

275.220 Member not entitled to distribution other than in cash -- Restriction on in-kind distribution.

Unless otherwise provided in a written operating agreement:

- (1) A member, regardless of the nature of the member's contribution, shall not have a right to demand and receive any distribution from the limited liability company in any form other than cash;
- (2) A member shall not be compelled to accept from a limited liability company a distribution of any asset in kind to the extent that the percentage of the asset distributed to the member exceeds the percentage that the member would have shared in a cash distribution equal to the value of the property at the time of distribution; and
- (3) The property of a limited liability company shall not be subject to KRS 381.135(1)(a)1.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 133, sec. 33, effective July 15, 2010. -- Amended 1998 Ky. Acts ch. 341, sec. 33, effective July 15, 1998. -- Created 1994 Ky. Acts ch. 389, sec. 44, effective July 15, 1994.