



General Assembly

February Session, 2016

Raised Bill No. 5259

LCO No. 1235



Referred to Committee on JUDICIARY

Introduced by:
(JUD)

AN ACT CONCERNING ADOPTION OF THE CONNECTICUT UNIFORM LIMITED LIABILITY COMPANY ACT.

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

1 Section 1. (NEW) (*Effective July 1, 2017*) Sections 1 to 102, inclusive,
2 of this act may be cited as the Connecticut Uniform Limited Liability
3 Company Act.

4 Sec. 2. (NEW) (*Effective July 1, 2017*) As used in sections 1 to 102,
5 inclusive, of this act:

6 (1) "Certificate of organization" means the certificate required by
7 section 25 of this act, and includes the certificate as amended or
8 restated.

9 (2) "Connecticut Entity Transactions Act" means chapter 616 of the
10 general statutes.

11 (3) "Contribution", except in the phrase "right of contribution",
12 means property or a benefit described in section 40 of this act which is
13 provided by a person to a limited liability company to become a

14 member or in the person's capacity as a member.

15 (4) "Debtor in bankruptcy" means a person that is the subject of: (A)
16 An order for relief under Title 11 of the United States Code or a
17 comparable order under a successor statute of general application; or
18 (B) a comparable order under federal, state or foreign law governing
19 insolvency.

20 (5) "Disinterested individual" means an individual, including a
21 disinterested member, who, at the time action is to be taken under
22 section 68 of this act, does not have (A) a material interest in the
23 outcome of the proceeding, or (B) a material relationship with a person
24 who has such an interest.

25 (6) "Disinterested member" means a member who, at the time action
26 is to be taken under:

27 (A) Subsections (b) or (d) of section 46 of this act, (i) is not a party to
28 the proceeding, (ii) is not a member who sought approval for a
29 member's conflicting interest transaction under subsection (f) of
30 section 47 of this act or a disclaimer of the limited liability company's
31 interest in a business opportunity under subsection (b) of section 47 of
32 this act, which approval or disclaimer is challenged in the proceeding,
33 and (iii) does not have a material relationship with a member
34 described in clause (i) or (ii) of this subparagraph;

35 (B) Subsection (f) of section 47 of this act, is not a member (i) as to
36 whom the transaction is a member's conflicting interest transaction, or
37 (ii) who has a material relationship with another member as to whom
38 the transaction is a member's conflicting interest transaction; or

39 (C) Subsection (b) of section 47 of this act, would be a disinterested
40 member under subparagraph (B) of this subdivision if the business
41 opportunity were a member's conflicting interest transaction.

42 (7) "Disinterested person" means a person, including a disinterested

43 member, who, at the time action is to be taken under subparagraph (A)
44 of subdivision (1) of subsection (d) of section 5 of this act, does not
45 have (A) a material interest in the outcome of the action, or (B) a
46 material relationship with a person who has such an interest.

47 (8) "Distribution" means a transfer of money or other property from
48 a limited liability company to a person on account of a transferable
49 interest or in the person's capacity as a member. The term: (A) Includes
50 (i) a redemption or other purchase by a limited liability company of a
51 transferable interest; and (ii) a transfer to a member in return for the
52 member's relinquishment of any right to participate as a member in the
53 management or conduct of the company's activities and affairs or to
54 have access to records or other information concerning the company's
55 activities and affairs; and (B) does not include amounts constituting
56 reasonable compensation for present or past service or payments made
57 in the ordinary course of business under a bona fide retirement plan or
58 other bona fide benefits program.

59 (9) "Foreign limited liability company" means an unincorporated
60 entity formed under the law of a jurisdiction other than this state
61 which would be a limited liability company if formed under the law of
62 this state.

63 (10) "Governing jurisdiction" means the jurisdiction whose law
64 governs the internal affairs of an entity.

65 (11) "Jurisdiction", when used to refer to a political entity, means the
66 United States, a state, a foreign county or a political subdivision of a
67 foreign country.

68 (12) "Limited liability company", except in the phrase "foreign
69 limited liability company" and when used in sections 80 to 89,
70 inclusive, of this act, means an entity formed under sections 1 to 102,
71 inclusive, of this act, or which becomes subject to said sections under
72 the Connecticut Entity Transactions Act or section 10 of this act.

