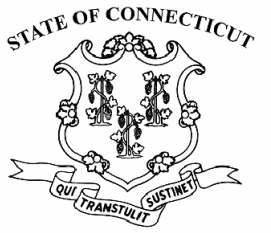

Substitute House Bill No. 6497

Public Act No. 11-241

AN ACT CREATING JOBS BY ENHANCING CONNECTICUT'S CORPORATE AND SECURITIES LAWS.

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

Section 1. (NEW) (*Effective January 1, 2014*) As used in this section and sections 2 to 33, inclusive, of this act:

(1) "Acquired entity" means the entity, all of one or more classes or series of interests of which are acquired in an interest exchange.

(2) "Acquiring entity" means the entity that acquires all of one or more classes or series of interests of the acquired entity in an interest exchange.

(3) "Approve" means, in the case of an entity, for its governors and interest holders to take whatever steps are necessary under its organic rules, organic law and other law to (A) propose a transaction subject to this section and sections 2 to 33, inclusive, of this act; (B) adopt and approve the terms and conditions of the transaction; and (C) conduct any required proceedings or otherwise obtain any required votes or consents of the governors or interest holders.

(4) "Business corporation" means a corporation whose internal affairs are governed by chapter 601 of the general statutes or a

professional service corporation governed by chapter 594a of the general statutes.

(5) "Conversion" means a transaction authorized by sections 22 to 27, inclusive, of this act.

(6) "Converted entity" means the converting entity as it continues in existence after a conversion.

(7) "Converting entity" means the domestic entity that approves a plan of conversion pursuant to section 24 of this act or the foreign entity that approves a conversion pursuant to the law of its jurisdiction of organization.

(8) "Domestic entity", unless the context otherwise requires, means an entity whose internal affairs are governed by the law of this state.

(9) "Domesticated entity" means the domesticating entity as it continues in existence after a domestication.

(10) "Domesticating entity" means the domestic entity that approves a plan of domestication pursuant to section 30 of this act or the foreign entity that approves a domestication pursuant to the law of its jurisdiction of organization.

(11) "Domestication" means a transaction authorized by sections 28 to 33, inclusive, of this act.

(12) "Entity", unless the context otherwise requires, means (A) a business corporation; (B) a nonprofit corporation; (C) a general partnership, including a limited liability partnership; (D) a limited partnership, including a limited liability limited partnership; (E) a limited liability company; (F) a business trust or statutory trust entity; (G) an unincorporated nonprofit association; (H) a cooperative; or (I) any other person who has a separate legal existence or the power to

acquire an interest in real property in his or her own name other than (i) an individual; (ii) a testamentary, inter vivos or charitable trust, with the exception of a business trust, statutory trust entity or similar trust; (iii) an association or relationship that is not a partnership solely by reason of the law of any other jurisdiction; (iv) a decedent's estate; or (v) a government, a governmental subdivision, agency or instrumentality, or a quasi-governmental instrumentality.

(13) "Filing entity" means an entity that is created by the filing of a public organic document.

(14) "Foreign entity" means an entity other than a domestic entity.

(15) "Governance interest" means the right under the organic law or organic rules of an entity, other than as a governor, agent, assignee or proxy, to (A) receive or demand access to information concerning, or the books and records of, the entity; (B) vote for the election of the governors of the entity; or (C) receive notice of or vote on any or all issues involving the internal affairs of the entity.

(16) "Governor" means a person by or under whose authority the powers of an entity are exercised and under whose direction the business and affairs of the entity are managed pursuant to the organic law and organic rules of the entity.

(17) "Interest", unless the context otherwise requires, means (A) a governance interest in an unincorporated entity; (B) a transferable interest in an unincorporated entity; or (C) a share or membership in a corporation.

(18) "Interest exchange" means a transaction authorized by sections 16 to 21, inclusive, of this act.

(19) "Interest holder" means a direct holder of an interest.

(20) "Interest holder liability" means (A) personal liability for a liability of an entity that is imposed on a person (i) solely by reason of the status of the person as an interest holder, or (ii) by the organic rules of the entity pursuant to a provision of the organic law authorizing the organic rules to make one or more specified interest holders or categories of interest holders liable in their capacity as interest holders for all or specified liabilities of the entity; or (B) an obligation of an interest holder under the organic rules of an entity to contribute to the entity.

(21) "Jurisdiction of organization" of an entity means the jurisdiction under which the law includes the organic law of the entity.

(22) "Liability" means a debt, obligation or any other liability arising in any manner, regardless of whether it is secured or contingent.

(23) "Merger" means a transaction in which two or more merging entities are combined into a surviving entity pursuant to a filing with the Secretary of the State.

(24) "Merging entity" means an entity that is a party to a merger and exists immediately before the merger becomes effective.

(25) "Nonprofit corporation" means a corporation whose internal affairs are governed by chapter 602 of the general statutes.

(26) "Organic law" means the section of the general statutes, if any, other than this section and sections 2 to 33, inclusive, of this act, governing the internal affairs of an entity.

(27) "Organic rules" means the public organic document and private organic rules of an entity.

(28) "Person" means an individual, corporation, estate, trust, partnership, limited liability company, business or similar trust,

association, joint venture, public corporation, government or governmental subdivision, agency or instrumentality, or any other legal or commercial entity.

(29) "Plan" means a plan of merger, interest exchange, conversion or domestication.

(30) "Private organic rules" means the rules, whether or not in a record, that govern the internal affairs of an entity are binding on all of its interest holders and are not part of its public organic document, if any.

(31) "Protected agreement" means (A) a record evidencing indebtedness and any related agreement in effect on or after October 1, 2011; (B) an agreement that is binding on an entity on or after October 1, 2011; (C) the organic rules of an entity in effect on or after October 1, 2011; or (D) an agreement that is binding on any of the governors or interest holders of an entity on or after October 1, 2011.

(32) "Public organic document" means the public record, the filing of which creates an entity and any amendment to or restatement of such record.

(33) "Qualified foreign entity" means a foreign entity that is authorized to transact business in this state pursuant to a filing with the Secretary of the State.

(34) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(35) "Sign" or "signature" includes any manual, facsimile, conformed or electronic signature.

(36) "Surviving entity" means the entity that continues in existence

after a merger or that is created by a merger.

(37) "Transferable interest" means the right under an entity's organic law to receive distributions from the entity.

(38) "Type", with regard to an entity, means a generic form of entity (A) recognized at common law, or (B) organized under an organic law, whether or not an entity organized under such organic law subject to the provisions of such organic law creating different categories of the form of entity.

Sec. 2. (NEW) (*Effective January 1, 2014*) (a) Unless displaced by the particular provisions of sections 1 to 33, inclusive, of this act, the principles of law and equity shall supplement sections 1 to 33, inclusive, of this act.

(b) Sections 1 to 33, inclusive, of this act shall not authorize any action prohibited by law or affect the application or requirements of law.

(c) A transaction effected under sections 1 to 33, inclusive, of this act shall not create or impair any right or obligation on the part of a person under a provision of the law of this state relating to a change in control, takeover, business combination, control-share acquisition or similar transaction involving a domestic merging, acquired, converting or domesticating corporation unless (1) the transaction satisfies any requirements of such provision, provided the corporation does not survive the transaction, or (2) the approval of the plan is by a vote of the shareholders or directors that is sufficient to create or impair the right or obligation directly under such provision, provided the corporation survives the transaction.

Sec. 3. (NEW) (*Effective January 1, 2014*) (a) A domestic or foreign entity that is required to give notice to or obtain the approval of a governmental agency or officer in order to be a party to a merger shall

give such notice or obtain such approval in order to be a party to an interest exchange, conversion or domestication.

(b) Property held for a charitable purpose under the law of this state by a domestic or foreign entity immediately before a transaction under sections 1 to 33, inclusive, of this act becomes effective shall not, as a result of the transaction, be diverted from the objects for which it was donated, granted or devised, unless, to the extent required by or pursuant to the law of this state concerning cy pres or other law concerning nondiversion of charitable assets, the entity obtains an appropriate order of the Attorney General specifying the disposition of the property.

Sec. 4. (NEW) (*Effective January 1, 2014*) A filing under sections 1 to 33, inclusive, of this act signed by a domestic entity shall become part of the public organic document of the entity, provided the organic law of the entity provides that similar filings under such law become part of the public organic document of the entity.

Sec. 5. (NEW) (*Effective January 1, 2014*) The fact that a transaction under sections 1 to 33, inclusive, of this act produces a certain result shall not preclude the same result from being accomplished in any other manner permitted by law.

Sec. 6. (NEW) (*Effective January 1, 2014*) A plan may refer to facts ascertainable outside of the plan, provided the manner in which the facts shall operate upon the plan is specified in the plan. The facts may include the occurrence of an event or a determination or action by a person, whether or not the event, determination or action is within the control of a party to the transaction.

Sec. 7. (NEW) (*Effective January 1, 2014*) Except as otherwise provided in the organic law or organic rules of a domestic entity, approval of a transaction under sections 1 to 33, inclusive, of this act by

the unanimous vote or consent of such entity's interest holders shall satisfy the requirements of sections 1 to 33, inclusive, of this act for approval of the transaction.

Sec. 8. (NEW) (*Effective January 1, 2014*) (a) An interest holder of a domestic merging, acquired, converting or domesticating corporation shall be entitled to appraisal rights in connection with the transaction, provided the interest holder would have been entitled to appraisal rights under the entity's organic law in connection with a merger in which the interest of the interest holder was changed, converted or exchanged unless (1) the organic law permits the organic rules to limit the availability of appraisal rights, and (2) the organic rules provide such a limit.

(b) An interest holder of a domestic merging, acquired, converting or domesticating entity shall be entitled to contractual appraisal rights in connection with a transaction under sections 1 to 33, inclusive, of this act to the extent provided (1) in the entity's organic rules; (2) in the plan; or (3) in the case of a business corporation, by action of its governors.

(c) If an interest holder is entitled to contractual appraisal rights under subsection (b) of this section and the entity's organic law does not provide procedures for the conduct of an appraisal rights proceeding, sections 33-855 to 33-868, inclusive, of the general statutes shall apply to the extent practicable or as otherwise provided in the entity's organic rules or the plan.

Sec. 9. (NEW) (*Effective January 1, 2014*) (a) The following entities shall not participate in a transaction under sections 1 to 33, inclusive, of this act:

(1) A business corporation formed under special act;

(2) Cooperative associations formed under chapter 595 of the

general statutes;

(3) Cooperative marketing corporations formed under chapter 596 of the general statutes;

(4) Electric cooperative corporations formed under chapter 597 of the general statutes;

(5) Worker cooperative corporations formed under chapter 599a of the general statutes;

(6) Insurance companies, health care centers and other corporations formed under chapters 697 and 698 of the general statutes;

(7) Health care centers, related service groups, hospital service corporations, medical service corporations and other corporations formed under chapter 698a of the general statutes;

(8) Prepaid legal service corporations formed under chapter 698b of the general statutes;

(9) Risk retention groups formed and organized under chapter 698 of the general statutes;

(10) Fraternal benefit societies formed under chapter 700d of the general statutes;

(11) Banks, related organizations and other corporations formed under chapters 664, 664b and 666 of the general statutes;

(12) Credit unions formed under chapter 667 of the general statutes;

(13) Public service companies formed under chapter 277 of the general statutes;

(14) Title insurance companies formed under chapter 700a of the general statutes;

(15) Out-of-state banks formed under chapter 666 of the general statutes;

(16) Nondepository institutions formed under chapter 668 of the general statutes;

(17) Nonprofit or not-for-profit corporations;

(18) Religious corporations and societies formed under chapter 598 of the general statutes;

(19) Nonstock corporations formed under chapter 602 of the general statutes;

(20) Unincorporated nonprofit associations;

(21) Cooperatives;

(22) A business trust or statutory trust entity; and

(23) Any entity described in subparagraph (B), (F), (G), (H) or (I) of subdivision (12) of section 1 of this act.

