

IC 23-18.1

ARTICLE 18.1. SERIES LIMITED LIABILITY COMPANIES

Effective 1-1-2017.

IC 23-18.1-1

Chapter 1. Application

Effective 1-1-2017.

IC 23-18.1-1-1

Application or article

Effective 1-1-2017.

Sec. 1. This article is applicable to all series limited liability companies.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-1-2

Applicability of other laws

Effective 1-1-2017.

Sec. 2. This article does not of itself create an implication that a contrary or different rule of law is applicable to a limited liability company that is not a series limited liability company.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-1-3

Affect of article

Effective 1-1-2017.

Sec. 3. This article does not affect a statute or rule of law that is applicable to a limited liability company that is not a series limited liability company.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-1-4

Limited liability company law applicable

Effective 1-1-2017.

Sec. 4. Except as otherwise provided in this article, IC 23-18 is generally applicable to all series limited liability companies.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-1-5

Certificate of designation and operating agreement consistent with this article

Effective 1-1-2017.

Sec. 5. The certificate of designation or operating agreement of a series limited liability company may not limit, be inconsistent with, or supersede this article.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-2

Chapter 2. Definitions

Effective 1-1-2017.

IC 23-18.1-2-1

Application of limited liability company definitions

Effective 1-1-2017.

Sec. 1. The definitions in IC 23-18-1 apply throughout this article.
As added by P.L.170-2016, SEC.19.

IC 23-18.1-2-2

Application of definitions

Effective 1-1-2017.

Sec. 2. The definitions in this chapter apply throughout this article.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-2-3

"Articles of designation"

Effective 1-1-2017.

Sec. 3. "Articles of designation" means:

- (1) the articles of designation described in IC 23-18.1-6-2; and
- (2) any amended or restated articles of designation.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-2-4

"Foreign master limited liability company"

Effective 1-1-2017.

Sec. 4. "Foreign master limited liability company" means a foreign limited liability company that:

- (1) has filed a certificate of authority under this article; and
- (2) is organized under a law that allows for the designation of one (1) or more series.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-2-5

"Master limited liability company"

Effective 1-1-2017.

Sec. 5. "Master limited liability company" means a limited liability company that is formed under this article whose articles of organization authorize the designation of one (1) or more series.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-2-6

"Operating agreement"

Effective 1-1-2017.

Sec. 6. "Operating agreement" means an operating agreement, as amended from time to time, adopted for the governance of a master

limited liability company. The term includes an operating agreement that:

- (1) sets forth the governance of any series; or
- (2) refers to a separate series agreement.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-2-7

"Series"

Effective 1-1-2017.

Sec. 7. "Series", in the context of a series limited liability company, means a limited liability company series of interest established from time to time by the filing of articles of designation that:

- (1) has separate rights, powers, or duties with respect to specified property or obligations; and
- (2) to the extent provided for in an operating agreement, may have a separate business purpose or investment objective from that of:

(A) the master limited liability company; or

(B) any other series of the master limited liability company.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-2-8

"Series agreement"

Effective 1-1-2017.

Sec. 8. "Series agreement" means an agreement, as amended from time to time, adopted for the governance of the series.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-2-9

"Series limited liability company"

Effective 1-1-2017.

Sec. 9. "Series limited liability company" means a master limited liability company that has designated one (1) or more series.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-3

Chapter 3. Series Limited Liability Status

Effective 1-1-2017.

IC 23-18.1-3-1

Organized as master limited liability company or foreign master limited liability company; designation of series

Effective 1-1-2017.

Sec. 1. (a) A master limited liability company must be organized in accordance with IC 23-18-2 and its articles of organization must authorize the designation of one (1) or more series.

(b) A foreign master limited liability company must be:

(1) authorized to transact business in Indiana in accordance with IC 23-18-11; and

(2) organized under a law that allows for the designation of one (1) or more series.

Its articles of organization must authorize the designation of one (1) or more series.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-3-2

Election of series limited liability company by existing limited liability company; amending articles of incorporation; unanimous consent

Effective 1-1-2017.

Sec. 2. (a) Subject to subsection (b), an existing limited liability company may become a master limited liability company under this article by amending its articles of organization to contain, in addition to any content requirements for articles of organization under IC 23-18, a statement that the limited liability company is authorized to designate one (1) or more series.