73 (13) "Majority in interest of the members" means the members
74 owning more than fifty per cent of the transferable interests of the
75 limited liability company, excluding any transferable interests not
76 owned by the members; except that if it is not possible to determine
77 which members own more than fifty per cent of the transferable
78 interests based on the operating agreement of the limited liability
79 company, then majority in interest of the members means the members
80 who would receive more than fifty per cent of the distributions with
81 respect to the dissolution of the limited liability company at the time of
82 the vote if there would be such distributions, or if there would not be
83 such distributions, the majority in interest of the members means the
84 members who at the time of the vote contributed more than fifty per
85 cent of the unreturned capital contributions made to the limited
86 liability company since the date of formation of the limited liability
87 company.

88 (14) "Manager" means a person that, under the operating agreement
89 of a manager-managed limited liability company, is responsible, alone
90 or in concert with others, for performing the management functions set
91 forth in subsection (c) of section 45 of this act, regardless of the title
92 used to describe such person.

93 (15) "Manager-managed limited liability company" means a limited
94 liability company that qualifies under subsection (a) of section 45 of
95 this act.

96 (16) "Material relationship" means a familial, financial, professional
97 or employment relationship that would reasonably be expected to
98 impair the objectivity of the person's judgment when participating in
99 the action to be taken.

100 (17) "Material interest" means an actual or potential benefit or
101 detriment, other than one which would devolve on the limited liability
102 company or the members generally, that would reasonably be
103 expected to impair the objectivity of the person's judgment when

104 participating in the action to be taken.

105 (18) "Member" means a person that: (A) Has become a member of a
106 limited liability company under section 39 of this act or was a member
107 in a company when the company became subject to sections 1 to 102,
108 inclusive, of this act, under section 10 of this act; and (B) has not
109 dissociated under section 54 of this act.

110 (19) "Member-managed limited liability company" means a limited
111 liability company that is not a manager-managed limited liability
112 company.

113 (20) "Operating agreement" means the agreement, whether or not
114 referred to as an operating agreement and whether oral, implied, in a
115 record or in any combination thereof, of all the members of a limited
116 liability company, including a sole member, concerning the matters
117 described in subsection (a) of section 5 of this act. "Operating
118 agreement" includes the agreement as amended or restated.

119 (21) "Organizer" means a person that acts under section 25 of this act
120 to form a limited liability company.

121 (22) "Person" means an individual, business corporation, nonprofit
122 corporation, partnership, limited partnership, limited liability
123 company, foreign liability limited company, cooperative association,
124 limited cooperative association, unincorporated nonprofit association,
125 statutory trust, business trust, common law business trust, estate, trust,
126 association, joint venture, public corporation, government or
127 governmental subdivision, agency or instrumentality, or any other
128 domestic or foreign legal or commercial entity.

129 (23) "Principal office" means the principal executive office of a
130 limited liability company or foreign limited liability company, whether
131 or not the office is located in this state.

132 (24) "Professional service" means any type of service to the public

133 that requires members of a profession rendering such service to obtain
134 a license or other legal authorization as a condition precedent to the
135 rendition thereof, limited to the professional services rendered by
136 dentists, natureopaths, chiropractors, physicians and surgeons,
137 physician assistants, doctors of dentistry, physical therapists,
138 occupational therapists, podiatrists, optometrists, nurses, nurse-
139 midwives, veterinarians, pharmacists, architects, professional
140 engineers, or jointly by architects and professional engineers,
141 landscape architects, real estate brokers, insurance producers, certified
142 public accountants and public accountants, land surveyors,
143 psychologists, attorneys-at-law, licensed marital and family therapists,
144 licensed professional counselors, licensed or certified alcohol and drug
145 counselors and licensed clinical social workers.

146 (25) "Property" means all property, whether real, personal, or mixed
147 or tangible or intangible, or any right or interest therein.

148 (26) "Record", when used as a noun, means information that is
149 inscribed on a tangible medium or that is stored in an electronic or
150 other medium and is retrievable in perceivable form.

151 (27) "Registered agent" means an agent of a limited liability
152 company or foreign limited liability company which is authorized to
153 receive service of any process, notice, or demand required or permitted
154 by law to be served on the company.

155 (28) "Registered foreign limited liability company" means a foreign
156 limited liability company that is registered to do business in this state
157 pursuant to a certificate of registration filed by the Secretary of the
158 State.

159 (29) "Sign" means, with the present intent to authenticate or adopt a
160 record: (A) To execute or adopt a tangible symbol; or (B) to attach to or
161 logically associate with the record an electronic symbol, sound or
162 process.