(b) Sections 1 to 33, inclusive, of this act shall not be used to effect a transaction that (1) involves any entity referenced in subsection (a) of this section, or (2) is a conversion, merger, consolidation, interest exchange, division or any other transaction governed by sections 1 to 33, inclusive, of this act between or among entities of the same type.

Sec. 10. (NEW) (*Effective January 1, 2014*) (a) Except as provided in subsection (c) of this section, by complying with this section and sections 11 to 15, inclusive, of this act, (1) one or more domestic entities may merge with one or more domestic or foreign entities into a domestic or foreign surviving entity, and (2) two or more foreign entities may merge into a domestic entity.

(b) Except as provided in subsection (c) of this section, by complying with the provisions of this section and sections 11 to 15, inclusive, of this act applicable to foreign entities, a foreign entity may be a party to a merger under this article or may be the surviving entity in such a merger, provided the merger is authorized by the law of the foreign entity's jurisdiction of organization.

(c) The provisions of this section and sections 11 to 15, inclusive, of this act shall not apply to a transaction involving:

(1) A merger between any two or more domestic corporations or one or more domestic corporations and one or more foreign corporations pursuant to chapter 601 of the general statutes;

(2) A merger between any two or more domestic limited partnerships or one or more domestic limited partnerships and one or more foreign limited partnerships pursuant to chapter 610 of the general statutes;

(3) A merger between two or more partnerships or limited liability partnerships pursuant to chapter 614 of the general statutes;

(4) A merger between any two or more domestic limited liability companies or one or more domestic limited liability companies and one or more foreign limited liability companies pursuant to the chapter 613 of the general statutes; or

(5) A merger involving any entity referenced in section 9 of this act.

Sec. 11. (NEW) (*Effective January 1, 2014*) (a) A domestic entity may become a party to a merger under sections 10 to 15, inclusive, of this act by approving a plan of merger. Such plan shall be in a record and contain:

(1) As to each merging entity, the entity's name, jurisdiction of

organization and type;

(2) If the surviving entity is to be created in the merger, a statement to that effect and such entity's name, jurisdiction of organization and type;

(3) The manner of converting the interests in each party to the merger into interests, securities, obligations, rights to acquire interests or securities, cash or other property, or any combination thereof;

(4) If the surviving entity exists before the merger, any proposed amendments to such entity's public organic document or to such entity's private organic rules that are, or are proposed to be, in a record;

(5) If the surviving entity is to be created in the merger, such entity's proposed public organic document, if any, and the full text of such entity's private organic rules that are proposed to be in a record;

(6) The other terms and conditions of the merger; and

(7) Any other provision required by the law of a merging entity's jurisdiction of organization or the organic rules of a merging entity.

(b) A plan of merger may contain any other provision not prohibited by law.

Sec. 12. (NEW) (*Effective January 1, 2014*) (a) A plan of merger is not effective unless it has been approved:

(1) By a domestic merging entity (A) in accordance with the requirements, if any, in its organic law and organic rules for approval of (i) in the case of an entity that is not a business corporation, a merger, or (ii) in the case of a business corporation, a merger requiring approval by a vote of the interest holders of the business corporation; or (B) if neither its organic law nor organic rules provide for approval

of a merger described in subparagraph (A)(ii) of this subsection, by all of the interest holders of the entity entitled to vote on or consent to any matter; and

(2) In a record, by each interest holder of a domestic merging entity that shall have interest holder liability for liabilities that arise after the merger becomes effective, unless, in the case of an entity that is not a business corporation or nonprofit corporation, (A) the organic rules of the entity provide in a record for the approval of a merger in which some or all of such entity's interest holders become subject to interest holder liability by the vote or consent of fewer than all of the interest holders; and (B) the interest holder voted for or consented in a record to such provision of the organic rules or became an interest holder after the adoption of such provision.

(b) A merger involving a foreign merging entity shall not be effective unless it is approved by the foreign entity in accordance with the law of the foreign entity's jurisdiction of organization.

Sec. 13. (NEW) (*Effective January 1, 2014*) (a) A plan of merger of a domestic merging entity may be amended (1) in the same manner as the plan was approved, provided the plan does not otherwise specify the manner in which it may be amended, or (2) by the governors or interest holders of the entity in the manner provided in the plan, except an interest holder that was entitled to vote on or consent to approval of the merger is entitled to vote on or consent to any amendment of the plan that shall change (A) the amount or kind of interests, securities, obligations, rights to acquire interests or securities, cash, or other property, or any combination thereof, to be received by the interest holders of any party to the plan; (B) the public organic document or private organic rules of the surviving entity that shall be in effect immediately after the merger becomes effective, except for changes that do not require approval of the interest holders of the surviving entity under its organic law or organic rules; or (C) any other

terms or conditions of the plan, provided the change would adversely affect the interest holder in any material respect.

(b) After a plan of merger has been approved by a domestic merging entity and before a statement of merger becomes effective, the plan may be abandoned (1) as provided in the plan, or (2) unless prohibited by the plan, in the same manner as the plan was approved.

(c) If a plan of merger is abandoned after a statement of merger has been filed with the Secretary of the State but before the filing becomes effective, a statement of abandonment, signed on behalf of a merging entity, shall be filed with the Secretary of the State before the statement of merger becomes effective. The statement of abandonment shall take effect upon its filing, and the merger shall be deemed abandoned and shall not become effective. The statement of abandonment shall contain (1) the name of each merging or surviving entity that is a domestic entity or a qualified foreign entity; (2) the date on which the statement of merger was filed; and (3) a statement that the merger has been abandoned in accordance with this section.

Sec. 14. (NEW) (*Effective January 1, 2014*) (a) A certificate of merger shall be signed on behalf of each merging entity and filed with the Secretary of the State.

(b) A certificate of merger shall contain:

(1) The name, jurisdiction of organization and type of each merging entity that is not the surviving entity;

(2) The name, jurisdiction of organization and type of the surviving entity;

(3) If the certificate of merger is not to be effective upon filing, the date and time when it shall become effective, which shall not be later than ninety days after the date of filing;

(4) A statement that the merger was approved by each domestic merging entity, if any, in accordance with sections 10 to 15, inclusive, of this act, and by each foreign merging entity, if any, in accordance with the law of its jurisdiction of organization;

(5) If the surviving entity exists before the merger and is a domestic filing entity, any amendment to its public organic document approved as part of the plan of merger;

(6) If the surviving entity is created by the merger and is a domestic filing entity, its public organic document, as an attachment;

(7) If the surviving entity is created by the merger and is a domestic limited liability partnership, its certificate of limited liability partnership, as an attachment; and

(8) If the surviving entity is a foreign entity that is not a qualified foreign entity, a mailing address to which the Secretary of the State may send any process served on the Secretary of the State pursuant to subsection (e) of section 15 of this act.

(c) In addition to the requirements of subsection (b) of this section, a certificate of merger may contain any other provision not prohibited by law.

(d) If the surviving entity is a domestic entity, its public organic document, if any, shall satisfy the requirements of the law of this state, except it does not need to be signed and may omit any provision that is not required to be included in a restatement of the public organic document.

(e) A certificate of merger becomes effective upon the date and time of its filing or the date and time specified in the certificate of merger.

Sec. 15. (NEW) (*Effective January 1, 2014*) (a) When a merger becomes

effective:

(1) The surviving entity shall continue to exist or come into existence;

(2) Each merging entity that is not the surviving entity shall cease to exist;

(3) All property of each merging entity shall vest in the surviving entity without assignment, reversion or impairment;

(4) All liabilities of each merging entity shall be liabilities of the surviving entity;

(5) Except as otherwise provided by law, other than as provided in sections 1 to 33, inclusive, of this act or the plan of merger, all of the rights, privileges, immunities, powers and purposes of each merging entity shall vest in the surviving entity;

(6) If the surviving entity exists before the merger (A) all of its property shall continue to be vested in it without reversion or impairment; (B) it shall remain subject to all of its liabilities; and (C) all of its rights, privileges, immunities, powers and purposes shall continue to be vested in it;

(7) The name of the surviving entity may be substituted for the name of any merging entity that is a party to any pending action or proceeding;

(8) If the surviving entity exists before the merger (A) its public organic document, if any, shall be amended as provided in the statement of merger and shall be binding on its interest holders; and (B) its private organic rules that are to be in a record, if any, shall be amended to the extent provided in the plan of merger and shall be binding on and enforceable by (i) its interest holders; and (ii) in the

case of a surviving entity that is not a business corporation, any other person that is a party to an agreement that is part of the surviving entity's private organic rules;

(9) If the surviving entity is created by the merger (A) its public organic document, if any, shall be effective and binding on its interest holders; and (B) its private organic rules shall be effective and binding on and enforceable by (i) its interest holders; and (ii) in the case of a surviving entity that is not a business corporation, any other person that was a party to an agreement that was part of the organic rules of a merging entity if such person has agreed to be a party to an agreement that is part of the surviving entity's private organic rules; and

(10) The interests in each merging entity that are to be converted in the merger shall be converted, and the interest holders of those interests shall be entitled only to the rights provided to them under the plan of merger and to any appraisal rights they have under section 8 of this act and the merging entity's organic law.

(b) Except as otherwise provided in the organic law or organic rules of a merging entity, the merger shall not give rise to any rights that an interest holder, governor or third party would otherwise have upon a dissolution, liquidation or winding-up of the merging entity.

(c) When a merger becomes effective, a person that did not have interest holder liability with respect to any of the merging entities and that becomes subject to interest holder liability with respect to a domestic entity as a result of a merger shall have interest holder liability only to the extent provided by the organic law of the entity and only for those liabilities that arise after the merger becomes effective.

(d) When a merger becomes effective, the interest holder liability of a person that ceases to hold an interest in a domestic merging entity

with respect to which such person had interest holder liability shall be as follows:

(1) The merger shall not discharge any interest holder liability under the organic law of the domestic merging entity to the extent the interest holder liability arose before the merger became effective;

(2) Such person shall not have interest holder liability under the organic law of the domestic merging entity for any liability that arises after the merger becomes effective;

(3) The organic law of the domestic merging entity shall continue to apply to the release, collection or discharge of any interest holder liability preserved under subdivision (1) of this subsection as if the merger had not occurred and the surviving entity were the domestic merging entity; and

(4) Such person shall have whatever rights of contribution from any other person are provided by the organic law or organic rules of the domestic merging entity with respect to any interest holder liability preserved under subdivision (1) of this subsection as if the merger had not occurred.

(e) When a merger becomes effective, a foreign entity that is the surviving entity (1) may be served with process in this state for the collection and enforcement of any liabilities of a domestic merging entity; and (2) shall appoint the Secretary of the State as its agent for service of process for collecting or enforcing such liabilities.

(f) When a merger becomes effective, the certificate of authority or other foreign qualification of any foreign merging entity that is not the surviving entity shall be canceled.

Sec. 16. (NEW) (*Effective January 1, 2014*) (a) Except as otherwise provided in this section, by complying with this section and sections

17 to 21, inclusive, of this act (1) a domestic entity may acquire all of one or more classes or series of interests of another domestic or foreign entity in exchange for interests, securities, obligations, rights to acquire interests or securities, cash, or other property, or any combination thereof; or (2) all of one or more classes or series of interests of a domestic entity may be acquired by another domestic or foreign entity in exchange for interests, securities, obligations, rights to acquire interests or securities, cash, or other property, or any combination thereof.

