

**ULLCA II
SERIES DRAFT**

**[ARTICLE] 2 FORMATION: CERTIFICATE OF ORGANIZATION AND
OTHER FILINGS**

**SECTION 210. SERIES OF MEMBERS, MANAGERS OR LIMITED LIABILITY
COMPANY INTERESTS**

- (a) The operating agreement may establish series of members of the limited liability company having separate rights, powers or duties with respect to specified property or obligations of the limited liability company.
- (b) Except as provided in subsections (b), the limited liability company and each series are liable jointly and severally for debts, obligations and liabilities of the limited liability company and each series unless otherwise agreed by the claimant or provided by law.
- (c) The debts, obligations and liabilities of the limited liability company or a series of the limited liability company, whether arising in contract, tort, or otherwise, are solely the debts, obligations, and liabilities of the limited liability company or a series respectively provided:
 - (i) separate and distinct records are maintained for the limited liability company and each series;
 - (ii) assets associated with the limited liability company and each series are held, directly or indirectly, including through a nominee or otherwise, and accounted for separately in the separate and distinct records;
 - (iii) the certificate of organization states that the debts, obligations, and liabilities of a series are limited as provided in this subsection; and
 - (iv) the limited liability company has filed with the [Secretary of State] and paid the requisite fee a certificate of designation as provided in subsection (e) for each series so designated whose debts, obligations and liabilities and obligations are limited as provided in this subsection.
- (d) The subsection (c)(iii) requirement in the articles of organization is notice of the limitation on liabilities of a designated series and is sufficient for all purposes of subsection (c) regardless of whether the limited liability company has established any series when such notice is included in the certificate or whether a series has any members.

- (e) A certificate of designation must state:
 - (i) a name for each designated series that contains the entire name of the limited liability company but otherwise complies with Section 108, and
 - (ii) a street and mailing address of the designated office and name and mailing address of an agent for service of process, if either is different from that specified for the limited liability company.
- (f) A designated series of a limited liability company is formed when the [Secretary of State] files the certificate of designation, unless the certificate states a delayed effective date, then as provided in Section 201(d). The filing of the certificate of designation by the [Secretary of State] is conclusive proof that a designated series has been formed.
- (g) Upon compliance with Section 209, the [Secretary of State] shall furnish a certificate of existence for a designated series of a limited liability company or a certificate of authorization for a designated series of a foreign limited liability company.
- (h) A series of a limited liability company will be deemed to be in good standing as long as the limited liability company is in good standing.
- (i) The articles of organization may provide that a designated series shall be treated as a separate entity distinct from the limited liability company, other series of the limited liability company, and members.
- (j) A series may have any lawful purpose, regardless of whether for profit or different from the purpose of the limited liability company or another series.
- (k) A designated series 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.
- (l) The law of this state governs:
 - (i) the internal affairs of a series, and
 - (ii) the liability of a member or manager of a series as a member or manager of that series.
- (m) Subject to Section 407, the management of a series is vested in the members collectively.
- (n) The events causing dissociation of a member specified in Section 602 shall be applied separately to a person who is a member in more than one series or a member in a series and the limited liability company.

- (o) Except as otherwise provided in Section 701, a series of a limited liability company may be dissolved and wound up without causing the dissolution of the limited liability company.
- (p) A series may not engage in an Article 10 transaction independent of the limited liability company.
- (q) In all matters not otherwise specifically addressed in this section, this [act] governs a series as if the series were a separate limited liability company formed under this [act].

THE END