163 (30) "State", when used as a noun, means a state of the United States,
164 the District of Columbia, Puerto Rico, the United States Virgin Islands,
165 or any territory or insular possession subject to the jurisdiction of the
166 United States.

167 (31) "Transfer" includes: (A) An assignment; (B) a conveyance; (C) a
168 sale; (D) a lease; (E) an encumbrance, including a mortgage or security
169 interest; (F) a gift; and (G) a transfer by operation of law.

170 (32) "Transferable interest" means the right, as initially owned by a
171 person in the person's capacity as a member, to receive distributions
172 from a limited liability company, whether or not the person remains a
173 member or continues to own any part of the right. "Transferable
174 interest" applies to any fraction of the interest, by whomever owned.

175 (33) "Transferee" means a person to which all or part of a
176 transferable interest has been transferred, whether or not the transferor
177 is a member. "Transferee" includes a person that owns a transferable
178 interest under subdivision (3) of subsection (a) of section 55 of this act.

179 (34) "Two-thirds in interest of the members" means the members
180 owning at least two-thirds of the transferable interests of the limited
181 liability company, excluding any transferable interests not owned by
182 the members; except that if it is not possible to determine which
183 members own at least two-thirds of the transferable interests based on
184 the operating agreement of the limited liability company, two-thirds in
185 interest of the members means the members who would receive at
186 least two-thirds of the distributions with respect to the dissolution of
187 the limited liability company at the time of the vote if there would be
188 such distributions, or if there would not be such distributions, two-
189 thirds in interest of the members means the members who at the time
190 of the vote contributed at least two-thirds of the unreturned capital
191 contributions made to the limited liability company since the date of
192 formation of the limited liability company.

193 Sec. 3. (NEW) (*Effective July 1, 2017*) (a) A person knows a fact if the

194 person: (1) Has actual knowledge of the fact; or (2) is deemed to know
195 the fact under subdivision (1) of subsection (d) of this section or law
196 other than sections 1 to 102, inclusive, of this act.

197 (b) A person has notice of a fact if the person: (1) Has reason to
198 know the fact from all the facts known to the person at the time in
199 question; or (2) is deemed to have notice of the fact under subdivision
200 (2) of subsection (d) of this section.

201 (c) Subject to subsection (f) of section 34 of this act, a person notifies
202 another person of a fact by taking steps reasonably required to inform
203 the other person in ordinary course, whether or not those steps cause
204 the other person to know the fact.

205 (d) A person not a member is deemed to have notice of a limited
206 liability company's: (1) Dissolution ninety days after a certificate of
207 dissolution under subparagraph (A) of subdivision (2) of subsection
208 (b) of section 57 of this act becomes effective; and (2) participation in a
209 merger, interest exchange, conversion or domestication ninety days
210 after articles of merger, interest exchange, conversion or domestication
211 become effective under sections 80 to 97, inclusive, of this act, or under
212 the Connecticut Entity Transactions Act.

213 Sec. 4. (NEW) (*Effective July 1, 2017*) The law of this state governs: (1)
214 The internal affairs of a limited liability company; and (2) the liability
215 of a member as member and a manager as manager for the debts,
216 obligations or other liabilities of a limited liability company.

217 Sec. 5. (NEW) (*Effective July 1, 2017*) (a) Except as provided in
218 subsections (c) and (d) of this section, the operating agreement
219 governs: (1) Relations among the members as members and between
220 the members and the limited liability company; (2) the rights and
221 duties under this act of a person in the capacity of manager; (3) the
222 activities and affairs of the company and the conduct of those activities
223 and affairs; and (4) the means and conditions for amending the
224 operating agreement.

225 (b) To the extent the operating agreement does not provide for a
226 matter described in subsection (a) of this section, the provisions of
227 sections 1 to 102, inclusive, of this act govern the matter.