(b) Except as otherwise provided in this section, by complying with the provisions of this section and sections 17 to 21, inclusive, of this act applicable to foreign entities, a foreign entity may be the acquiring or acquired entity in an interest exchange, provided the interest exchange is authorized by the law of the foreign entity's jurisdiction of organization.

(c) If a protected agreement contains a provision that applies to a merger of a domestic entity but does not refer to an interest exchange, such provision shall apply to an interest exchange in which the domestic entity is the acquired entity as if the interest exchange were a merger until such time after October 1, 2011, as the provision is amended.

Sec. 17. (NEW) (*Effective January 1, 2014*) (a) A domestic entity may be the acquired entity in an interest exchange by approving a plan of interest exchange. The plan shall be in a record and contain:

(1) The name and type of the acquired entity;

(2) The name, jurisdiction of organization and type of the acquiring entity;

(3) The manner of converting the interests in the acquired entity into interests, securities, obligations, rights to acquire interests or securities,

cash, or other property, or any combination thereof;

(4) Any proposed amendments to the public organic document or private organic rules that are, or are proposed to be, in a record of the acquired entity;

(5) The other terms and conditions of the interest exchange; and

(6) Any other provision required by the law of this state or the organic rules of the acquired entity.

(b) A plan of interest exchange may contain any other provision not prohibited by law.

Sec. 18. (NEW) (*Effective January 1, 2014*) (a) A plan of interest exchange shall not be effective unless it has been approved:

(1) By a domestic acquired entity (A) in accordance with the requirements, if any, in its organic law and organic rules for approval of an exchange of interests; (B) except as otherwise provided in subsection (c) of this section, if neither its organic law nor organic rules provide for approval of an exchange of interests, then in accordance with the requirements, if any, in its organic law and organic rules for approval of a merger, as if the interest exchange were a merger; or (C) if neither its organic law nor organic rules provide for approval of an exchange of interests or a merger, by all of the interest holders of the entity entitled to vote on or consent to any matter; and

(2) In a record, by each interest holder of a domestic acquired entity that shall have interest holder liability for liabilities that arise after the interest exchange becomes effective, unless, in the case of an entity that is not a business corporation, (A) the organic rules of the entity provide in a record for the approval of an interest exchange or a merger in which some or all of its interest holders become subject to interest holder liability by the vote or consent of fewer than all of the

interest holders; and (B) the interest holder voted for or consented in a record to such provision of the organic rules or became an interest holder after the adoption of such provision.

(b) An interest exchange involving a foreign acquired entity shall not be effective unless it is approved by the foreign entity in accordance with the law of the foreign entity's jurisdiction of organization.

(c) Except as otherwise provided in its organic law or organic rules, the interest holders of the acquiring entity shall not be required to approve the interest exchange.

Sec. 19. (NEW) (*Effective January 1, 2014*) (a) A plan of interest exchange of a domestic acquired entity may be amended:

(1) In the same manner as the plan was approved, provided the plan does not otherwise specify the manner in which it may be amended; or

(2) By the governors or interest holders of the entity in the manner provided in the plan, except an interest holder that was entitled to vote on or consent to approval of the interest exchange shall be entitled to vote on or consent to any amendment of the plan that will change (A) the amount or kind of interests, securities, obligations, rights to acquire interests or securities, cash, or other property, or any combination thereof, to be received by any of the interest holders of the acquired entity under the plan; (B) the public organic document or private organic rules of the acquired entity that will be in effect immediately after the interest exchange becomes effective, except for changes that do not require approval of the interest holders of the acquired entity under its organic law or organic rules; or (C) any other terms or conditions of the plan, provided the change would adversely affect the interest holder in any material respect.

(b) After a plan of interest exchange has been approved by a

domestic acquired entity and before a certificate of interest exchange becomes effective, the plan may be abandoned (1) as provided in the plan; or (2) unless prohibited by the plan, in the same manner as the plan was approved.

(c) If a plan of interest exchange is abandoned after a certificate of interest exchange has been filed with the Secretary of the State but before the filing becomes effective, a certificate of abandonment, signed on behalf of the acquired entity, shall be filed with the Secretary of the State before such time as the certificate of interest exchange becomes effective. The certificate of abandonment shall take effect upon its filing and the interest exchange shall be abandoned and shall not become effective. The certificate of abandonment shall contain (1) the name of the acquired entity; (2) the date on which the certificate of interest exchange was filed; and (3) a statement that the interest exchange has been abandoned in accordance with this section.

Sec. 20. (NEW) (*Effective January 1, 2014*) (a) A certificate of interest exchange shall be signed on behalf of a domestic acquired entity and filed with the Secretary of the State.

(b) A certificate of interest exchange shall contain:

(1) The name and type of the acquired entity;

(2) The name, jurisdiction of organization and type of the acquiring entity;

(3) If the certificate of interest exchange is not to be effective upon filing, the date and time on which it will become effective, which may not be more than ninety days after the date of filing;

(4) A statement that the plan of interest exchange was approved by the acquired entity in accordance with sections 16 to 21, inclusive, of this act; and

(5) Any amendments to the acquired entity's public organic document approved as part of the plan of interest exchange.

(c) A certificate of interest exchange may contain any other provision not prohibited by law.

(d) A certificate of interest exchange shall become effective on the date and time of its filing or on the date and time specified in the certificate of interest exchange.

Sec. 21. (NEW) (*Effective January 1, 2014*) (a) When an interest exchange becomes effective:

(1) The interests in the acquired entity that are the subject of the interest exchange shall cease to exist or shall be converted or exchanged, and the interest holders of those interests shall be entitled only to the rights provided to them under the plan of interest exchange and to any appraisal rights they have under section 8 of this act and the acquired entity's organic law;

(2) The acquiring entity shall become the interest holder of the interests in the acquired entity stated in the plan of interest exchange to be acquired by the acquiring entity;

(3) The public organic document, if any, of the acquired entity shall be amended as provided in the certificate of interest exchange and shall be binding on its interest holders; and

(4) The private organic rules of the acquired entity that are to be in a record, if any, shall be amended to the extent provided in the plan of interest exchange and be binding on and enforceable by (A) its interest holders; and (B) in the case of an acquired entity that is not a corporation, any other person that is a party to an agreement that is part of the acquired entity's private organic rules.

(b) Except as otherwise provided in the organic law or organic rules of the acquired entity, the interest exchange shall not give rise to any rights that an interest holder, governor or third party would otherwise have upon a dissolution, liquidation or winding-up of the acquired entity.

(c) When an interest exchange becomes effective, a person that did not have interest holder liability with respect to the acquired entity and that becomes subject to interest holder liability with respect to a domestic entity as a result of the interest exchange shall have interest holder liability only to the extent provided by the organic law of the entity and only for those liabilities that arise after the interest exchange becomes effective.

(d) When an interest exchange becomes effective, the interest holder liability of a person that ceases to hold an interest in a domestic acquired entity with respect to which such person had interest holder liability shall be as follows:

(1) The interest exchange shall not discharge any interest holder liability under the organic law of the domestic acquired entity to the extent the interest holder liability arose before the interest exchange became effective;

(2) Such person shall not have interest holder liability under the organic law of the domestic acquired entity for any liability that arises after the interest exchange becomes effective;

(3) The organic law of the domestic acquired entity shall continue to apply to the release, collection or discharge of any interest holder liability preserved under subdivision (1) of this subsection as if the interest exchange had not occurred; and

(4) Such person shall have whatever rights of contribution from any other person are provided by the organic law or organic rules of the

domestic acquired entity with respect to any interest holder liability preserved under subdivision (1) of this subsection as if the interest exchange had not occurred.

Sec. 22. (NEW) (*Effective January 1, 2014*) (a) Except as otherwise provided in this section, by complying with sections 1 to 33, inclusive, of this act, a domestic entity may become (1) a domestic entity of a different type; or (2) a foreign entity of a different type, provided the conversion is authorized by the law of the foreign jurisdiction.

(b) Except as otherwise provided in this section, by complying with the provisions of this section and sections 23 to 27, inclusive, of this act applicable to foreign entities, a foreign entity may become a domestic entity of a different type, provided the conversion is authorized by the law of the foreign entity's jurisdiction of organization or the foreign entity's organic rules.

(c) If a protected agreement contains a provision that applies to a merger of a domestic entity but does not refer to a conversion, such provision shall apply to a conversion of the entity as if the conversion were a merger until such time after October 1, 2011, as the provision is amended.

Sec. 23. (NEW) (*Effective January 1, 2014*) (a) A domestic entity may convert to a different type of entity under sections 22 to 27, inclusive, of this act by approving a plan of conversion. The plan shall be in a record and contain:

(1) The name and type of the converting entity;

(2) The name, jurisdiction of organization and type of the converted entity;

(3) The manner of converting the interests in the converting entity into interests, securities, obligations, rights to acquire interests or

securities, cash, or other property, or any combination thereof;

(4) The proposed public organic document of the converted entity if it shall be a filing entity;

(5) The full text of the private organic rules of the converted entity that are proposed to be in a record;

(6) The other terms and conditions of the conversion; and

(7) Any other provision required by the law of this state or the organic rules of the converting entity.

(b) A plan of conversion may contain any other provision not prohibited by law.

Sec. 24. (NEW) (*Effective January 1, 2014*) (a) A plan of conversion shall not be effective unless it has been approved:

(1) By a domestic converting entity (A) in accordance with the requirements, if any, in its organic rules for approval of a conversion; (B) if its organic rules do not provide for approval of a conversion, in accordance with the requirements, if any, in its organic law and organic rules for approval of (i) in the case of an entity that is not a business corporation, a merger, as if the conversion were a merger; or (ii) in the case of a corporation, a merger requiring approval by a vote of the interest holders of the business corporation, as if the conversion were that type of merger; or (C) if neither its organic law nor organic rules provide for approval of a conversion or a merger described in subparagraph (A) or (B) of this subdivision, by all of the interest holders of the entity entitled to vote on or consent to any matter; and

(2) In a record, by each interest holder of a domestic converting entity that shall have interest holder liability for liabilities that arise after the conversion becomes effective, unless, in the case of an entity

that is not a business or nonprofit corporation, (A) the organic rules of the entity provide in a record for the approval of a conversion or a merger in which some or all of its interest holders become subject to interest holder liability by the vote or consent of fewer than all of the interest holders; and (B) the interest holder voted for or consented in a record to such provision of the organic rules or became an interest holder after the adoption of such provision.

(b) A conversion of a foreign converting entity shall not be effective unless it is approved by the foreign entity in accordance with the law of the foreign entity's jurisdiction of organization or the foreign entity's organic rules.

Sec. 25. (NEW) (*Effective January 1, 2014*) (a) A plan of conversion of a domestic converting entity may be amended (1) in the same manner as the plan was approved, provided the plan does not otherwise specify the manner in which it may be amended; or (2) by the governors or interest holders of the entity in the manner provided in the plan, except an interest holder that was entitled to vote on or consent to approval of the conversion shall be entitled to vote on or consent to any amendment of the plan that shall change (A) the amount or kind of interests, securities, obligations, rights to acquire interests or securities, cash, or other property, or any combination thereof, to be received by any of the interest holders of the converting entity under the plan; (B) the public organic document or private organic rules of the converted entity that shall be in effect immediately after the conversion becomes effective, except for changes that do not require approval of the interest holders of the converted entity under its organic law or organic rules; or (C) any other terms or conditions of the plan, provided the change would adversely affect the interest holder in any material respect.