(b) An amendment to the articles of organization under subsection (a) is not effective unless the amendment is adopted by unanimous consent of the members.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-3-3

Plan of merger, consolidation, conversion, or share exchange; unanimous consent

Effective 1-1-2017.

Sec. 3. (a) This section does not apply to a limited liability company that is a party to a merger if the members are not entitled to vote on the merger under IC 23-18-7.

(b) If:

(1) a domestic entity that is not a series limited liability company is a party to:

(A) a merger, consolidation, or conversion; or

(B) the exchanging entity in a share exchange; and

(2) the surviving entity in the merger, consolidation, conversion, or share exchange is to be a series limited liability company;
the plan of merger, consolidation, conversion, or share exchange must be adopted by the domestic entity by unanimous consent of the members, shareholders, or partners, as applicable.
As added by P.L.170-2016, SEC.19.

IC 23-18.1-3-4

Terminating status; unanimous consent

Effective 1-1-2017.

Sec. 4. (a) Subject to subsection (b), a series limited liability company may terminate its status as a series limited liability company and cease to be subject to this article by amending its articles of organization to delete the statement in its articles of organization required under section 1 of this chapter. All associated series terminate upon the effective date of the amendment.

(b) An amendment to the articles of organization under subsection (a) is not effective unless the amendment is adopted by unanimous consent of the members.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-3-5

Plan of merger, consolidation, conversion or share exchange affecting status; unanimous consent

Effective 1-1-2017.

Sec. 5. (a) This section does not apply to a limited liability company that is a party to a merger if the members of the limited liability company are not entitled to vote on the merger under IC 23-18-7.

(b) If a plan of merger, consolidation, conversion, or share exchange would have the effect of terminating the status of a limited liability company as a series limited liability company, the plan must be adopted by unanimous consent of the members in order to be effective.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-3-6

Requirements for sale, lease, exchange, or other disposition of assets

Effective 1-1-2017.

Sec. 6. A sale, lease, exchange, or other disposition of all or substantially all of the assets of a series limited liability company is not effective unless one (1) or more of the following apply:

(1) The transaction is in the usual and regular course of business.

(2) The transaction is approved by two-thirds (2/3) of the members, unless otherwise provided for in the operating

agreement.
As added by P.L.170-2016, SEC.19.

IC 23-18.1-4

Chapter 4. Formation

Effective 1-1-2017.

IC 23-18.1-4-1

Operating agreement requirement

Effective 1-1-2017.

Sec. 1. A master limited liability company must have an operating agreement.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-2

Establishment of designated series of members, managers, or limited liability company interests

Effective 1-1-2017.

Sec. 2. An operating agreement of a master limited liability company may establish or provide for the establishment of one (1) or more designated series of members, managers, or limited liability company interests that:

- (1) have separate rights, powers, or duties with respect to:
 - (A) specified property or obligations of the limited liability company; or
 - (B) profits and losses associated with specified property or obligations; and
- (2) to the extent provided in the operating agreement, may have a separate business purpose or investment objective.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-3

Establishment of classes or groups of members or managers

Effective 1-1-2017.

Sec. 3. An operating agreement may also:

- (1) provide for classes or groups of members or managers associated with a series having relative rights, powers, and duties as the operating agreement may provide;
- (2) make provisions for the future creation of additional classes or groups of members or managers associated with the series having relative rights, powers, and duties as may from time to time be established, including rights, powers, and duties senior to existing classes and groups of members or managers associated with the series; and
- (3) provide for the taking of an action, without the vote or approval of any member or manager or class or group of members or managers, including:
 - (A) the amendment of the operating agreement; or
 - (B) an action to create, under the provisions of the operating agreement, a class or group of the series of limited liability company interests that was not previously outstanding.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-4

Series with limited liability treated as separate entity; authority of series

Effective 1-1-2017.

Sec. 4. (a) A series with limited liability must be treated as a separate entity to the extent set forth in the articles of organization of the master limited liability company.

(b) Each series with limited liability may, in its own name, do all the following:

- (1) Contract.
- (2) Hold title to assets, including real, personal, and intangible property.
- (3) Grant liens and security interests.
- (4) Sue and be sued.
- (5) Otherwise conduct business and exercise the powers of a limited liability company under this article.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-5

Agreement by member or manager to be obligated for debts, obligations, and liabilities

Effective 1-1-2017.

