

**Section 301 Revision for
Drafting Committee Internet Meeting on Wednesday, October 26, 2016
2:00 – 3:30 PM Central**

SECTION 301. ASSOCIATED ASSET.

(a) Only an asset of a protected series may be an associated asset of the protected series.
Only an asset of a series limited liability company may be an associated asset of the company.

(b) An asset of a protected series is an associated asset of the protected series only if the protected series creates and maintains records that state the name of the protected series and describe the asset with sufficient specificity to permit a disinterested, reasonable {[individual] [person]} to:

(1) identify the asset and distinguish it from any other assets of the protected series, any assets of the series limited liability company, and any assets of any other protected series of the company; and

(2) determine:

(A) when and from what person the protected series acquired the asset; and

(B) if the protected series acquired the asset from the company or another protected series of the company, the consideration paid, the payer, and the payee.

(c) An asset of a series limited liability company is an associated asset of the company only if the company creates and maintains records that state the name of the company and describe the asset with sufficient specificity to permit a disinterested, reasonable {[individual] [person]} to:

(1) identify the asset and distinguish it from any other assets of the company and any assets of any protected series of the company; and

(2) determine:

(A) when and from what person the company acquired the asset; and

(B) if the company acquired the asset from a protected series of the company, the consideration paid, the payer, and the payee.

(d) The records and recordkeeping required by subsections (b) and (c) may be organized in any reasonable fashion, including by specific listing, category, type, quantity, computational or allocational formula or procedure (including a percentage or share of any asset or assets).

(e) To the extent permitted by law {of this state} other than this [act] and subject to subsections (a) (b), and (c), a series limited liability company or a protected series of the company may hold an associated asset directly or indirectly, through a representative, nominee, or similar arrangement,{but a protected series may not hold an associated asset in the name of the company or another protected series of the company, and the company may not hold an associated asset in the name of a protected series of the company.}