(b) After a plan of conversion has been approved by a domestic converting entity and before a certificate of conversion becomes

effective, the plan may be abandoned (1) as provided in the plan; or (2) unless prohibited by the plan, in the same manner as the plan was approved.

(c) If a plan of conversion is abandoned after a certificate of conversion has been filed with the Secretary of the State but before the filing becomes effective, a certificate of abandonment, signed on behalf of the entity, shall be filed with the Secretary of the State before such time as the certificate of conversion becomes effective. The certificate of abandonment shall take effect upon its filing and the conversion shall be abandoned and shall not become effective. The certificate of abandonment shall contain (1) the name of the converting entity; (2) the date on which the certificate of conversion was filed; and (3) a statement that the conversion has been abandoned in accordance with this section.

Sec. 26. (NEW) (*Effective January 1, 2014*) (a) A certificate of conversion shall be signed on behalf of the converting entity and filed with the Secretary of the State.

(b) A certificate of conversion shall contain:

(1) The name, jurisdiction of organization and type of the converting entity;

(2) The name, jurisdiction of organization and type of the converted entity;

(3) If the certificate of conversion is not to be effective upon its filing, the date and time on which it shall become effective;

(4) If the converting entity is a domestic entity, a statement that the plan of conversion was approved in accordance with sections 22 to 27, inclusive, of this act or, if the converting entity is a foreign entity, a statement that the conversion was approved by the foreign converting

entity in accordance with the law of its jurisdiction of organization;

(5) If the converted entity is a domestic filing entity, the text of its public organic document, as an attachment;

(6) If the converted entity is a domestic limited liability partnership, the text of its certificate of limited liability partnership, as an attachment; and

(7) If the converted entity is a foreign entity that is not a qualified foreign entity, a mailing address to which the Secretary of the State may send any process served on the Secretary of the State pursuant to subsection (e) of section 27 of this act.

(c) In addition to the requirements of subsection (b) of this section, a certificate of conversion may contain any other provision not prohibited by law.

(d) If the converted entity is a domestic entity, its public organic document, if any, shall satisfy the requirements of the law of this state, except it does not need to be signed and may omit any provision that is not required to be included in a restatement of the public organic document.

(e) A certificate of conversion shall become effective upon the date and time of its filing or the date and time specified in the certificate of conversion.

Sec. 27. (NEW) (*Effective January 1, 2014*) (a) When a conversion becomes effective:

(1) The converted entity shall be (A) organized under and subject to the organic law of the converted entity; and (B) the same entity without interruption as the converting entity;

(2) All property of the converting entity shall continue to be vested

in the converted entity without assignment, reversion or impairment;

(3) All liabilities of the converting entity shall continue as liabilities of the converted entity;

(4) Except as provided by law, other than sections 1 to 33, inclusive, of this act or the plan of conversion, all of the rights, privileges, immunities, powers and purposes of the converting entity shall remain in the converted entity;

(5) The name of the converted entity may be substituted for the name of the converting entity in any pending action or proceeding;

(6) If a converted entity is a filing entity, its public organic document shall be effective and binding on its interest holders;

(7) If the converted entity is a limited liability partnership, its certificate of limited liability partnership shall be effective simultaneously;

(8) The private organic rules of the converted entity that are to be in a record, if any, approved as part of the plan of conversion shall be effective and binding on and enforceable by (A) its interest holders; and (B) in the case of a converted entity that is not a business corporation or nonprofit corporation, any other person that is a party to an agreement that is part of the entity's private organic rules; and

(9) The interests in the converting entity shall be converted, and the interest holders of the converting entity shall be entitled only to the rights provided to them under the plan of conversion and to any appraisal rights they have under section 8 of this act and the converting entity's organic law.

(b) Except as otherwise provided in the organic law or organic rules of the converting entity, the conversion shall not give rise to any rights

that an interest holder, governor or third party would otherwise have upon a dissolution, liquidation or winding-up of the converting entity.

(c) When a conversion becomes effective, a person that did not have interest holder liability with respect to the converting entity and that becomes subject to interest holder liability with respect to a domestic entity as a result of a conversion shall have interest holder liability only to the extent provided by the organic law of the entity and only for those liabilities that arise after the conversion becomes effective.

(d) When a conversion becomes effective:

(1) The conversion shall not discharge any interest holder liability under the organic law of a domestic converting entity to the extent the interest holder liability arose before the conversion became effective;

(2) A person shall not have interest holder liability under the organic law of a domestic converting entity for any liability that arises after the conversion becomes effective;

(3) The organic law of a domestic converting entity shall continue to apply to the release, collection or discharge of any interest holder liability preserved under subdivision (1) of this subsection as if the conversion had not occurred; and

(4) A person shall have whatever rights of contribution from any other person are provided by the organic law or organic rules of the domestic converting entity with respect to any interest holder liability preserved under subdivision (1) of this subsection as if the conversion had not occurred.

(e) When a conversion becomes effective, a foreign entity that is the converted entity (1) may be served with process in this state for the collection and enforcement of any of its liabilities; and (2) shall appoint the Secretary of the State as its agent for service of process for

collecting or enforcing those liabilities.

(f) If the converting entity is a qualified foreign entity, the certificate of authority or other foreign qualification of the converting entity shall be canceled when the conversion becomes effective.

(g) A conversion shall not require the entity to wind up its affairs and shall not constitute or cause the dissolution of the entity.

Sec. 28. (NEW) (*Effective January 1, 2014*) (a) As used in this section and sections 29 to 33, inclusive, of this act, "domestic entity" means, with respect to a foreign jurisdiction, an entity whose internal affairs are governed by the law of the foreign jurisdiction.

(b) Except as otherwise provided in this section, by complying with this section and sections 29 to 33, inclusive, of this act, a domestic entity may become a domestic entity of the same type in a foreign jurisdiction, provided the domestication is authorized by the law of the foreign jurisdiction.

(c) Except as otherwise provided in this section, by complying with the provisions of this section and sections 29 to 33, inclusive, of this act, applicable to foreign entities, a foreign entity may become a domestic entity of the same type in this state if the domestication is authorized by the law of the foreign entity's jurisdiction of organization.

(d) If a protected agreement contains a provision that applies to a merger of a domestic entity but does not refer to a domestication, the provision shall apply to a domestication of the entity as if the domestication were a merger until such time after October 1, 2011, as the provision is amended.

Sec. 29. (NEW) (*Effective January 1, 2014*) (a) A domestic entity may become a foreign entity in a domestication by approving a plan of domestication. The plan shall be in a record and contain:

(1) The name and type of the domesticating entity;

(2) The name and jurisdiction of organization of the domesticated entity;

(3) The manner of converting the interests in the domesticating entity into interests, securities, obligations, rights to acquire interests or securities, cash, or other property, or any combination thereof;

(4) The proposed public organic document of the domesticated entity if it is a filing entity;

(5) The full text of the private organic rules of the domesticated entity that are proposed to be in a record;

(6) The other terms and conditions of the domestication; and

(7) Any other provision required by the law of this state or the organic rules of the domesticating entity.

(b) A plan of domestication may contain any other provision not prohibited by law.

Sec. 30. (NEW) (*Effective January 1, 2014*) (a) A plan of domestication shall not be effective unless it has been approved:

(1) By a domestic domesticating entity (A) in accordance with the requirements, if any, in its organic rules for approval of a domestication; (B) if its organic rules do not provide for approval of a domestication, in accordance with the requirements, if any, in its organic law and organic rules for approval of (i) in the case of an entity that is not a business corporation, a merger, as if the domestication were a merger; or (ii) in the case of a business corporation, a merger requiring approval by a vote of the interest holders of the business corporation, as if the domestication were that type of merger; or (C) if neither its organic law nor organic rules provide for approval of a

domestication or a merger described in subparagraph (B)(ii) of this subdivision, by all of the interest holders of the entity entitled to vote on or consent to any matter; and

(2) In a record, by each interest holder of a domestic domesticating entity that shall have interest holder liability for liabilities that arise after the domestication becomes effective, unless, in the case of an entity that is not a business corporation or nonprofit corporation, (A) the organic rules of the entity in a record provide for the approval of a domestication or merger in which some or all of its interest holders become subject to interest holder liability by the vote or consent of fewer than all of the interest holders; and (B) the interest holder voted for or consented in a record to that provision of the organic rules or became an interest holder after the adoption of that provision.

(b) A domestication of a foreign domesticating entity shall not be effective unless it is approved in accordance with the law of the foreign entity's jurisdiction of organization.

Sec. 31. (NEW) (*Effective January 1, 2014*) (a) A plan of domestication of a domestic domesticating entity may be amended (1) in the same manner as the plan was approved, provided the plan does not otherwise specify the manner in which it may be amended; or (2) by the governors or interest holders of the entity in the manner provided in the plan, except an interest holder that was entitled to vote on or consent to approval of the domestication is entitled to vote on or consent to any amendment of the plan that shall change (A) the amount or kind of interests, securities, obligations, rights to acquire interests or securities, cash, or other property, or any combination thereof, to be received by any of the interest holders of the domesticating entity under the plan; (B) the public organic document or private organic rules of the domesticated entity that shall be in effect immediately after the domestication becomes effective, except for changes that do not require approval of the interest holders of the

domesticated entity under its organic law or organic rules; or (C) any other terms or conditions of the plan, provided the change would adversely affect the interest holder in any material respect.

(b) After a plan of domestication has been approved by a domestic domesticating entity and before a statement of domestication becomes effective, the plan may be abandoned (1) as provided in the plan; or (2) unless prohibited by the plan, in the same manner as the plan was approved.

(c) If a plan of domestication is abandoned after a statement of domestication has been filed with the Secretary of the State but before the filing becomes effective, a statement of abandonment, signed on behalf of the entity, shall be filed with the Secretary of the State before the time when the statement of domestication becomes effective. The statement of abandonment shall take effect upon its filing, and the domestication shall be abandoned and shall not become effective. The statement of abandonment shall contain (1) the name of the domesticating entity; (2) the date on which the statement of domestication was filed; and (3) a statement that the domestication has been abandoned in accordance with this section.

Sec. 32. (NEW) (*Effective January 1, 2014*) (a) A statement of domestication shall be signed on behalf of the domesticating entity and filed with the Secretary of the State.

(b) A statement of domestication shall contain:

(1) The name, jurisdiction of organization and type of the domesticating entity;

(2) The name and jurisdiction of organization of the domesticated entity;

(3) If the statement of domestication is not effective upon its filing,

the date and time when it shall become effective, which may not be later than ninety days after the date of such filing;

(4) If the domesticating entity is a domestic entity, a statement that the plan of domestication was approved in accordance with sections 28 to 33, inclusive, of this act or, if the domesticating entity is a foreign entity, a statement that the domestication was approved in accordance with the law of its jurisdiction of organization;

(5) If the domesticated entity is a domestic filing entity, its public organic document, as an attachment;

(6) If the domesticated entity is a domestic limited liability partnership, its certificate of limited liability partnership as an attachment; and

(7) If the domesticated entity is a foreign entity that is not a qualified foreign entity, a mailing address to which the Secretary of the State may send any process served on the Secretary of State pursuant to subsection (e) of section 33 of this act.

(c) In addition to the requirements of subsection (b) of this section, a statement of domestication may contain any other provision not prohibited by law.

(d) If the domesticated entity is a domestic entity, its public organic document, if any, shall satisfy the requirements of the law of this state, except it does not need to be signed and may omit any provision that is not required to be included in a restatement of the public organic document.

(e) A statement of domestication shall become effective upon the date and time of its filing or the date and time specified in the statement of domestication.