Sec. 5. In an operating agreement for a master limited liability company or in another written agreement, a member or manager may agree to be obligated personally for any or all of the debts, obligations, and liabilities of one (1) or more series.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-6

Management of series

Effective 1-1-2017.

Sec. 6. (a) A series may be managed, as provided in an operating agreement or series agreement, as applicable, by:

- (1) the member or members associated with the series; or
- (2) a manager or managers chosen by the members of the series.

(b) Unless otherwise provided in an operating agreement, the management of a series must be vested in the members associated with the series.

(c) If the operating agreement provides for a manager or managers, the manager or managers have the authority to manage the business or affairs of the series, except to the extent that the operating agreement reserves the authority to any members or class or group of members of the series.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-7

Cease to be manager of series; limitation of effect

Effective 1-1-2017.

Sec. 7. Except as otherwise provided in an operating agreement, any event under this article or in an operating agreement that causes a manager to cease to be a manager with respect to a series does not, in itself, cause the manager to cease to be a manager of the master limited liability company or with respect to any other series of the master limited liability company.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-8

Assignment, transfer, or redemption of member's limited liability company interest; cease association with series; limitation of effect

Effective 1-1-2017.

Sec. 8. (a) Unless otherwise provided in the operating agreement, a member ceases to:

- (1) be associated with a series; and
- (2) have the power to exercise any rights or powers of a member with respect to the series;

upon the assignment, transfer, or redemption of all the member's limited liability company interest with respect to the series.

(b) Except as otherwise provided in an operating agreement, any event under this article or an operating agreement that causes a member to cease to be associated with a series does not, in itself, cause the:

- (1) member to cease to be associated with any other series or terminate the continued membership of a member in the master limited liability company; or
- (2) termination of the series, regardless of whether the member was the last remaining member associated with the series, unless the business of the series is not continued as provided for under IC 23-18-9-1.1(c).

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-9

Voting rights

Effective 1-1-2017.

Sec. 9. (a) An operating agreement may grant to:

- (1) all or certain identified members or managers; or
- (2) a specified class or group of members or managers;

associated with a series the right to vote separately or with all or any class or group of the members or managers associated with the series, on any matter.

(b) Voting by members or managers associated with a series may be on a per capita, number, financial interest, class, group, or any other basis.

(c) An operating agreement may provide that any member or class or group of members associated with a series has no voting rights.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-4-10

Elections by master limited liability company and any series

Effective 1-1-2017.

Sec. 10. (a) A master limited liability company and any of its series may elect any of the following:

- (1) To consolidate their operations as a single taxpayer to the extent permitted under applicable law.
- (2) To work cooperatively.
- (3) To contract jointly.
- (4) To be treated as a single business for purposes of qualification to do business in Indiana or any other state.

(b) Any elections under subsection (a) do not affect the limitation of liability set forth in IC 23-18.1-5-1 except to the extent that two (2) or more series have specifically accepted joint or joint and several liability by contract.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-5

Chapter 5. Limits on Liability

Effective 1-1-2017.

IC 23-18.1-5-1

Liability limited; conditions

Effective 1-1-2017.

Sec. 1. (a) Notwithstanding any other law, the debts, liabilities, and obligations incurred, contracted for, or otherwise existing with respect to a particular series are enforceable against the assets of the series only, and not against the assets of the master limited liability company generally or any other series of the master limited liability company if all the following apply:

- (1) The operating agreement so provides.
- (2) The operating agreement of the master limited liability company establishes or provides for the establishment of one (1) or more series.
- (3) The records maintained for the series account for the assets associated with the series separately from the other assets of the master limited liability company and any other series of the master limited liability company.
- (4) Notice of the limitation on liabilities of a series as referenced in this subsection is set forth in the articles of organization of the master limited liability company.
- (5) The master limited liability company has filed articles of designation for each series that is to have limited liability under this section.

(b) Unless otherwise specifically provided in the operating agreement, the debts, liabilities, obligations, and expenses incurred, contracted for, or otherwise existing with respect to:

- (1) the master limited liability company generally are not enforceable against the assets of a particular series; or
- (2) any series of the master limited liability company are not enforceable against the assets of any other series of the master limited liability company.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-5-2

Holding of assets; accounting for assets separately

Effective 1-1-2017.

