

## 2012 Kansas Statutes

**17-7693. Management of limited liability company.** (a) Unless otherwise provided in an operating agreement, the management of a limited liability company shall be vested in its members in proportion to the then current percentage or other interest of members in the profits of the limited liability company owned by all of the members, the decision of members owning more than 50% of the percentage or other interest in the profits controlling; provided however, that if an operating agreement provides for the management, in whole or in part, of a limited liability company by a manager, the management of the limited liability company, to the extent so provided, shall be vested in the manager who shall be chosen by the members in the manner provided in the operating agreement. The manager shall also hold the offices and have the responsibilities accorded to the manager by the members and set forth in an operating agreement. Subject to K.S.A. 17-76,105, and amendments thereto, a manager shall cease to be a manager as provided in an operating agreement. A limited liability company may have more than one manager. Unless otherwise provided in an operating agreement, each member in a member managed LLC has the authority to bind the limited liability company, and each manager, in a manager managed LLC has the authority to bind the LLC.

(b) If the articles of organization provide that management of the limited liability company is vested in one or more managers: (1) No member acting solely in the member's capacity as a member, is an agent of the limited liability company; and (2) every manager is an agent of the limited liability company for the purpose of its business and affairs, and the act of any manager for apparently carrying on the usual way of the business or affairs of the limited liability of which the manager is a manager binds the limited liability company, unless the manager so acting has, in fact, no authority to act for the limited liability company in the particular matter, and the person with whom the manager is dealing has knowledge of the fact that the manager has no such authority.

(c) An act of a member or manager which apparently is not for carrying on the usual way of the business or affairs of the limited liability company does not bind the limited liability company unless authorized in accordance with the terms of the articles of organization or operating agreement, at the time of the transaction or at any other time. Unless otherwise provided in the articles of organization or operating agreement, a transaction not in the ordinary course of the business or affairs of the limited liability company must be approved by a majority, by number, of the members of the limited liability company.

**History:** L. 1999, ch. 119, § 32; Jan. 1, 2000.