Sec. 33. (NEW) (*Effective January 1, 2014*) (a) When a domestication becomes effective:

(1) The domesticated entity shall be (A) organized under and subject to the organic law of the domesticated entity; and (B) the same entity without interruption as the domesticating entity;

(2) All property of the domesticating entity shall continue to be vested in the domesticated entity without assignment, reversion or impairment;

(3) All liabilities of the domesticating entity shall continue as liabilities of the domesticated entity;

(4) Except as provided by law, other than sections 1 to 32, inclusive, of this act and this section or the plan of domestication, all of the rights, privileges, immunities, powers and purposes of the domesticating entity shall remain in the domesticated entity;

(5) The name of the domesticated entity may be substituted for the name of the domesticating entity in any pending action or proceeding;

(6) If the domesticated entity is a filing entity, its public organic document shall be effective and binding on its interest holders;

(7) If the domesticated entity is a limited liability partnership, its certificate of limited partnership shall be effective simultaneously;

(8) The private organic rules of the domesticated entity that are to be in a record, if any, approved as part of the plan of domestication shall be effective and binding on and enforceable by (A) its interest holders; and (B) in the case of a domesticated entity that is not a business corporation, any other person that is a party to an agreement that is part of the domesticated entity's private organic rules; and

(9) The interests in the domesticating entity shall be converted to the

extent and in the manner approved in connection with the domestication, and the interest holders of the domesticating entity shall be entitled only to the rights provided to them under the plan of domestication and to any appraisal rights they have under section 8 of this act and the domesticating entity's organic law.

(b) Except as otherwise provided in the organic law or organic rules of the domesticating entity, the domestication shall not give rise to any rights that an interest holder, governor or third party would otherwise have upon a dissolution, liquidation or winding-up of the domesticating entity.

(c) When a domestication becomes effective, a person that did not have interest holder liability with respect to the domesticating entity and that becomes subject to interest holder liability with respect to a domestic entity as a result of the domestication shall have interest holder liability only to the extent provided by the organic law of the entity and only for those liabilities that arise after the domestication becomes effective.

(d) When a domestication becomes effective:

(1) The domestication shall not discharge any interest holder liability under the organic law of a domesticating domestic entity to the extent the interest holder liability arose before the domestication became effective;

(2) A person shall not have interest holder liability under the organic law of a domestic domesticating entity for any liability that arises after the domestication becomes effective;

(3) The organic law of a domestic domesticating entity shall continue to apply to the release, collection or discharge of any interest holder liability preserved under subdivision (1) of this subsection as if the domestication had not occurred; and

(4) A person shall have whatever rights of contribution from any other person are provided by the organic law or organic rules of a domestic domesticating entity with respect to any interest holder liability preserved under subdivision (1) of this subsection as if the domestication had not occurred.

(e) When a domestication becomes effective, a foreign entity that is the domesticated entity (1) may be served with process in this state for the collection and enforcement of any of its liabilities; and (2) shall appoint the Secretary of the State as its agent for service of process for collecting or enforcing those liabilities.

(f) If the domesticating entity is a qualified foreign entity, the certificate of authority or other foreign qualification of the domesticating entity shall be canceled when the domestication becomes effective.

(g) A domestication shall not require the entity to wind up its affairs and shall not constitute or cause the dissolution of the entity.

Sec. 34. Section 33-182i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

Chapter 601 is applicable to a corporation organized pursuant to this chapter except to the extent that any of the provisions of this chapter are interpreted to be in conflict with the provisions of chapter 601, in which event the provisions of this chapter shall take precedence with respect to a corporation organized pursuant to the provisions of this chapter. A professional corporation organized under this chapter may consolidate or merge **[**only**]** with another professional corporation organized under this chapter, **[**a limited liability company organized under chapter 613, a partnership or limited liability partnership organized under chapter 614 or a medical foundation organized under chapter 594b,**]** only if such corporation **[**, company, partnership or

medical foundation**]** is organized to render the same specific professional service. A merger or consolidation of any professional corporation organized under this chapter with any foreign corporation **[**, foreign limited liability company, foreign partnership or foreign limited liability partnership**]** is prohibited.

Sec. 35. Section 33-815 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) One or more domestic corporations may, in accordance with the provisions of this section, merge with one or more domestic or foreign corporations **[**or other entities**]** pursuant to a plan of merger.

(b) A foreign corporation **[**, or a domestic or foreign other entity,**]** may be a party to a merger, or may be created by the terms of a plan of merger, only if: (1) The merger is permitted by the law of the state or country under which such corporation **[**or other entity**]** is organized or by which it is governed; and (2) in effecting the merger, such corporation **[**or other entity**]** complies with such law and with its certificate of incorporation. **[**or organizational documents.**]**

(c) The plan of merger **[**must**]** shall include: (1) The name of each corporation **[**or other entity**]** that will merge and the name of the corporation **[**or other entity**]** that will be the survivor of the merger; (2) the terms and conditions of the merger; (3) the manner and basis of converting the shares of each merging corporation **[**and interests of each merging other entity**]** into shares or other securities, interests, obligations, rights to acquire shares or other securities, cash or other property, or any combination thereof; (4) the certificate of incorporation of any corporation **[**, or the organizational documents of any other entity,**]** to be created by the merger or, if a new corporation **[**or other entity**]** is not to be created by the merger, any amendments to the survivor's certificate of incorporation; **[**or organizational documents;**]** and (5) any other provisions required by the law of the

state or country under which any party to the merger is organized or by which it is governed, or by the certificate of incorporation or organizational documents of any such party.

(d) Terms of a plan of merger may be made dependent on facts objectively ascertainable outside the plan in accordance with subsection (l) of section 33-608.

(e) The plan of merger may also include a provision that the plan may be amended prior to filing a certificate of merger with the Secretary of the State, provided, if the shareholders of a domestic corporation that is a party to the merger are required or permitted to vote on the plan, the plan **[**must**]** shall provide that, subsequent to approval of the plan by such shareholders, the plan may not be amended to: (1) Change the amount or kind of shares or other securities, interests, obligations, rights to acquire shares or other securities, cash or other property to be received by the shareholders of or owners of interests in any party to the merger upon conversion of their shares or interests under the plan; (2) change the certificate of incorporation of any corporation **[**, or the organizational documents of any other entity,**]** that will survive or be created as a result of the merger, except for changes permitted by section 33-796 or by comparable provisions of the law of the state or country under which the foreign corporation **[**or foreign other entity**]** is organized or by which it is governed; or (3) change any of the other terms or conditions of the plan if the change would adversely affect such shareholders in any material respect.

Sec. 36. Section 33-816 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) Through a share exchange: (1) A domestic corporation may acquire all of the shares of one or more classes or series of shares of another domestic corporation or of a foreign corporation, **[**or all of the

interests of one or more classes or series of interests of a domestic or foreign other entity,**]** in exchange for shares or other securities, interests, obligations, rights to acquire shares or other securities, cash or other property, or any combination thereof, pursuant to a plan of share exchange; or (2) all of the shares of one or more classes or series of shares of a domestic corporation may be acquired by another domestic corporation or by a foreign corporation, **[**or other entity,**]** in exchange for shares or other securities, interests, obligations, rights to acquire shares or other securities, cash or other property, or any combination thereof, pursuant to a plan of share exchange.

(b) A foreign corporation **[**, or a domestic or foreign other entity,**]** may be a party to a share exchange only if: (1) The share exchange is permitted by the law of the state or country under which such corporation **[**or other entity**]** is organized or by which it is governed; and (2) in effecting the share exchange, such corporation **[**or other entity**]** complies with such law and with its certificate of incorporation or organizational documents.

(c) The plan of share exchange **[**must**]** shall include: (1) The name of each corporation **[**or other entity**]** whose shares **[**or interests**]** will be acquired and the name of the corporation or other entity that will acquire such shares; **[**or interests;**]** (2) the terms and conditions of the share exchange; (3) the manner and basis of exchanging shares of a corporation **[**or interests in an other entity**]** whose shares **[**or interests**]** will be acquired under the share exchange into shares or other securities, interests, obligations, rights to acquire shares or other securities, cash or other property, or any combination thereof; and (4) any other provisions required by the law of the state or country under which any party to the share exchange is organized or by which it is governed or by the certificate of incorporation or organizational documents of any such party.

(d) Terms of a plan of share exchange may be made dependent on

facts objectively ascertainable outside the plan in accordance with subsection (l) of section 33-608.

(e) The plan of share exchange may also include a provision that the plan may be amended prior to the filing of a certificate of share exchange with the Secretary of the State, provided, if the shareholders of a domestic corporation that is a party to the share exchange are required or permitted to vote on the plan, the plan **[**must**]** shall provide that, subsequent to approval of the plan by such shareholders, the plan may not be amended to: (1) Change the amount or kind of shares or other securities, interests, obligations, rights to acquire shares or other securities, cash or other property to be issued by the corporation or to be received by the shareholders of **[**or owners of interests**]** in any party to the share exchange in exchange for their shares **[**or interests**]** under the plan; or (2) change any of the terms or conditions of the plan if the change would adversely affect such shareholders in any material respect.

(f) This section does not limit the power of a domestic corporation to acquire shares of another corporation or interests in an other entity in a transaction other than a share exchange.

Sec. 37. Subdivision (4) of section 33-817 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(4) If the plan of merger or share exchange is required to be approved by the shareholders, and if the approval is to be given at a meeting, the corporation **[**must**]** shall notify each shareholder, whether or not entitled to vote, of the meeting of shareholders at which the plan is to be submitted for approval. The notice **[**must**]** shall also state that the purpose, or one of the purposes, of the meeting is to consider the plan and **[**must**]** shall contain or be accompanied by a copy or summary of the plan. If the corporation is to be merged into an

existing corporation, **[**or other entity,**]** the notice shall also include or be accompanied by a copy or summary of the certificate of incorporation **[**or organizational documents**]** of such existing corporation. **[**or other entity.**]** If the corporation is to be merged into a corporation **[**or other entity**]** that is to be created pursuant to the merger, the notice shall include or be accompanied by a copy or a summary of the certificate of incorporation **[**or organizational documents**]** of the new corporation. **[**or other entity.**]**

Sec. 38. Subsection (a) of section 33-819 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) After a plan of merger or share exchange has been adopted and approved as required by sections 33-600 to 33-998, inclusive, as amended by this act, a certificate of merger or share exchange shall be executed on behalf of each party to the merger or the share exchange by any officer or other duly authorized representative of such party. The certificate of merger or share exchange shall set forth: (1) The names of the parties to the merger or the share exchange; (2) the name of the corporation **[**or other entity**]** that will be the survivor of the merger or that will acquire the shares **[**or interests**]** of the other party to the share exchange; (3) the date on which the merger or the share exchange is to be effective; (4) if the certificate of incorporation of the survivor of a merger is amended, or if a new corporation is created as a result of a merger, the amendments to the survivor's certificate of incorporation or the certificate of incorporation of the new corporation; (5) if the plan of merger or share exchange required approval by the shareholders of a domestic corporation that was a party to the merger or the share exchange, a statement that the plan was duly approved by the shareholders and, if voting by any separate voting group was required, by each such separate voting group, in the manner required by sections 33-600 to 33-998, inclusive, as amended by this act, and the

certificate of incorporation; (6) if the plan of merger or share exchange did not require approval by the shareholders of a domestic corporation that was a party to the merger or the share exchange, a statement to that effect; and (7) as to each foreign corporation **[**and each other entity**]** that was a party to the merger or the share exchange, a statement that the plan and the performance of its terms were duly authorized by all action required by the law of the state or country under which the corporation **[**or other entity**]** is organized or by which it is governed, and by its certificate of incorporation. **[**or organizational documents.**]**

Sec. 39. Subsection (a) of section 33-820 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) When a merger becomes effective:

(1) The corporation **[**or other entity**]** that is designated in the certificate of merger as the survivor continues or comes into existence, as the case may be;

(2) The separate existence of every corporation **[**or other entity**]** that is merged into the survivor ceases;

(3) All liabilities of each corporation **[**or other entity**]** that is merged into the survivor are vested in the survivor;

(4) All property owned by, and every contract right possessed by, each corporation **[**or other entity**]** that merges into the survivor is vested in the survivor without reversion or impairment;

(5) The name of the survivor may, but need not be, substituted in any pending proceeding for the name of any party to the merger whose separate existence ceased in the merger;

(6) The certificate of incorporation **[**or organizational documents**]** of the survivor are amended to the extent provided in the certificate of merger;

(7) The certificate of incorporation **[**or organizational documents**]** of a survivor that is created by the merger become effective; and

(8) The shares of each corporation that is a party to the merger **[**, and the interests in an other entity that is a party to a merger,**]** that are to be converted under the plan of merger into shares or other securities, interests, obligations, rights to acquire shares or other securities, cash or other property, or any combination thereof, are converted, and the former holders of such shares or interests are entitled only to the rights provided to them in the plan of merger or to any rights they may have under sections 33-855 to 33-879, inclusive.