Sec. 2. (a) Assets associated with a series may be held directly or indirectly, including in the name of the series, in the name of the master limited liability company, through a nominee, or otherwise.

(b) Records maintained for a series that reasonably identify its assets, including by:

- (1) specific listing;
- (2) category;
- (3) type;

- (4) quantity;
- (5) computational or allocational formula or procedure, including a percentage or share of any asset or assets; or
- (6) any other method under which the identity of the assets is objectively determinable;

is considered to account for the assets associated with the series separately from the other assets of the master limited liability company or any other series of the master limited liability company.
As added by P.L.170-2016, SEC.19.

IC 23-18.1-5-3

Notice of limitation on liabilities established

Effective 1-1-2017.

Sec. 3. The fact that:

- (1) the articles of organization of a master limited liability company contain the notice of the limitation on liabilities of a series as required by section 1 of this chapter; and
- (2) articles of designation for the series are on file with the office of the secretary of state;

constitutes notice of the limitation on liabilities of a series.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-6

Chapter 6. Filing Requirements, Fees, and Other Administrative Provisions

Effective 1-1-2017.

IC 23-18.1-6-1

Forming master limited liability company; authority to designate series

Effective 1-1-2017.

Sec. 1. A master limited liability company is formed by filing articles of organization with the office of the secretary of state. In addition to the requirements established in IC 23-18-2-4, a master limited liability company must state in its articles of organization that it is authorized to designate one (1) or more series.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-6-2

Filing articles of designation for each series; contents; existence of series

Effective 1-1-2017.

Sec. 2. (a) Articles of designation shall be filed for each respective series.

(b) The articles of designation must contain the following:

(1) The name of the series.

(2) A statement as to whether the series is member or manager managed.

(c) The filing of the articles of designation with the secretary of state is conclusive evidence, except as against the state, that all conditions precedent required to be performed have been complied with and that the series has been or will be legally organized and formed under this article. The existence of the series begins upon the filing of the articles of designation with the secretary of state.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-6-3

Amending series; contents of articles of designation

Effective 1-1-2017.

Sec. 3. (a) A series with limited liability may be amended by filing with the secretary of state articles of designation.

(b) The articles of designation must contain all the following to amend the series:

(1) The name of the series.

(2) The date that the articles of designation forming the series were filed.

(3) The amendment to the articles of designation.

(c) Articles of designation of a series may be amended at any time that the members determine if the articles of designation, as amended, contain only provisions that may be lawfully contained in

articles of designation at the time the amendment is made.
As added by P.L.170-2016, SEC.19.

IC 23-18.1-6-4

Dissolution; contents of articles of designation; dissolution decree; effect

Effective 1-1-2017.

Sec. 4. (a) A series with limited liability may be dissolved by filing with the secretary of state articles of designation. The articles of designation must contain all the following to dissolve the series:

- (1) The name of the series being dissolved.
- (2) The date the articles of designation forming the series were filed.
- (3) The date dissolution occurred.

(b) The master limited liability company and any series of the master limited liability company may be voluntarily or administratively dissolved in the same manner as provided for in IC 23-18-9 and IC 23-18-10.

(c) On application by or for a member or manager associated with a series, the circuit or superior court of the county in which the master limited liability company's:

- (1) principal office; or
- (2) if there is no principal office in Indiana, registered office;

is located, may decree dissolution of the series whenever it is not reasonably practicable to carry on the business of the series in conformity with the operating agreement of the master limited liability company.

(d) Except to the extent otherwise provided in the operating agreement, a series may be dissolved and its affairs wound up without causing the dissolution of the master limited liability company or any other series of the master limited liability company. The dissolution of a series does not affect the limitation on liabilities of the series provided in IC 23-18.1-5.

(e) The dissolution of the master limited liability company shall cause the dissolution of any series of the master limited liability company.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-6-5

Execution of articles of designation

Effective 1-1-2017.

Sec. 5. Articles of designation of a series may be executed by the master limited liability company or any manager, person, or entity designated as an officer or authorized person or entity to execute contracts or certificates in the operating agreement for the master limited liability company.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-6-6
Application of fees

Effective 1-1-2017.

