

Llc manager and llc member

Business



Limited Liability Company Management Limited Liability Company

Management According to business law, a limited liability company can be managed through two options, firstly the organization or the members of the organization can opt for the organization to be managed by members or they can go for the option of managers. The Uniform Limited Liability Company Act (ULLCA) states that until and unless it is defined by the members, an LLC is managed by members of the company (Miller, 2007, p. 544). When a LLC is managed by members, the members are involved in the process of making decisions and decisions are accepted and rejected if all the members of the company accept or reject a particular decision. If a LLC is managed by a manager the decision making responsibility falls in the hand of the individual who has been elected by the members as a manager. The members can choose a manager from within the group of the members of the company or they can even opt for an individual who is not a member of the company. Individuals who are elected as managers for an LLC are responsible to act and make decisions carefully and present utmost loyalty, these duties of a manager of LLC are recognized as fiduciary duties and these duties are similar to the duties that are performed by corporate directors. Members within an LLC can determine the voting policy and the voting rights of the members of the company, according to ULLCA, the voting rights of the members is dependant on their investment in the company and voting policy states that a decision can be made with the aid of the majority votes (Batman, 2011, p. 191).

References

Batman, J. L. (2011). *Advising the small business: Forms and advice for the legal practitioner*. Chicago: American Bar Association.
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Miller, R. L. R., & Jentz, G. A. (2007). *Fundamentals of business law: Excerpted cases*. Mason, Ohio: Thomson/West.