Sec. 40. Subsection (d) of section 33-820 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(d) Upon a merger becoming effective, a foreign corporation **[**, or a foreign other entity,**]** that is the survivor of the merger is deemed to: (1) Appoint the Secretary of the State as its agent for service of process in a proceeding to enforce the rights of shareholders of each domestic corporation that is a party to the merger who exercise appraisal rights; and (2) agree that it **[**will**]** <u>shall</u> promptly pay the amount, if any, to which such shareholders are entitled under sections 33-855 to 33-879, inclusive.

Sec. 41. Section 34-33a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) Pursuant to a plan of merger, approved in the manner provided by section 34-33c, one or more domestic limited partnerships may merge with or into any one or more domestic or foreign limited

partnerships **[**or any one or more other entities**]** formed or organized under the laws of this state or any other state or any foreign country or other foreign jurisdiction, or any combination thereof, and the plan shall name the survivor.

(b) The plan of merger, which may be embodied in an agreement, shall set forth: (1) The name and jurisdiction of organization of each party to the merger and the name of the limited partnership **[**or other entity**]** which is to be the survivor; (2) the terms and conditions of the merger, including the manner and basis of converting the **[**shares or**]** interests of each party to the merger into **[**shares or**]** other securities, interests, obligations, rights to acquire, **[**shares or other securities**]** interests, securities, cash or other property, or any combination thereof, and which may include provision for the distribution by any merging limited partnership **[**or other entity**]** of cash, securities of any limited partnership **[**or other entity**]** or other property in lieu of, in addition to, in exchange for or upon conversion of all or part of the interests in a limited partnership **[**or other entity**]** which is not the survivor in the merger; (3) any changes in the certificate of limited partnership **[**or the organizational documents**]** of the survivor; (4) the effective date or time, which shall be a date or time certain, of the merger if it is not to be effective upon the filing of the certificate of merger; and (5) such other provisions with respect to the merger as are deemed necessary or desirable. **[**If the merger involves one or more other entities, a written plan of merger which meets the requirements for merger of the statutes under which such other entity is organized or by which it is governed shall be deemed to meet the requirements of this section.**]**

Sec. 42. Section 34-33b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) Pursuant to a plan of consolidation, approved in the manner provided by section 34-33c, any domestic limited partnerships may

consolidate with one or more limited partnerships **[**or with one or more other entities**]** formed or organized under the laws of this state or any other state or any foreign country or other foreign jurisdiction, or any combination thereof, into a new limited partnership. **[**or other entity.**]**

(b) The plan of consolidation, which may be embodied in an agreement, shall set forth: (1) The name and jurisdiction of organization of each of the consolidating limited partnerships **[**or other entities**]** and the name and jurisdiction of organization of the new limited partnership, **[**or other entity,**]** which name may be that of any of the consolidating limited partnerships **[**or other entities**]** or any other available name pursuant to this chapter; (2) the terms and conditions of the consolidation, including the manner and basis of converting the **[**shares or**]** interests of each party to the consolidation into **[**shares or other securities,**]** interests, securities, obligations, rights to acquire **[**shares or**]** other securities, cash or other property, or any combination thereof, and which may include provision for the distribution by any consolidating limited partnership of cash, securities of any limited partnership, or other property in lieu of, in addition to, in exchange for or upon conversion of all or part of the interests in any consolidating limited partnership **[**or other entity**]** or of the new limited partnership; **[**or other entity;**]** (3) **[**if the survivor is a limited partnership,**]** a certificate of limited partnership complying with section 34-10; (4) the effective date or time, which shall be a date or time certain, of a consolidation if it is not to be effective upon the filing of the certificate of consolidation; and (5) such other provisions with respect to the consolidation as are deemed necessary or desirable. **[**If the consolidation involves one or more other entities, a written plan of consolidation which meets the requirements for consolidation of the statutes under which such other entity is organized or by which it is governed shall be deemed to meet the requirements of this section.**]**

Sec. 43. Section 34-33d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) After a plan of merger or consolidation is approved pursuant to section 34-33c, the survivor shall file a certificate of merger or consolidation, as the case may be, in the following manner: (1) A certificate of merger by any merging limited partnership that is a party thereto, executed as provided in section 34-10a, shall be filed as provided in section 34-10b with respect to the survivor; (2) a certificate of consolidation by any consolidating limited partnership that is a party thereto, executed as provided in section 34-10a, shall be filed as provided in section 34-10b in respect of the new limited partnership **[**or other entity**]** together with an appointment of statutory agent for service as provided in section 34-13b or other applicable law; and (3) general partners executing a certificate of merger or consolidation need not sign or swear as to facts set forth therein not pertaining to the limited partnership of which they are general partners.

(b) The certificate of merger or consolidation **[**, in addition to the requirements for a certificate of merger or consolidation of the statutes under which any other entity that is a party to the merger or consolidation is organized or by which it is governed,**]** shall set forth: (1) The plan of merger or consolidation; and (2) as to each merging or consolidating limited partnership, a statement of the vote of limited partners required to adopt the plan of merger or consolidation and the vote for the plan; and (3) if the survivor is a foreign limited partnership, and is to transact business in this state, a statement that such survivor shall comply with the provisions of this chapter respecting such limited partnerships, and in every case a statement irrevocably appointing the Secretary of the State as its attorney to accept service of process in any action, suit or proceeding for the enforcement of any obligations of any domestic merging or consolidating limited partnership for which it is liable pursuant to

subsection (c) of section 34-33f, as amended by this act, to the plan of merger or consolidation, or to the laws governing such foreign limited partnership. If such appointment is not made, legal process in any such action, suit or proceeding may be served upon the Secretary of the State as provided in subsection (b) of section 34-38q as attorney for such survivor.

(c) The copy of the certificate of merger or consolidation, certified by the Secretary of the State, may also be filed for record in the records of deeds in the office of the town clerk in any town in this state. For such recording, the town clerk shall charge and collect the same fee as in the case of deeds.

(d) A certificate of merger or consolidation shall act as a certificate of cancellation for a domestic limited partnership which is not the survivor in the merger or consolidation. A certificate of merger shall act as a certificate of amendment for a domestic limited partnership which survives such merger, to the extent provided by the plan of merger. In the case of a consolidation, **[**if the new entity is a limited partnership,**]** the certificate of limited partnership set forth in the certificate of consolidation shall be the certificate of limited partnership of the new limited partnership.

Sec. 44. Section 34-33f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) The survivor shall be a single limited partnership, **[**or other entity,**]** which, in the case of a merger shall be that limited partnership **[**or other entity**]** designated in the plan of merger as the survivor and, in the case of a consolidation shall be the new limited partnership **[**or other entity**]** provided for in the plan of consolidation.

(b) The separate existence of each party to the merger or the consolidation, except the survivor, shall cease.

(c) For the purposes of the laws of this state, the survivor shall thereupon and thereafter, to the extent consistent with its certificate of limited partnership **[**or other organizational documents**]** as in effect upon effecting the merger or consolidation, possess all of the rights, privileges and powers of each of the limited partnerships **[**and other entities**]** that have merged or consolidated, and all property, real, personal and mixed, and all debts due to any of such limited partnerships **[**and other entities**]** as well as all other things and choses in action belonging to each of such limited partnerships, **[**and other entities,**]** and all and every other interests, of or belonging to or due to each of the limited partnerships **[**and other entities**]** so merged or consolidated, shall be vested in such single limited partnership **[**or other entity**]** without further act or deed; and the title to any real estate, or any interest therein, vested in any of such limited partnerships **[**and other entities**]** shall not revert or be in any way impaired by reason of such merger or consolidation.

(d) Any devise, bequest, gift or grant, contained in any will or in any other instrument, made before or after the merger or consolidation, to or for the benefit of any party to the merger or the consolidation shall inure to the benefit of the survivor. So far as is necessary for that purpose, the existence of each party to the merger or the consolidation shall be deemed to continue in and through the survivor.

(e) The survivor shall be liable for all the liabilities, obligations and penalties of each party to the merger or the consolidation; and any claim existing or action or proceeding, civil or criminal, pending by or against any such limited partnership **[**or other entity**]** may be prosecuted as if such merger or consolidation had not taken place, or such survivor may be substituted in its place; and any judgment rendered against any party to the merger or the consolidation may be enforced against the survivor. Neither the rights of creditors nor any

liens upon the property of any merging or consolidating limited partnership shall be impaired by the merger or consolidation.

(f) Any general partner of a limited partnership **[**or holder of an interest in any other entity**]** that is a party to a merger or a consolidation who, prior to the merger or the consolidation, was obligated for any of the liabilities or obligations of the limited partnership **[**or other entity**]** shall not be released by reason of the merger or the consolidation from any such liabilities or obligations arising prior to the effective time of the merger or the consolidation.

Sec. 45. Section 34-82 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

[(1)**]** (a) Notwithstanding the provisions of sections 34-300 to 34-434, inclusive, as amended by this act, any three or more persons, licensed or authorized to practice a profession by the state of Connecticut, may associate to practice such profession for profit, if the articles of association of the members provide that the association thereby formed and hereby authorized shall have at least three of the following four attributes: **[**(a)**]** (1) Continuity of life so that the death, insanity, bankruptcy, retirement, resignation or expulsion of any member **[**will**]** shall not cause a dissolution of the association; **[**(b)**]** (2) centralized management so that any one or more but less than all of the members has continuing exclusive authority to make management decisions necessary to the conduct of the professional business for which the association was formed, and so that no member of the association, acting without the authority of the managing member or members, shall have the power to bind the association by his act; **[**(c)**]** (3) limited liability so that the individual members of the association shall not be individually or severally liable for its debts; provided, however, the members shall in no way limit their individual or several liability in the articles of association, or otherwise, for any acts of reckless or wanton misconduct, negligence, malpractice, professional misconduct

or tort; and **[**(d)**]** (4) free transferability of interests so that each of its members or those members owning substantially all of the interests in the association have the power, without the consent of other members, to substitute for themselves in the same association a person duly licensed or authorized to practice the profession for which the association was formed who is not a member of the association, or, a modified form of free transferability of interests so that each member of the association can transfer his interest to a person so licensed or authorized who is not a member of the association only after having offered such interest to the association or to the other members of the association at its fair market value as established in the articles of association, or otherwise.

