



Ohio Revised Code

Section 1706.765 Separate asset series-circumstances causing dissociation from series.

Effective: April 12, 2021

Legislation: Senate Bill 276 - 133rd General Assembly

A person is dissociated as a member associated with a series when any of the following occurs:

- (A) An event stated in the operating agreement as causing the person's dissociation from the series occurs.
- (B) The person is dissociated as a member of the limited liability company pursuant to section 1706.411 of the Revised Code.
- (C) The person is expelled as a member associated with that series pursuant to the operating agreement.
- (D) The person is expelled as a member associated with the series by the unanimous consent of the other members associated with that series and if any of the following applies:
 - (1) It is unlawful to carry on the series' activities with the person as a member associated with that series.
 - (2) The person is an entity and, within ninety days after the series notifies the person that it will be expelled as a member associated with that series because the person has filed a certificate of dissolution or the equivalent, or its right to transact business has been suspended by its jurisdiction of formation, the certificate of dissolution or the equivalent has not been revoked or its right to transact business has not been reinstated.
 - (3) The person is an entity and, within ninety days after the series notifies the person that it will be expelled as a member associated with that series because the person has been dissolved and its activities are being wound up, the entity has not been reinstated or the dissolution and winding up have not been revoked or canceled.



(E) On application by the series, the person is expelled as a member associated with that series by tribunal order for any of the following reasons:

(1) The person has engaged, or is engaging, in wrongful conduct that has adversely and materially affected, or will adversely and materially affect, that series' activities.

(2) The person has willfully or persistently committed, or is willfully or persistently committing, a material breach of the operating agreement or the person's duties or obligations under this chapter or other applicable law.

(3) The person has engaged, or is engaging, in conduct relating to that series' activities that makes it not reasonably practicable to carry on the activities with the person as a member associated with that series.

(F) In the case of a person who is an individual, the person dies, a guardian or general conservator is appointed for the person, or a tribunal determines that the person has otherwise become incapable of performing the person's duties as a member associated with a series under this chapter or the operating agreement.

(G) The person becomes a debtor in bankruptcy, executes an assignment for the benefit of creditors, or seeks, consents, or acquiesces to the appointment of a trustee, receiver, or liquidator of the person or of all or substantially all of the person's property. This division shall not apply to a person who is the sole remaining member associated with a series.

(H) In the case of a person that is a trust or is acting as a member associated with a series by virtue of being a trustee of a trust, the trust's entire membership interest associated with the series is distributed, but not solely by reason of the substitution of a successor trustee.

(I) In the case of a person that is an estate or is acting as a member associated with a series by virtue of being a personal representative of an estate, the estate's entire membership interest associated with the series is distributed, but not solely by reason of the substitution of a successor personal representative.



(J) In the case of a member associated with a series that is not an individual, the legal existence of the person otherwise terminates.