the operating agreement that permits the operating agreement to be amended with the consent of fewer than all the members.

17-29-1015. Article not exclusive.

This article does not preclude an entity from being merged, converted, continued, transferred or domesticated under law other than this chapter.

ARTICLE 11 - MISCELLANEOUS PROVISIONS

17-29-1101. Uniformity of application and construction.

In applying and construing this uniform act, consideration shall be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

17-29-1102. Secretary of state powers.

The secretary of state has the power reasonably necessary to perform the duties required of him by this chapter. The secretary of state shall promulgate reasonable rules and regulations necessary to carry out the purposes of this chapter.

17-29-1103. Application to existing domestic limited liability companies.

(a) Except as provided in subsection (b) of this section, this chapter applies to domestic limited liability companies in

existence on July 1, 2010 that were organized under any general statute of this state providing for organization of limited liability companies.

(b) For limited liability companies organized in Wyoming prior to the effective date of this chapter, the management provisions contained in former W.S. 17-15-116, the division of profits provisions contained in former W.S. 17-15-119, the distribution of assets upon dissolution provisions contained in former W.S. 17-15-126 and the stated term provisions contained in former W.S. 17-15-107(a)(ii) are continued for a period of four (4) years from the effective date of this chapter unless the limited liability company amends its articles of organization to provide otherwise.

17-29-1104. Applications to qualified foreign limited liability companies.

A foreign limited liability company authorized to transact business in this state on the effective date of this chapter is subject to this chapter but is not required to obtain a new certificate of authority to transact business under this chapter.

17-29-1105. Saving provisions.

(a) Except as provided in subsection (b) of this section, the repeal of a statute by this act does not affect:

(i) The operation of the statute or any action taken under it before its repeal;

(ii) Any ratification, right, remedy, privilege, obligation or liability acquired, accrued or incurred under the statute before its repeal;

(iii) Any violation of the statute, or any penalty, forfeiture or punishment incurred because of the violation, before its repeal; or

(iv) Any proceeding or dissolution commenced under the statute before its repeal, and the proceeding or dissolution may be completed in accordance with the statute as if it had not been repealed.

(b) If a penalty or punishment imposed for violation of a statute repealed by this act is reduced by this act, the penalty

or punishment if not already imposed shall be imposed in accordance with this act.

CHAPTER 25 - CLOSE LIMITED LIABILITY COMPANY SUPPLEMENT

17-25-101. Short title.

This chapter shall be known and may be cited as the "Wyoming Close Limited Liability Company Supplement."

17-25-102. Application of Wyoming Limited Liability Company Act.

(a) The Wyoming Limited Liability Company Act applies to close limited liability companies to the extent not inconsistent with the provisions of this chapter and the powers provided the secretary of state by W.S. 17-29-1102 shall apply to this supplement.

(b) This chapter does not repeal or modify any statute or rule of law that is or would apply to a limited liability company that is organized under the Wyoming Limited Liability Company Act that does not elect to become a close limited liability company.

17-25-103. Definition and election of close limited liability company status.

(a) A close limited liability company is a limited liability company whose articles of organization contain a statement that the company is a close limited liability company.

(b) A limited liability company formed under W.S. 17-29-101 through 17-29-1102 may convert to a close limited liability company by amending its articles of organization to include the statement required by subsection (a) of this section.

(c) A statement in substantially the following form shall appear conspicuously in the operating agreement and on any certificates of ownership in a close limited liability company:

NOTICE OF RESTRICTIONS ON TRANSFERS AND WITHDRAWALS

The rights of members in a close limited liability company may differ materially from the rights of members in other limited liability companies. The Close Limited Liability Company

Supplement, articles of organization, and operating agreement of a close limited liability company may restrict transfer of ownership interests, withdrawal or resignation from the company, return of capital contributions and dissolution of the company.

17-25-104. Formation.

Any person may form a close limited liability company which shall have one (1) or more members by signing and delivering one (1) original and one (1) exact or conformed copy of the articles of organization to the secretary of state for filing. The person forming the close limited liability company need not be a member of the company.

17-25-105. Articles of organization.

The articles of organization of a close limited liability company shall include a statement that the company is a close limited liability company and shall set forth the matters required by W.S. 17-29-201.

17-25-106. Management.

Management of a close limited liability company shall be vested in its members which, unless otherwise provided in the operating agreement, shall be in proportion to the division of profits and losses among members. If provision is made for it in the articles of organization, management of the company may be vested in a manager or managers who shall be appointed in the articles of organization or operating agreement or elected by the members in the manner prescribed by the operating agreement of the company. The manager or managers, or persons appointed by the manager or managers, shall also hold the offices and have the responsibilities accorded to them by the members and set out in the operating agreement of the company.

17-25-107. Withdrawal of members and return of members' contributions to capital.

(a) A member may only withdraw from a close limited liability company upon the terms and conditions set forth in the operating agreement. If no terms and conditions for withdrawal of a member are set forth in the company's operating agreement, a member may withdraw only with the consent of all other members of the company.

(b) A member shall not receive out of close limited liability company property any part of his or its contribution to capital unless:

(i) All liabilities of the company, except liabilities to members on account of their contributions to capital, have been paid or there remains property of the company sufficient to pay them; and

(ii) All members consent to such return of contributions to capital; and either:

(A) The company is dissolved; or

(B) The articles of organization or operating agreement of the company otherwise provide for the return of contributions to capital.

(iii) Repealed By Laws 2008, Ch. 116, § 2.

(iv) Repealed By Laws 2008, Ch. 116, § 2.

(c) In the absence of a statement in the articles of organization to the contrary or the consent of all members of the close limited liability company, a member, irrespective of the nature of his or its contribution, has only the right to demand and receive cash in return for his or its contribution to capital.

(d) A member of a close limited liability company may not have the company dissolved for a failure to return his or its contribution to capital.

17-25-108. Dissolution.

(a) A close limited liability company organized under this chapter shall be dissolved upon the occurrence of any of the following events:

(i) When the period fixed for the duration of the company expires;

(ii) By the unanimous written agreement of all members; or

(iii) At the time or upon the occurrence of events specified in the operating agreement.

(b) As soon as possible following the occurrence of any of the events specified in subsection (a) of this section causing the dissolution of a close limited liability company, the company shall execute a statement of intent to dissolve in the form prescribed by the secretary of state.

17-25-109. Repealed By Laws 2010, Ch. 94, § 3.

17-25-110. Sharing of profits and losses; distributions.

(a) A close limited liability company may divide and allocate the profits and losses of its business among the members and transferees of the company upon the basis provided in the operating agreement. If the operating agreement does not so provide, profits and losses shall be allocated on the basis of the value of contributions to the company by each member and transferee to the extent they have been received by the company and have not been returned.

(b) Distributions by a close limited liability company before its dissolution and winding up may be made among the members and transferees of the company upon the basis provided in the operating agreement. If the operating agreement does not so provide, distributions shall be made on the basis of the value of contributions to the company by each member and transferee to the extent they have been received by the company and have not been returned.

17-25-111. Transferability of interest.

All interests in a close limited liability company, including transferable interests, shall only be transferred as provided in the operating agreement. If the operating agreement does not so provide, no transfer of a close limited liability company interest, including a transferable interest, shall be made without the consent of all members of the company.