

IC 23-18.1-4

Chapter 4. Formation

Effective 1-1-2017.

IC 23-18.1-4-1

Operating agreement requirement

Effective 1-1-2017.

Sec. 1. A master limited liability company must have an operating agreement.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-2

Establishment of designated series of members, managers, or limited liability company interests

Effective 1-1-2017.

Sec. 2. An operating agreement of a master limited liability company may establish or provide for the establishment of one (1) or more designated series of members, managers, or limited liability company interests that:

- (1) have separate rights, powers, or duties with respect to:
 - (A) specified property or obligations of the limited liability company; or
 - (B) profits and losses associated with specified property or obligations; and
- (2) to the extent provided in the operating agreement, may have a separate business purpose or investment objective.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-3

Establishment of classes or groups of members or managers

Effective 1-1-2017.

Sec. 3. An operating agreement may also:

- (1) provide for classes or groups of members or managers associated with a series having relative rights, powers, and duties as the operating agreement may provide;
- (2) make provisions for the future creation of additional classes or groups of members or managers associated with the series having relative rights, powers, and duties as may from time to time be established, including rights, powers, and duties senior to existing classes and groups of members or managers associated with the series; and
- (3) provide for the taking of an action, without the vote or approval of any member or manager or class or group of members or managers, including:
 - (A) the amendment of the operating agreement; or
 - (B) an action to create, under the provisions of the operating agreement, a class or group of the series of limited liability company interests that was not previously outstanding.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-4

Series with limited liability treated as separate entity; authority of series

Effective 1-1-2017.

Sec. 4. (a) A series with limited liability must be treated as a separate entity to the extent set forth in the articles of organization of the master limited liability company.

(b) Each series with limited liability may, in its own name, do all the following:

- (1) Contract.
- (2) Hold title to assets, including real, personal, and intangible property.
- (3) Grant liens and security interests.
- (4) Sue and be sued.
- (5) Otherwise conduct business and exercise the powers of a limited liability company under this article.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-5

Agreement by member or manager to be obligated for debts, obligations, and liabilities

Effective 1-1-2017.

Sec. 5. In an operating agreement for a master limited liability company or in another written agreement, a member or manager may agree to be obligated personally for any or all of the debts, obligations, and liabilities of one (1) or more series.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-6

Management of series

Effective 1-1-2017.

Sec. 6. (a) A series may be managed, as provided in an operating agreement or series agreement, as applicable, by:

- (1) the member or members associated with the series; or
- (2) a manager or managers chosen by the members of the series.

(b) Unless otherwise provided in an operating agreement, the management of a series must be vested in the members associated with the series.

(c) If the operating agreement provides for a manager or managers, the manager or managers have the authority to manage the business or affairs of the series, except to the extent that the operating agreement reserves the authority to any members or class or group of members of the series.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-7

Cease to be manager of series; limitation of effect

Effective 1-1-2017.

Sec. 7. Except as otherwise provided in an operating agreement, any event under this article or in an operating agreement that causes a manager to cease to be a manager with respect to a series does not, in itself, cause the manager to cease to be a manager of the master limited liability company or with respect to any other series of the master limited liability company.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-8

Assignment, transfer, or redemption of member's limited liability company interest; cease association with series; limitation of effect

Effective 1-1-2017.

Sec. 8. (a) Unless otherwise provided in the operating agreement, a member ceases to:

- (1) be associated with a series; and
- (2) have the power to exercise any rights or powers of a member with respect to the series;

upon the assignment, transfer, or redemption of all the member's limited liability company interest with respect to the series.

(b) Except as otherwise provided in an operating agreement, any event under this article or an operating agreement that causes a member to cease to be associated with a series does not, in itself, cause the:

- (1) member to cease to be associated with any other series or terminate the continued membership of a member in the master limited liability company; or
- (2) termination of the series, regardless of whether the member was the last remaining member associated with the series, unless the business of the series is not continued as provided for under IC 23-18-9-1.1(c).

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-9

Voting rights

Effective 1-1-2017.

Sec. 9. (a) An operating agreement may grant to:

- (1) all or certain identified members or managers; or
- (2) a specified class or group of members or managers;

associated with a series the right to vote separately or with all or any class or group of the members or managers associated with the series, on any matter.

(b) Voting by members or managers associated with a series may be on a per capita, number, financial interest, class, group, or any other basis.

(c) An operating agreement may provide that any member or class or group of members associated with a series has no voting rights.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-10

Elections by master limited liability company and any series

Effective 1-1-2017.

Sec. 10. (a) A master limited liability company and any of its series may elect any of the following:

- (1) To consolidate their operations as a single taxpayer to the extent permitted under applicable law.
- (2) To work cooperatively.
- (3) To contract jointly.
- (4) To be treated as a single business for purposes of qualification to do business in Indiana or any other state.

(b) Any elections under subsection (a) do not affect the limitation of liability set forth in IC 23-18.1-5-1 except to the extent that two (2) or more series have specifically accepted joint or joint and several liability by contract.

As added by P.L.170-2016, SEC.19.