

Sunsets 1/1/2016

48-2c-803 Management by members.

In a member-managed company, each member shall be subject to the duties described in Section 48-2c-807 and, unless otherwise provided in this chapter, in the articles of organization, or an operating agreement:

- (1) the affirmative vote, approval, or consent of members holding a majority of profits interests in the company shall be required to decide any matter connected with the business of the company;
- (2) the affirmative vote, approval, or consent of all members shall be required to:
 - (a) amend the articles of organization, except to make ministerial amendments including:
 - (i) amendments made only to reflect actions previously taken with the requisite approval, such as a change in managers; or
 - (ii) to change an address;
 - (b) amend the operating agreement, except to make ministerial amendments, including:
 - (i) amendments made only to reflect actions previously taken with the requisite approval, such as a change in managers; or
 - (ii) to change an address; or
 - (c)
 - (i) authorize a member or any other person to do any act on behalf of the company that contravenes the articles of organization or operating agreement; and
 - (ii) after authorizing an act under Subsection (2)(c)(i) to terminate the authority so granted; and
- (3) the affirmative vote, approval, or consent of members holding 2/3 of the profits interests in the company shall be required to bind the company to any of the following actions:
 - (a)
 - (i) authorizing a member or any other person to do any act on behalf of the company that is not in the ordinary course of the company's business, or business of the kind carried on by the company; and
 - (ii) after authorizing an act under Subsection (3)(a)(i) to terminate the authority so granted;
 - (b) making a current distribution to members;
 - (c) resolving any dispute connected with the usual and regular course of the company's business;
 - (d) making a substantial change in the business purpose of the company;
 - (e) a conversion of the company to another entity;
 - (f) a merger in which the company is a party to the merger;
 - (g) any sale, lease, exchange, or other disposition of all or substantially all of the company's property other than in the usual and regular course of the company's business;
 - (h) any mortgage, pledge, dedication to the repayment of indebtedness, whether with or without recourse, or other encumbering of all or substantially all of the company's property other than in the usual and regular course of the company's business; or
 - (i) any waiver of a liability of a member under Section 48-2c-603.