228 (c) An operating agreement may not: (1) Vary the law applicable
229 under section 4 of this act; (2) vary a limited liability company's
230 capacity under subsection (a) of section 9 of this act, to sue and be sued
231 in its own name; (3) vary any requirement, procedure or other
232 provision of sections 1 to 102, inclusive, of this act pertaining to: (A)
233 Registered agents; or (B) the Secretary of the State, including
234 provisions pertaining to records authorized or required to be delivered
235 to the Secretary of the State for filing under this act; (4) vary the
236 provisions of section 28 of this act; (5) alter or eliminate the duty of
237 loyalty or the duty of care, except as provided in subsection (d) of this
238 section; (6) eliminate the implied contractual obligation of good faith
239 and fair dealing under subsection (d) of section 47 of this act, but the
240 operating agreement may prescribe the standards, if not manifestly
241 unreasonable, by which the performance of the obligation is to be
242 measured; (7) relieve or exonerate a person from liability for conduct
243 involving bad faith, willful or intentional misconduct, or knowing
244 violation of law; (8) unreasonably restrict the duties and rights under
245 section 48 of this act, but the operating agreement may impose
246 reasonable restrictions on the availability and use of information
247 obtained under said section and may define appropriate remedies,
248 including liquidated damages, for a breach of any reasonable
249 restriction on use; (9) vary the causes of dissolution specified in
250 subdivisions (4) and (5) of subsection (a) of section 56 of this act; (10)
251 vary the requirement to wind up the company's activities and affairs as
252 specified in subsections (a) and (e) of section 57 of this act and
253 subdivision (1) of subsection (b) of section 57 of this act; (11)
254 unreasonably restrict the right of a member to maintain an action
255 under sections 64 to 69, inclusive, of this act; (12) vary the provisions of
256 section 68 of this act, but the operating agreement may provide that the
257 company may not have a special litigation committee; (13) vary the

258 required contents of a plan of merger under subsection (b) of section 89
259 of this act or, a plan of interest exchange under section 94 of this act; or
260 (14) except as provided in section 6 of this act and subsection (b) of
261 section 7 of this act, restrict the rights under this act of a person other
262 than a member or manager.

263 (d) Subject to subdivision (7) of subsection (c) of this section,
264 without limiting other terms that may be included in an operating
265 agreement, the following rules apply: (1) The operating agreement
266 may: (A) Specify the method by which a specific act or transaction that
267 would otherwise violate the duty of loyalty may be authorized or
268 ratified by one or more disinterested persons after full disclosure of all
269 material facts; and (B) alter the prohibition in subdivision (2) of
270 subsection (a) of section 43 of this act so that the prohibition requires
271 only that the company's total assets not be less than the sum of its total
272 liabilities. (2) To the extent the operating agreement of a member-
273 managed limited liability company expressly relieves a member of a
274 responsibility that the member otherwise would have under sections 1
275 to 102, inclusive, of this act and imposes the responsibility on one or
276 more other members, the operating agreement also may eliminate or
277 limit any fiduciary duty of the member relieved of the responsibility
278 which would have pertained to the responsibility. (3) If not manifestly
279 unreasonable, the operating agreement may: (A) Alter or eliminate the
280 aspects of the duty of loyalty set forth in subsections (b) and (i) of
281 section 47 of this act; (B) identify specific types or categories of
282 activities that do not violate the duty of loyalty; (C) alter the duty of
283 care, but may not authorize conduct involving bad faith, willful or
284 intentional misconduct, or knowing violation of law; and (D) alter or
285 eliminate any other fiduciary duty.

286 (e) The court shall decide as a matter of law whether a term of an
287 operating agreement is manifestly unreasonable under subdivision (6)
288 of subsection (c) of this section or subdivision (3) of subsection (d) of
289 this section. The court: (1) Shall make its determination as of the time
290 the challenged term became part of the operating agreement and by

291 considering only circumstances existing at that time; and (2) may
292 invalidate the term only if, in light of the purposes, activities and
293 affairs of the limited liability company, it is readily apparent that: (A)
294 The objective of the term is unreasonable; or (B) the term is an
295 unreasonable means to achieve the term's objective.

296 Sec. 6. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
297 is bound by and may enforce the operating agreement, whether or not
298 the company has itself manifested assent to the operating agreement.

299 (b) A person that becomes a member of a limited liability company
300 is deemed to assent to the operating agreement.

301 (c) Two or more persons intending to become the initial members of
302 a limited liability company may make an agreement providing that
303 upon the formation of the company the agreement will become the
304 operating agreement. One person intending to become the initial
305 member of a limited liability company may assent to terms providing
306 that upon the formation of the company the terms will become the
307 operating agreement.

308 Sec. 7. (NEW) (*Effective July 1, 2017*) (a) An operating agreement may
309 specify that its amendment requires the approval of a person that is
310 not a party to the agreement or the satisfaction of a condition. An
311 amendment is ineffective if its adoption does not include the required
312 approval or satisfy the specified condition.

