

**48-3a-1111 Purchase of interest upon death, incapacity, or disqualification of member.**

- (1) Subject to this part, one or more of the following may provide for the purchase of a member's interest in a professional services company upon the death, incapacity, or disqualification of the member:
  - (a) the certificate of organization;
  - (b) the operating agreement; or
  - (c) a private agreement.
- (2) In the absence of a provision described in Subsection (1), a professional services company shall purchase the interest of a member who is deceased, incapacitated, or no longer qualified to own an interest in the professional services company within 90 days after the day on which the professional services company is notified of the death, incapacity, or disqualification.
- (3) If a professional services company purchases a member's interest under Subsection (2), the professional services company shall purchase the interest at a price that is the reasonable fair market value as of the date of death, incapacity, or disqualification.
- (4) If a professional services company fails to purchase a member's interest as required by Subsection (2) at the end of the 90-day period described in Subsection (2), one of the following may bring an action in the district court of the county in which the principal office or place of practice of the professional services company is located to enforce Subsection (2):
  - (a) the personal representative of a deceased member;
  - (b) the guardian or conservator of an incapacitated member; or
  - (c) the disqualified member.
- (5) A court in which an action is brought under Subsection (4) may:
  - (a) award the person bringing the action the reasonable fair market value of the interest; or
  - (b) within its jurisdiction, order the liquidation of the professional services company.
- (6) If a person described in Subsections (4)(a) through (c) is successful in an action under Subsection (4), the court shall award the person reasonable attorney's fees and costs.

Enacted by Chapter 412, 2013 General Session