

2021 Kansas Statutes

17-76,117. Involuntary dissolution. (a) A limited liability company may be dissolved involuntarily by order of the district court for the county in which the registered office of the limited liability company is located in an action filed by the attorney general when it is established that the limited liability company:

- (1) Has procured its articles of organization through fraud;
- (2) has exceeded the authority conferred upon it by law;
- (3) has committed a violation of any provision of law whereby it has forfeited its articles of organization;
- (4) has carried on, conducted or transacted its business in a persistently fraudulent or illegal manner; or
- (5) by the abuse of its powers contrary to the public policy of the state, has become liable to be dissolved.

(b) If the business of the limited liability company is suffering or is threatened with irreparable injury because the members of a limited liability company, or the managers of a limited liability company having more than one manager, are so deadlocked respecting the management of the affairs of the limited liability company that the requisite vote for action cannot be obtained and the members are unable to terminate such deadlock, then any member or members in the aggregate owning at least 25% of the outstanding interests in either capital or profits and losses in the limited liability company may file with the district court a petition stating that such member or members desire to dissolve the limited liability company and to dispose of the assets thereof in accordance with a plan to be agreed upon by the members or as determined by the district court in the absence of such agreement. Such petition shall have attached thereto a copy of a proposed plan of dissolution and distribution and a certificate stating that copies of such petition and plan have been transmitted in writing to all of the other members of the limited liability company at least 30 days before the filing of the petition and that the members having the requisite vote required to cause dissolution under the operating agreement have failed or refused to consent to such plan. Unless members who own more than $\frac{2}{3}$ of the then current percentage or other interest in profits of the limited liability company owned by all members, or if there is more than one class or group of members, then by each class or group, or such other number of members having the requisite vote to cause dissolution as the operating agreement may provide, file with the district court within the time period for the answer date of the petition, an answer and a certificate stating that they have agreed on either the petitioner's plan, or a modification or alternative thereof, then the district court shall order that such limited liability company be dissolved, if the district court determines that such irreparable injury and deadlock exists. In any proceeding under this section, the court may appoint one or more trustees or receivers with all the powers and title of a trustee or receiver appointed under K.S.A. 17-6808, and amendments thereto, to administer and wind up the limited liability company's affairs and may grant such other relief as the court deems equitable.

History: L. 1999, ch. 119, § 56; L. 2014, ch. 40, § 42; July 1.