



General Assembly

February Session, 2006

Raised Bill No. 5541

LCO No. 2081

02081_____JUD

Referred to Committee on Judiciary

Introduced by:
(JUD)

AN ACT CONCERNING THE CONVERSION OF PARTNERSHIPS TO LIMITED LIABILITY COMPANIES AND THE DISSOLUTION OF PARTNERSHIPS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 34-199 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) A domestic general partnership formed under or governed by
4 the provisions of sections 34-300 to 34-434, inclusive, or a domestic
5 limited partnership formed under or governed by the provisions of
6 sections 34-9 to 34-38q, inclusive, may convert to a limited liability
7 company by filing articles of organization that meet the requirements
8 of section 34-121, and include the following: (1) A statement that the
9 limited liability company is formed as the result of the conversion of a
10 general partnership or a limited partnership; (2) the name of the
11 former general partnership or limited partnership; and (3) in the case
12 of a general partnership, its initial date of formation, or in the case of a
13 limited partnership, the date of filing of the initial certificate of limited
14 partnership.

15 (b) The terms and conditions of a conversion of a domestic general
16 partnership or domestic limited partnership to a limited liability
17 company shall be approved by the partners in the manner provided in
18 the partnership agreement for amendments to the partnership
19 agreement or, if no such provision is made in a partnership agreement,
20 by all the partners.

21 (c) Notwithstanding the provisions of section 34-398, subsection (a)
22 of this section governs any conversion of a domestic general
23 partnership or domestic limited partnership to a limited liability
24 company filed on or after July 1, 1997.

25 Sec. 2. Subdivision (2) of section 34-372 of the general statutes is
26 repealed and the following is substituted in lieu thereof (*Effective*
27 *October 1, 2006*):

28 (2) In a partnership for a definite term or particular undertaking: (A)
29 [The expiration of] Within ninety days after a partner's dissociation by
30 death or otherwise under subdivisions (6) to (10), inclusive, of section
31 34-355 or wrongful dissociation under subsection (b) of section 34-356,
32 the express will of at least half of the remaining partners to wind up
33 the partnership business, for which purpose a partner's rightful
34 dissociation pursuant to subparagraph (A) of subdivision (2) of
35 subsection (b) of section 34-356 constitutes the expression of that
36 partner's will to wind up the partnership business; (B) the express will
37 of all of the partners to wind up the partnership business; or (C) the
38 expiration of the term or the completion of the undertaking.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	34-199
Sec. 2	<i>October 1, 2006</i>	34-372(2)

Statement of Purpose:

To clarify certain provisions governing the conversion of a partnership to a limited liability company and to conform certain provisions concerning partnership dissolution to the Uniform Partnership Act.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]