313 (b) The obligations of a limited liability company and its members
314 to a person in the person's capacity as a transferee or a person
315 dissociated as a member are governed by the operating agreement.
316 Subject only to a court order issued under subdivision (2) of subsection
317 (b) of section 51 of this act to effectuate a charging order, an
318 amendment to the operating agreement made after a person becomes a
319 transferee or is dissociated as a member: (1) Is effective with regard to
320 any debt, obligation or other liability of the limited liability company
321 or its members to the person in the person's capacity as a transferee or

322 person dissociated as a member; and (2) is not effective to the extent
323 the amendment imposes a new debt, obligation or other liability on the
324 transferee or person dissociated as a member.

325 (c) If a record delivered by a limited liability company to the
326 Secretary of the State for filing becomes effective and contains a
327 provision that would be ineffective under subsection (c) of section 5 of
328 this act or subdivision (3) of subsection (d) of section 5 of this act if
329 contained in the operating agreement, the provision is ineffective in
330 the record.

331 (d) Subject to subsection (c) of this section, if a record delivered by a
332 limited liability company to the Secretary of the State for filing
333 becomes effective and conflicts with a provision of the operating
334 agreement: (1) The agreement prevails as to members, persons
335 dissociated as members, transferees and managers; and (2) the record
336 prevails as to other persons to the extent they reasonably rely on the
337 record.

338 Sec. 8. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
339 is an entity distinct from its member or members.

340 (b) A limited liability company may have any lawful purpose,
341 regardless of whether for profit.

342 (c) A limited liability company has perpetual duration.

343 Sec. 9. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
344 has the capacity to sue and be sued in its own name and the power to
345 do all things necessary or convenient to carry on its activities and
346 affairs.

347 (b) A limited liability company may be formed under sections 1 to
348 102, inclusive, of this act for the transaction of any business or the
349 promotion of any purpose which may be lawfully carried on by a
350 limited liability company except that of a Connecticut bank as defined

351 in section 36a-2 of the general statutes.

352 (c) Except as provided in this subsection, a limited liability company
353 may be formed to render professional services provided: (1) Each
354 member of the limited liability company must be licensed or otherwise
355 authorized by law in this state or any other jurisdiction to render such
356 professional services; (2) the limited liability company will render only
357 one specific type of professional services and services ancillary to them
358 and may not engage in any business other than the rendering of
359 professional services for which it was formed to render and services
360 ancillary to them; and (3) the limited liability company may render its
361 professional services in this state only through its members, managers,
362 employees and agents who are licensed or otherwise legally
363 authorized to render such professional services within this state. A
364 limited liability company that will render professional services by
365 licensed or certified alcohol and drug counselors may only be formed
366 pursuant to subdivision (2) of subsection (d) of this section.

367 (d) A limited liability company may be formed to render
368 professional services rendered by members of two or more of the
369 following professions: (1) Psychology, marital and family therapy,
370 social work, nursing and psychiatry; (2) medicine and surgery,
371 occupational therapy, social work, and alcohol and drug counseling;
372 and (3) medicine and surgery, and chiropractic; provided (A) each
373 member of the limited liability company must be licensed or otherwise
374 authorized by law in this state or any other jurisdiction to render any
375 of the types of professional services specified in subdivision (1), (2) or
376 (3) of this subsection, (B) the limited liability company will render only
377 the types of professional services specified in subdivision (1), (2) or (3)
378 of this subsection and services ancillary to them and may not engage in
379 any business other than the rendering of professional services for
380 which it was formed to render and services ancillary to them, and (C)
381 the limited liability company may render its professional services in
382 this state only through its members, managers, employees and agents
383 who are licensed or otherwise legally authorized to render any of the

384 types of professional services specified in subdivision (1), (2) or (3) of
385 this subsection within this state.

386 (e) The name of a limited liability company formed on or after July
387 1, 2017, to render professional services shall contain the words
388 "professional limited liability company" or the abbreviation "P.L.L.C."
389 or "PLLC", "Limited" may be abbreviated as "Ltd.", and "company"
390 may be abbreviated as "Co."

391 (f) No limited liability company formed under the provisions of
392 sections 1 to 102, inclusive, of this act shall have power to transact in
393 this state the business of a telegraph company, gas, electric, electric
394 distribution or water company, or cemetery corporation, or of any
395 company, except a telephone company, requiring the right to take and
396 condemn lands or to occupy the public highways of this state.