[(2)**]** (b) The articles of association of any association, formed and authorized pursuant to **[**paragraph (1)**]** subsection (a) of this section, shall expressly state that the association is formed under said **[**paragraph (1)**]** subsection (a) and shall be signed and sworn to by all of the members. The articles of association, duly executed, shall be filed for record with the Secretary of the State, together with a filing fee of twenty-five dollars. The Secretary of the State shall index and keep the documents in files used exclusively for such purpose.

[(3)**]** (c) Any association formed and authorized under **[**paragraph (1)**]** subsection (a) of this section shall be subject to the laws of the state of Connecticut regulating the practice of the profession of the individual members of the association.

[(4)**]** (d) The articles of association shall be cancelled when the association is dissolved by all of its members or as otherwise provided in the articles of association. The articles of association shall be amended when **[**(i)**]** (1) there is a change in the name or principal place of business of the association, **[**(ii)**]** or (2) the members desire to make a change in any other statement in the articles of association and have adopted such change in the manner provided in the articles of

association.

[(5)**]** (e) No amendment to the articles of association nor any dissolution of the association shall be effective until the amendment or an agreement of dissolution has been duly executed and filed for record with the Secretary of the State, together with a filing fee of ten dollars.

[(6) An association formed under this section may become a professional service corporation, in accordance with section 33-182b, by complying with the provisions of chapter 594a and with this subsection. Upon the filing of a certificate of incorporation in compliance with section 33-182c, the association shall file with the Secretary of the State, in such form as the Secretary of the State shall prescribe, a certificate of cancellation of its articles of association and a consent of each member to the association becoming a professional service corporation, together with a filing fee of ten dollars. Upon the filing of such a certificate and consents and the incorporation of the professional service corporation, the association shall become a professional service corporation and the interests therein shall be converted to such number of shares of capital stock of the professional service corporation as the members shall approve. The provisions of subdivisions (3), (4), (5) and (8) of subsection (a) of section 33-820 shall apply as though the professional service corporation was the surviving corporation in a merger and the association the merging corporation.**]**

Sec. 46. Section 34-193 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) Except as provided in subsection (b) of this section, any one or more limited liability companies may merge or consolidate with or into any one or more domestic or foreign limited liability companies **[**or one or more other entities formed or organized under the laws of this state or any other state or any foreign country or other foreign

jurisdiction, or any combination thereof,**]** in a manner provided in sections 34-194 and 34-195, as amended by this act.

(b) A limited liability company organized under sections 34-100 to 34-242, inclusive, as amended by this act, to render professional services may merge or consolidate only with another domestic limited liability company organized under said sections. **[**, a professional service corporation organized under chapter 594a or a partnership or limited liability partnership organized under chapter 614, if such company, corporation or partnership is organized to render the same professional service.**]** A merger or consolidation of a limited liability company organized under sections 34-100 to 34-242, inclusive, as amended by this act, to render professional services with any foreign limited liability company or foreign other entity is prohibited.

Sec. 47. Section 34-195 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) Each limited liability company **[**or other entity**]** that is a party to a proposed merger or consolidation shall enter into a written plan of merger or consolidation, which shall be approved in accordance with section 34-194.

(b) The plan of merger or consolidation shall set forth: (1) The name of each limited liability company **[**and other entity**]** that is a party to the merger or consolidation and the name of the survivor in a merger or the new limited liability company in a consolidation; (2) the terms and conditions of the proposed merger or consolidation; (3) the manner and basis of converting the interests in each limited liability company **[**or other entity**]** in the merger or consolidation into interests of the surviving or new limited liability company **[**or other entity**]** or, in whole or in part, into cash or other property; (4) in the case of a merger, such amendments to the organizational documents of the survivor as are desired to be effected by the merger, or that no such

changes are desired; (5) in the case of a consolidation, all of the statements required to be set forth in the organizational documents of the survivor; and (6) such other provisions relating to the proposed merger or consolidation as are deemed necessary or desirable. **[**If the merger or consolidation involves an other entity, a written plan of merger or consolidation that meets the requirements for merger or consolidation of the statutes under which such other entity is organized or by which it is governed shall be deemed to meet the requirements for a plan of merger or consolidation under this section.**]**

Sec. 48. Section 34-196 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) After a plan of merger or consolidation is approved as provided in section 34-194, the survivor shall deliver to the Secretary of the State for filing articles of merger or consolidation duly executed by each limited liability company **[**and other entity**]** that is a party thereto setting forth: (1) The name and jurisdiction of formation or organization of each limited liability company; **[**and other entity;**]** (2) the effective date of the merger or consolidation if later than the date of filing of the articles of merger or consolidation; (3) the name of the survivor; (4) a statement that the plan of merger or consolidation was duly authorized and approved by each limited liability company in accordance with the provisions of section 34-194; **[**and by each other entity in accordance with the applicable organizational documents of each other entity;**]** (5) if the articles of organization of the survivor of the merger are amended, the amendments to such articles of organization or, if a new limited liability company is created as a result of the consolidation, the articles of organization of such new limited liability company; (6) that the plan of merger or consolidation is on file at a place of business of the survivor and the address thereof; and (7) that a copy of the plan of merger or consolidation **[**will**]** shall be furnished by the survivor, on request and without cost, to any person

holding an interest in any limited liability company **[**or other entity**]** that is a party to the merger or consolidation.

(b) A merger or consolidation takes effect upon the later of the effective date of the filing of the articles of merger or consolidation or the date set forth in the plan of merger or consolidation.

(c) The articles of merger or consolidation shall be executed by each limited liability company **[**or other entity**]** that is a party to the merger or consolidation. The survivor shall file the articles of merger or consolidation with the Secretary of the State in the manner provided for in section 34-110 as a condition of the effectiveness of the merger or consolidation.

(d) Articles of merger or consolidation shall act as articles of dissolution for a limited liability company which is not the survivor in the merger or consolidation.

(e) A plan of merger or consolidation authorized and approved in accordance with section 34-194 may effect any amendment to the operating agreement or effect the adoption of a new operating agreement for a limited liability company if it is the survivor in the merger or consolidation. Such a plan of merger or consolidation may also provide that the operating agreement of any limited liability company that is a party to the merger or consolidation, including a limited liability company formed for the purpose of consummating a merger or consolidation, shall be the operating agreement of the survivor. Any amendment to an operating agreement or adoption of a new operating agreement made pursuant to this subsection shall be effective at the effective time or date of the merger or consolidation. The provisions of this subsection shall not be construed to limit the accomplishment of a merger or consolidation or of any of the matters referred to in this subsection by any other means provided for in an operating agreement or other agreement or as otherwise permitted by

law.

Sec. 49. Section 34-197 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

Upon the effectiveness of a merger or consolidation:

(1) The survivor shall be a limited liability company **[**or other entity**]** which, in the case of a merger, shall be the limited liability company **[**or other entity**]** designated in the plan of merger as the survivor and, in the case of a consolidation, shall be the new limited liability company **[**or other entity**]** provided for in the plan of consolidation.

(2) The separate existence of each limited liability company **[**or other entity**]** that is a party to the plan of merger or consolidation, except the survivor, shall cease.

(3) The survivor shall thereupon and thereafter possess all the rights, privileges, immunities and powers of each of the merging or consolidating limited liability companies **[**or other entities**]** and shall be subject to all the restrictions, disabilities and duties of each of the merging or consolidating limited liability companies. **[**or other entities.**]**

(4) Any property, real, personal and mixed, and all debts due on whatever account, including promises to make capital contributions, and all other choses in action, and all and every other interest of or belonging to or due to each party to the merger or the consolidation shall be vested in the survivor without further act or deed.

(5) The title to all real estate, and any interest therein, vested in any party to the merger or the consolidation shall not revert or be in any way impaired by reason of such merger or consolidation.

(6) The survivor shall be responsible and liable for all liabilities and

obligations of each of the limited liability companies [or other entities] that were merged or consolidated, and any claim existing or action or proceeding pending by or against any limited liability company [or other entity] that was a party to the merger or consolidation may be prosecuted as if such merger or consolidation had not taken place, or the survivor may be substituted in the action.

(7) Neither the rights of creditors nor any liens on the property of any limited liability company [or other entity] that is a party to the merger or consolidation shall be impaired by the merger or consolidation.

(8) The membership or other interests in a limited liability company [or other entity] that are to be converted or exchanged into interests, cash, obligations or other property under the terms of the plan of merger or consolidation are so converted, and the former holders thereof are entitled only to the rights provided in the plan of merger or consolidation or the rights otherwise provided by law.

Sec. 50. Section 34-388 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) Pursuant to a plan of merger approved as provided in subsection (c) of this section, one or more partnerships may merge with or into any one or more partnerships [or any one or more other entities] formed or organized under the laws of this state or any other state or any foreign country or other foreign jurisdiction, or any combination thereof.

(b) The plan of merger shall set forth:

(1) The name of each partnership [or other entity] that is a party to the merger;

(2) The name of the survivor into which the other partnerships [or

other entities will**]** shall merge;

(3) **[**Whether the survivor is a partnership or an other entity and, if the survivor is a partnership or a limited partnership, the**]** The status of each partner;

(4) The terms and conditions of the merger;

(5) The manner and basis of converting the **[**shares or**]** interests of each party to the merger into **[**shares,**]** interests or obligations of the survivor or into money or other property in whole or part;

(6) The street address of the survivor's chief executive office;

(7) The effective date or time, which shall be a date or time certain, of the merger if it is not to be effective upon the filing of the certificate of merger; and

(8) Such other provisions with respect to the merger as are deemed necessary or desirable.

(c) The plan of merger shall be approved **[**:**]**

[(1) In the case of a partnership that is a party to the merger,**]** by all of the partners or a number or percentage specified for merger in the partnership agreement. **[**; and**]**

[(2) In the case of an other entity that is a party to the merger, by the vote required for approval of a merger by the law of the state or foreign jurisdiction in which the other entity is organized or by which it is governed and, in the absence of such a specifically applicable law, as to a limited partnership, by all of the partners, notwithstanding a provision to the contrary in the partnership agreement.**]**

(d) After a plan of merger is approved and before the merger takes effect, the plan may be amended or abandoned as provided in the

plan.

(e) The merger takes effect on the later of:

(1) The approval of the plan of merger by all parties to the merger, as provided in subsection (c) of this section;

(2) The filing of all documents required by law to be filed as a condition to the effectiveness of the merger; or

(3) Any effective date specified in the plan of merger.

[(f) If the merger involves one or more other entities, a written plan of merger which meets the requirements for merger of the statutes under which such other entity is organized or by which it is governed shall be deemed to meet the requirements of a plan of merger under this section.**]**

Sec. 51. Section 34-389 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) When a merger takes effect:

(1) The separate existence of every partnership **[**or other entity**]** that is a party to the merger, other than the survivor, ceases;

(2) All property owned by each of the merged partnerships **[**or other entities**]** vests in the survivor;

(3) All obligations of every partnership **[**or other entity**]** that is a party to the merger become the obligations of the survivor; and

(4) An action or proceeding pending against a partnership **[**or other entity**]** that is a party to the merger may be continued as if the merger had not occurred, or the survivor may be substituted as a party to the action or proceeding.