Sec. 6. The fees established in IC 23-18-12-3 apply to any documents under this article delivered to the secretary of state for filing.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-6-7
Name

Effective 1-1-2017.

Sec. 7. (a) Except as otherwise provided in this section, the name requirements found in IC 23-18-2-8 are generally applicable to all series limited liability companies.

(b) The name of a master limited liability company must contain, in addition to the requirements of IC 23-18-2-8, "-S" after the corporate ending.

(c) Except in the case of a foreign limited liability company that has adopted a fictitious name under IC 23-18-11-7, the name of the series with limited liability must:

- (1) contain the entire name of the master limited liability company;
- (2) contain the word "series";
- (3) be distinguishable from the names of the other series set forth in the articles of organization of the master limited liability company or the articles of designation filed for any other series of the master limited liability company; and
- (4) be distinguishable from the names of any limited liability company or other business entity reserved or organized under the laws of Indiana or authorized to transact business in Indiana.

(d) In the case of a foreign limited liability company that has adopted a fictitious name under IC 23-18-11-7, the name of the series with limited liability must contain the entire name under which the foreign limited liability company has been admitted to transact business in Indiana.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-6-8
Registered agent and office

Effective 1-1-2017.

Sec. 8. (a) A master limited liability company must continuously maintain a registered agent and a registered office in Indiana as required under IC 23-18-2-10.

(b) The registered agent and registered office of the master limited liability company serve as the agent and office for service of process in Indiana for each series of the master limited liability company.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-6-9
Biennial report

Effective 1-1-2017.

Sec. 9. (a) The master limited liability company shall file a biennial report as required under IC 23-18-12-11.

(b) A biennial report of the master limited liability company serves as the biennial report for each series of the master limited liability company.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-7

Chapter 7. Foreign Series Limited Liability Companies

Effective 1-1-2017.

IC 23-18.1-7-1

Foreign master limited liability company; register to do business

Effective 1-1-2017.

Sec. 1. (a) A foreign master limited liability company, as permitted in the jurisdiction of its organization, that has:

- (1) established one (1) or more series having separate rights, powers, or duties; and
- (2) limited the liabilities of the series so that the debts, liabilities, and obligations incurred, contracted for, or otherwise existing with respect to:

(A) a particular series, are enforceable against the assets of the series only, and not against the assets of the master limited liability company generally or any other series of the master limited liability company; and

(B) the master limited liability company generally or any other series of the master limited liability company, are not enforceable against the assets of the series;

may, on behalf of itself or any of its series, register to do business in Indiana in accordance with IC 23-18-11-4.

(b) Any series of a foreign master limited liability company described in subsection (a) may, on behalf of the series, register to do business in Indiana in accordance with IC 23-18-11-4.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-7-2

Limitation of liability; requirements; articles of designation filed for each series

Effective 1-1-2017.

Sec. 2. (a) The limitation of liability under this chapter must be stated on the application for certificate of authority for a foreign master limited liability company.

(b) Articles of designation must be filed for each series being registered to do business in Indiana.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-7-3

Liability limited

Effective 1-1-2017.

Sec. 3. Unless otherwise provided in the operating agreement and to the extent provided under the laws of the jurisdiction of organization of the foreign master limited liability company, the debts, liabilities, and obligations incurred, contracted for, or otherwise existing with respect to:

- (1) a particular series of a foreign master limited liability

company, are enforceable against the assets of the series only, and not against the assets of the foreign master limited liability company generally or any other series of the foreign master limited liability company;

(2) a foreign master limited liability company generally, are not enforceable against the assets of a particular series of the foreign master limited liability company; or

(3) any series of the foreign master limited liability company, are not enforceable against the assets of any other series of the foreign master limited liability company.

As added by P.L.170-2016, SEC.19.

IC 23-18.1-7-4

Registration in foreign jurisdiction

Effective 1-1-2017.

Sec. 4. If a master limited liability company with the ability to establish one (1) or more series does not register to do business in a foreign jurisdiction for itself and certain of its series, a series of a master limited liability company may itself register in the foreign jurisdiction in accordance with the laws of the foreign jurisdiction.

As added by P.L.170-2016, SEC.19.