



Ohio Revised Code

Section 1705.03 [Repealed Effective 2/11/2022 - See R.C. 1706.83] Authority of limited liability company.

Effective: July 10, 2014

Legislation: House Bill 232

(A) A limited liability company may sue and be sued.

(B) Unless otherwise provided in its articles of organization, a limited liability company may take property of any description or any interest in property of any description by gift, devise, or bequest and may make donations for the public welfare or for charitable, scientific, or educational purposes.

(C) In carrying out the purposes stated in its articles of organization or operating agreement and subject to limitations prescribed by law or in its articles of organization or its operating agreement, a limited liability company may do all of the following:

(1) Purchase or otherwise acquire, lease as lessee or lessor, invest in, hold, use, encumber, sell, exchange, transfer, and dispose of property of any description or any interest in property of any description;

(2) Make contracts;

(3) Form or acquire the control of other domestic or foreign limited liability companies;

(4) Be a shareholder, partner, member, associate, or participant in other profit or nonprofit enterprises or ventures;

(5) Conduct its affairs in this state and elsewhere;

(6) Render in this state and elsewhere a professional service, the kinds of professional services authorized under Chapters 4703. and 4733. of the Revised Code, or a combination of the professional services of optometrists authorized under Chapter 4725. of the Revised Code, chiropractors authorized under Chapter 4734. of the Revised Code to practice chiropractic or



acupuncture, psychologists authorized under Chapter 4732. of the Revised Code, registered or licensed practical nurses authorized under Chapter 4723. of the Revised Code, pharmacists authorized under Chapter 4729. of the Revised Code, physical therapists authorized under sections 4755.40 to 4755.56 of the Revised Code, occupational therapists authorized under sections 4755.04 to 4755.13 of the Revised Code, mechanotherapists authorized under section 4731.151 of the Revised Code, doctors of medicine and surgery, osteopathic medicine and surgery, or podiatric medicine and surgery authorized under Chapter 4731. of the Revised Code, and licensed professional clinical counselors, licensed professional counselors, independent social workers, social workers, independent marriage and family therapists, or marriage and family therapists authorized under Chapter 4757. of the Revised Code;

(7) Borrow money;

(8) Issue, sell, and pledge its notes, bonds, and other evidences of indebtedness;

(9) Secure any of its obligations by mortgage, pledge, or deed of trust of all or any of its property;

(10) Guarantee or secure obligations of any person;

(11) Do all things permitted by law and exercise all authority within or incidental to the purposes stated in its articles of organization.

(D) In addition to the authority conferred by division (C) of this section and irrespective of the purposes stated in its articles of organization or operating agreement but subject to any limitations stated in those articles or its operating agreement, a limited liability company may invest funds not currently needed in its business in any securities if the investment does not cause the company to acquire control of another enterprise whose activities and operations are not incidental to the purposes stated in the articles of organization of the company.

(E)(1) No lack of authority or limitation upon the authority of a limited liability company shall be asserted in any action except as follows:

(a) By the state in an action by it against the company;



(b) By or on behalf of the company in an action against a manager, an officer, or any member as a member;

(c) By a member as a member in an action against the company, a manager, an officer, or any member as a member;

(d) In an action involving an alleged improper issue of a membership interest in the company.

(2) Division (E)(1) of this section applies to any action commenced in this state upon any contract made in this state by a foreign limited liability company.