AN ACT CONCERNING TECHNICAL REVISIONS TO CONNECTICUT’S MODEL ENTITY TRANSACTIONS ACT.

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

Section 1. Subsection (a) of section 33-819 of the 2012 supplement to the general statutes, as amended by section 38 of public act 11-241, is repealed and the following is substituted in lieu thereof (Effective January 1, 2014):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, a certificate of merger or share exchange shall be [executed] signed 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 that will be the survivor of the merger or that will acquire the shares 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, 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 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 is organized or by which it is governed, and by its certificate of incorporation.

Sec. 2. Subsection (b) of section 34-193 of the 2012 supplement to the general statutes, as amended by section 46 of public act 11-241, is repealed and the following is substituted in lieu thereof (Effective January 1, 2014):

(b) A limited liability company organized under sections 34-100 to 34-242, inclusive, to render professional services may merge or consolidate only with another domestic limited liability company organized under said sections if such other company 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, to render professional services with any foreign limited liability company or foreign other entity is prohibited.

Sec. 3. Subsection (b) of section 34-608 of the 2012 supplement to the general statutes is repealed and the following is substituted in lieu thereof (Effective January 1, 2014):

(b) This chapter 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 this chapter between or among
entities of the same type, or (3) is a conversion, merger, consolidation,
interest exchange, division or other transaction governed by sections
34-600 to 34-646, inclusive, involving a domestic entity organized to
render professional services unless the transaction involves another
domestic entity organized to render the same professional service,
except as otherwise permitted by the laws of this state.

Sec. 4. Subsection (c) of section 34-621 of the 2012 supplement to the
general statutes is repealed and the following is substituted in lieu
thereof (Effective January 1, 2014):

(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] January 1, 2014, as the
provision is amended.

Sec. 5. Subsection (c) of section 34-631 of the 2012 supplement to the
general statutes is repealed and the following is substituted in lieu
thereof (Effective January 1, 2014):

(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] January 1, 2014,
as the provision is amended.

Sec. 6. Subsection (d) of section 34-641 of the 2012 supplement to the
general statutes is repealed and the following is substituted in lieu
thereof (Effective January 1, 2014):

(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 January 1, 2014], as the provision is amended.

Sec. 7. Subdivision (1) of section 22a-134 of the 2012 supplement to the general statutes, as amended by section 53 of public act 11-241, 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-
ine 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;

[(R)] [(S)] 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;

[(S)] [(T)] 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;

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

[(U)] [(V)] 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]

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

(X) Acquisition of an establishment that is in the abandoned
brownfield cleanup program established pursuant to section 32-9ll and
all subsequent transfers of the establishment, provided the
establishment is undergoing remediation or is remediated in
accordance with subsection (g) of said section 32-9ll;

(Y) Any transfer of title from a bankruptcy court or a municipality
to a nonprofit organization; or

(Z) Acquisition of an establishment that is in the brownfield
remediation and revitalization program and all subsequent transfers of
the establishment, provided the establishment is in compliance with
the brownfield investigation plan and remediation schedule, the
commissioner has issued a no audit letter or successful audit closure
letter in response to a verification or interim verification submitted
regarding the remediation of such establishment under the brownfield
remediation and revitalization program, or a one-hundred-eighty-day
period has expired since a verification or interim verification
submitted regarding the remediation of such establishment under the
brownfield remediation and revitalization program without an audit
decision from the Commissioner of Energy and Environmental
Protection.

This act shall take effect as follows and shall amend the following
sections:
**Statement of Purpose:**
To make technical revisions to Connecticut's Model Entity Transactions Act.

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

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