(b) The Secretary of the State is the agent for service of process in an action or proceeding against a surviving foreign partnership **[**or other entity**]** to enforce an obligation of a domestic partnership **[**or other entity**]** that is a party to a merger. Upon receipt of process, the Secretary of the State shall mail a copy of the process to the surviving foreign partnership. **[**or other entity.**]**

(c) A partner of a surviving partnership **[**or limited partnership**]** is liable for:

(1) All obligations of a party to the merger for which the partner was personally liable before the merger;

(2) All other obligations of the survivor incurred before the merger by a party to the merger, but those obligations may be satisfied only out of property of the survivor; and

(3) All obligations of the survivor incurred after the merger takes effect. **[**, but those obligations may be satisfied only out of property of the survivor if the partner is a limited partner.**]**

(d) If the obligations incurred before the merger by a party to the merger that is a partnership **[**or limited partnership**]** are not satisfied out of the property of the survivor, the general partners of that party immediately before the effective date of the merger shall contribute the amount necessary to satisfy that party's obligations to the survivor, in the manner provided in section 34-378 or in sections 34-9 to 34-38r, inclusive, of the jurisdiction in which the party was organized, as the case may be, as if the merged party were dissolved.

(e) A partner of a party to a merger between or among partnerships **[**or limited partnerships, or both,**]** who does not become a partner of the survivor is dissociated from the entity, of which that partner was a partner, as of the date the merger takes effect. The survivor shall cause the partner's interest in the entity to be purchased under section 34-362

or another statute specifically applicable to that partner's interest with respect to a merger. The survivor is bound under section 34-363, as amended by this act, by an act of a general partner dissociated under this subsection, and the partner is liable under section 34-364, as amended by this act, for transactions entered into by the survivor after the merger takes effect.

(f) Any partner of a partnership **[**or holder of an interest in an other entity**]** that is a party to a merger who, prior to the merger, was obligated for any of the liabilities or obligations of the partnership **[**or other entity**]** shall not be released by reason of the merger from any such liabilities or obligations arising prior to the effective time of the merger.

Sec. 52. Section 34-390 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) After a merger, **[**if the survivor is a partnership,**]** the partnership may file a statement that one or more partnerships **[**or other entities**]** have merged into the surviving partnership.

(b) A statement of merger shall contain, in addition to the requirements of statute for a certificate of merger or consolidation: **[**applicable to an other entity that is a party to the merger:**]**

(1) The name of each partnership **[**or other entity**]** that is a party to the merger;

(2) The name of the survivor into which the other partnerships **[**or other entities**]** were merged; and

(3) The street address of the survivor's chief executive office and of an office in this state, if any. **[**; and**]**

[(4) The type of entity of the survivor.**]**

(c) Except as otherwise provided in subsection (d) of this section, for the purposes of section 34-323, property of the surviving partnership **[**or other entity**]** which before the merger was held in the name of another party to the merger is property held in the name of the survivor upon filing a statement of merger.

(d) For the purposes of section 34-323, real property of the surviving partnership **[**or other entity**]** which before the merger was held in the name of another party to the merger is property held in the name of the survivor upon recording a certified copy of the statement of merger in the office for recording transfers of that real property.

(e) A filed and, if appropriate, recorded statement of merger, executed and declared to be accurate pursuant to subsection (c) of section 34-305, stating the name of a partnership **[**or other entity**]** that is a party to the merger in whose name property was held before the merger and the name of the survivor, but not containing all of the other information required by subsection (b) of this section, operates with respect to the partnerships or other entities named to the extent provided in subsections (c) and (d) of this section.

[(f) If the survivor is a limited liability partnership, a certificate meeting the requirements of section 34-33d shall be filed with the Secretary of the State.**]**

Sec. 53. Subdivision (1) of section 22a-134 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(1) "Transfer of establishment" means any transaction or proceeding through which an establishment undergoes a change in ownership, but does not mean:

(A) Conveyance or extinguishment of an easement;

(B) Conveyance of an establishment through a foreclosure, as defined in subsection (b) of section 22a-452f, foreclosure of a municipal tax lien or through a tax warrant sale pursuant to section 12-157, an exercise of eminent domain pursuant to section 8-128, 8-169e or 8-193 or by condemnation pursuant to section 32-224 or purchase pursuant to a resolution by the legislative body of a municipality authorizing the acquisition through eminent domain for establishments that also meet the definition of a brownfield as defined in section 32-9kk or a subsequent transfer by such municipality that has foreclosed on the property, foreclosed municipal tax liens or that has acquired title to the property through section 12-157, or is within the pilot program established in subsection (c) of section 32-9cc, or has acquired such property through the exercise of eminent domain pursuant to section 8-128, 8-169e or 8-193 or by condemnation pursuant to section 32-224 or a resolution adopted in accordance with this subparagraph, provided (i) the party acquiring the property from the municipality did not establish, create or contribute to the contamination at the establishment and is not affiliated with any person who established, created or contributed to such contamination or with any person who is or was an owner or certifying party for the establishment, and (ii) on or before the date the party acquires the property from the municipality, such party or municipality enters and subsequently remains in the voluntary remediation program administered by the commissioner pursuant to section 22a-133x and remains in compliance with schedules and approvals issued by the commissioner. For purposes of this subparagraph, subsequent transfer by a municipality includes any transfer to, from or between a municipality, municipal economic development agency or entity created or operating under chapter 130 or 132, a nonprofit economic development corporation formed to promote the common good, general welfare and economic development of a municipality that is funded, either directly or through in-kind services, in part by a municipality, or a nonstock corporation or limited liability company controlled or established by a

municipality, municipal economic development agency or entity created or operating under chapter 130 or 132;

(C) Conveyance of a deed in lieu of foreclosure to a lender, as defined in and that qualifies for the secured lender exemption pursuant to subsection (b) of section 22a-452f;

(D) Conveyance of a security interest, as defined in subdivision (7) of subsection (b) of section 22a-452f;

(E) Termination of a lease and conveyance, assignment or execution of a lease for a period less than ninety-nine years including conveyance, assignment or execution of a lease with options or similar terms that will extend the period of the leasehold to ninety-nine years, or from the commencement of the leasehold, ninety-nine years, including conveyance, assignment or execution of a lease with options or similar terms that will extend the period of the leasehold to ninety-nine years, or from the commencement of the leasehold;

(F) Any change in ownership approved by the Probate Court;

(G) Devolution of title to a surviving joint tenant, or to a trustee, executor or administrator under the terms of a testamentary trust or will, or by intestate succession;

(H) Corporate reorganization not substantially affecting the ownership of the establishment;

(I) The issuance of stock or other securities of an entity which owns or operates an establishment;

(J) The transfer of stock, securities or other ownership interests representing less than forty per cent of the ownership of the entity that owns or operates the establishment;

(K) Any conveyance of an interest in an establishment where the

transferor is the sibling, spouse, child, parent, grandparent, child of a sibling or sibling of a parent of the transferee;

(L) Conveyance of an interest in an establishment to a trustee of an inter vivos trust created by the transferor solely for the benefit of one or more siblings, spouses, children, parents, grandchildren, children of a sibling or siblings of a parent of the transferor;

(M) Any conveyance of a portion of a parcel upon which portion no establishment is or has been located and upon which there has not occurred a discharge, spillage, uncontrolled loss, seepage or filtration of hazardous waste, provided either the area of such portion is not greater than fifty per cent of the area of such parcel or written notice of such proposed conveyance and an environmental condition assessment form for such parcel is provided to the commissioner sixty days prior to such conveyance;

(N) Conveyance of a service station, as defined in subdivision (5) of this section;

(O) Any conveyance of an establishment which, prior to July 1, 1997, had been developed solely for residential use and such use has not changed;

(P) Any conveyance of an establishment to any entity created or operating under chapter 130 or 132, or to an urban rehabilitation agency, as defined in section 8-292, or to a municipality under section 32-224, or to the Connecticut Development Authority or any subsidiary of the authority;

(Q) Any conveyance of a parcel in connection with the acquisition of properties to effectuate the development of the overall project, as defined in section 32-651;

[(R) The conversion of a general or limited partnership to a limited

liability company under section 34-199;**]**

[(S)**]** (R) The transfer of general partnership property held in the names of all of its general partners to a general partnership which includes as general partners immediately after the transfer all of the same persons as were general partners immediately prior to the transfer;

[(T)**]** (S) The transfer of general partnership property held in the names of all of its general partners to a limited liability company which includes as members immediately after the transfer all of the same persons as were general partners immediately prior to the transfer;

[(U)**]** (T) Acquisition of an establishment by any governmental or quasi-governmental condemning authority;

[(V)**]** (U) Conveyance of any real property or business operation that would qualify as an establishment solely as a result of (i) the generation of more than one hundred kilograms of universal waste in a calendar month, (ii) the storage, handling or transportation of universal waste generated at a different location, or (iii) activities undertaken at a universal waste transfer facility, provided any such real property or business operation does not otherwise qualify as an establishment; there has been no discharge, spillage, uncontrolled loss, seepage or filtration of a universal waste or a constituent of universal waste that is a hazardous substance at or from such real property or business operation; and universal waste is not also recycled, treated, except for treatment of a universal waste pursuant to 40 CFR 273.13(a)(2) or (c)(2) or 40 CFR 273.33 (a)(2) or (c)(2), or disposed of at such real property or business operation; or

[(W)**]** (V) Conveyance of a unit in a residential common interest community in accordance with section 22a-134i;

Sec. 54. Section 33-182b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

This chapter shall not apply to any corporation organized prior to or after May 29, 1969, to perform professional services to the public under any other provision of existing law specifically authorizing the rendition of professional services by a corporation. Any such corporation may bring itself within the provisions of this chapter by amending its certificate of incorporation in such manner as to be consistent with all the provisions of this chapter and by affirmatively stating in the amended certificate of incorporation that the shareholders have elected to bring the corporation within the provisions of this chapter. **[**Any association formed and existing under the provisions of chapter 612 may bring itself within the provisions of this chapter by complying with the provisions of subsection (6) of section 34-82.**]**

Sec. 55. Subsection (a) of section 34-363 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(a) For two years after a partner dissociates without resulting in a dissolution and winding up of the partnership business, the partnership, including a surviving partnership under sections 34-384, as amended by this act, and 34-388 to **[**34-391**]** 34-390, inclusive, as amended by this act, is bound by an act of the dissociated partner which would have bound the partnership under section 34-322 before dissociation only if at the time of entering into the transaction the other party: (1) Reasonably believed that the dissociated partner was then a partner; (2) did not have notice of the partner's dissociation; and (3) is not deemed to have had knowledge under subsection (e) of section 34-324 or notice under subsection (c) of section 34-365.

Sec. 56. Subsection (b) of section 34-364 of the general statutes is

repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

(b) A partner who dissociates without resulting in a dissolution and winding up of the partnership business is liable as a partner to the other party in a transaction entered into by the partnership, or a surviving partnership under sections 34-384, as amended by this act, and 34-388 to **[**34-391**]** 34-390, inclusive, as amended by this act, within two years after the partner's dissociation, only if at the time of entering into the transaction the other party: (1) Reasonably believed that the dissociated partner was then a partner; (2) did not have notice of the partner's dissociation; and (3) is not deemed to have had knowledge under subsection (e) of section 34-324 or notice under subsection (c) of section 34-365.

Sec. 57. Section 34-384 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2014*):

In this section and sections **[**34-385**]** 34-388 to **[**34-391**]** 34-390, inclusive, as amended by this act:

(1) "General partner" means a partner in a partnership and a general partner in a limited partnership.

(2) "Limited partner" means a limited partner in a limited partnership.

(3) "Limited partnership" means a limited partnership created under sections 34-9 to 34-38r, inclusive, predecessor law or comparable law of another jurisdiction.

(4) "Partner" includes both a general partner and a limited partner.

Sec. 58. Sections 34-199, 34-200, 34-385 to 34-387, inclusive, and 34-391 of the general statutes are repealed. (*Effective January 1, 2014*)

Approved July 13, 2011