397 (g) No limited liability company may be formed under the
398 provisions of sections 1 to 102, inclusive, of this act for the purpose of
399 transacting the business of an insurance company or a surety or
400 indemnity company, unless (1) it is an affiliate of an insurance
401 company chartered by, incorporated, organized or constituted within
402 or under the laws of this state; and (2) at the time of the filing of its
403 certificate of formation, there is also filed a certificate issued by the
404 Insurance Commissioner, pursuant to section 33-646 of the general
405 statutes, authorizing the formation of the limited liability company. No
406 limited liability company formed under the provisions of sections 1 to
407 102, inclusive, of this act shall have power to transact in this state the
408 business of any insurance company or a surety or indemnity company
409 until it has procured a license from the Insurance Commissioner in
410 accordance with the provisions of section 38a-41 of the general
411 statutes.

412 (h) Nothing in sections 1 to 102, inclusive, of this act shall be
413 construed to authorize a limited liability company formed under said
414 sections to transact any business except in compliance with any laws of

415 this state regulating or otherwise applying to the same. The provisions
416 of sections 1 to 102, inclusive, of this act shall govern all limited
417 liability companies, except that where by law special provisions are
418 made in the case of a designated class or classes of limited liability
419 companies governing the limited liability company procedure thereof
420 in any respect, limiting or extending the powers thereof, conditioning
421 action upon the approval of any agency of the state or otherwise
422 prescribing the conduct of such limited liability companies, such
423 procedure, power, action or conduct shall be governed by such special
424 provisions whether or not such limited liability companies are formed
425 under said sections.

426 (i) Nothing in this section shall prohibit the formation of a limited
427 liability company under sections 1 to 102, inclusive, of this act for the
428 transaction of any business or for the promotion of any purpose in any
429 other state if not prohibited by the laws thereof.

430 Sec. 10. (NEW) (*Effective July 1, 2017*) (a) Except as provided in
431 subsection (b) of this section, on and after July 1, 2017, sections 1 to
432 102, inclusive, of this act govern all limited liability companies.

433 (b) For purposes of applying the provisions of sections 1 to 102,
434 inclusive, of this act to a limited liability company formed before July
435 1, 2017: (1) The company's articles of organization are deemed to be the
436 company's certificate of organization; and (2) for purposes of applying
437 the provisions of subdivision (14) of section 2 of this act and subject to
438 subsection (d) of section 7 of this act, language in the company's
439 articles of organization designating the company's management
440 structure operates as if that language were in the operating agreement.

441 Sec. 11. (NEW) (*Effective July 1, 2017*) Unless displaced by particular
442 provisions of sections 1 to 102, inclusive, of this act, the principles of
443 law and equity supplement said sections of this act.

444 Sec. 12. (NEW) (*Effective July 1, 2017*) (a) The name of a limited
445 liability company shall contain the words "limited liability company"

446 or the abbreviation "L.L.C." or "LLC". "Limited" may be abbreviated as
447 "Ltd.", and "company" may be abbreviated as "Co."

448 (b) Except as provided in subsection (d) of this section, the name of
449 a limited liability company, and the name under which a foreign
450 limited liability company may register to do business in this state, shall
451 be distinguishable on the records of the Secretary of the State from any:
452 (1) Name of an existing person whose formation required the filing of
453 a record by the Secretary of the State and which is not at the time
454 administratively dissolved and which has not at the time filed a
455 certificate of dissolution with the Secretary of the State; (2) name under
456 which a person is registered to do business in this state by the filing of
457 a record by the Secretary of the State; (3) name reserved under section
458 13 of this act or other law of this state providing for the reservation of a
459 name by the filing of a record by the Secretary of the State; and (4)
460 name registered under section 14 of this act or other law of this state
461 providing for the registration of a name by the filing of a record by the
462 Secretary of the State.

463 (c) If a person consents in a record to the use of its name and
464 submits an undertaking in a form satisfactory to the Secretary of the
465 State to change its name to a name that is distinguishable on the
466 records of the Secretary of the State from any name in any category of
467 names in subsection (b) of this section, the name of the consenting
468 person may be used by the person to which the consent was given.

469 (d) Except as provided in subsection (e) of this section, in
470 determining whether a name is the same as or not distinguishable on
471 the records of the Secretary of the State from the name of another
472 person, words, phrases or abbreviations indicating a type of person,
473 such as "corporation", "corp.", "incorporated", "Inc.", "professional
474 corporation", "P.C.", "PC", "Limited", "Ltd.", "limited partnership",
475 "professional limited liability company", "P.L.L.C.", "PLLC", "limited
476 liability partnership", "L.L.P.", or "LLP" may not be taken into account.

477 (e) A person may consent in a record to the use of a name that is not
478 distinguishable on the records of the Secretary of the State from its
479 name except for the addition of a word, phrase or abbreviation
480 indicating the type of person as provided in subsection (d) of this
481 section. In such a case, the person need not change its name pursuant
482 to subsection (b) of this section.

483 (f) The name of a limited liability company or foreign limited
484 liability company may not contain language stating or implying that
485 the limited liability company or the foreign limited liability company is
486 organized for a purpose other than permitted by subsection (b) of
487 section 9 of this act.

488 (g) A limited liability company or foreign limited liability company
489 may use a name that is not distinguishable from a name described in
490 subsection (b) of this section if the company delivers to the Secretary of
491 State a certified copy of a final judgment of a court of competent
492 jurisdiction establishing the right of the company to use the name in
493 this state.

494 Sec. 13. (NEW) (*Effective July 1, 2017*) (a) A person may reserve the
495 exclusive use of a name that complies with section 12 of this act by
496 delivering an application to the Secretary of the State for filing. The
497 application shall state the name and address of the applicant and the
498 name to be reserved. If the Secretary of the State finds that the name is
499 available, the Secretary of the State shall reserve the name for the
500 applicant's exclusive use for a period of one hundred twenty days.

501 (b) The owner of a reserved name may transfer the reservation to
502 another person by delivering to the Secretary of the State a signed
503 notice in a record of the transfer which states the name and address of
504 the person to which the reservation is being transferred.

505 Sec. 14. (NEW) (*Effective July 1, 2017*) (a) A foreign limited liability
506 company not registered to do business in this state under sections 70 to
507 79, inclusive, of this act may register its name, or an alternate name

508 adopted pursuant to section 75 of this act, if the name is
509 distinguishable on the records of the Secretary of the State from the
510 names that are not available under section 12 of this act.

511 (b) To register its name or an alternate name adopted pursuant to
512 section 75 of this act, a foreign limited liability company shall deliver
513 to the Secretary of the State for filing an application stating the
514 company's name, the jurisdiction and date of its formation, and any
515 alternate name adopted pursuant to section 75 of this act. If the
516 Secretary of the State finds that the name applied for is available, the
517 Secretary of the State shall register the name for the applicant's
518 exclusive use.

519 (c) The registration of a name under this section is effective for one
520 year after the date of registration.

521 (d) A foreign limited liability company whose name registration is
522 effective may renew the registration for successive one-year periods by
523 delivering, not earlier than ninety days before the expiration of the
524 registration, to the Secretary of the State for filing a renewal
525 application that complies with this section. When filed, the renewal
526 application renews the registration for a succeeding one-year period.

527 (e) A foreign limited liability company whose name registration is
528 effective may register as a foreign limited liability company under the
529 registered name or consent in a signed record to the use of that name
530 by another person that is not an individual.

531 Sec. 15. (NEW) (*Effective July 1, 2017*) (a) Each limited liability
532 company and each registered foreign limited liability company shall
533 designate and maintain a registered agent in this state. The designation
534 of a registered agent is an affirmation of fact by the limited liability
535 company or registered foreign limited liability company that the agent
536 has consented to serve.

537 (b) The registered agent for a limited liability company shall be a:

- 538 (1) Natural person who is a resident of this state;
- 539 (2) Corporation formed under the laws of this state;
- 540 (3) Foreign corporation which has procured a certificate of authority
541 to transact business or conduct its affairs in this state;
- 542 (4) Limited liability company;
- 543 (5) Registered foreign limited liability company;
- 544 (6) Registered limited liability partnership organized under the laws
545 of this state;
- 546 (7) Registered limited liability partnership not organized under the
547 laws of this state and which has procured a certificate of authority to
548 transact business or conduct its affairs in this state;
- 549 (8) Statutory trust organized under the laws of this state; or
- 550 (9) Statutory trust not organized under the laws of this state and
551 which has procured a certificate of registration to transact business or
552 conduct its affairs in this state.
- 553 (c) The registered agent for a registered foreign limited liability
554 company shall be:
- 555 (1) The Secretary of the State and his or her successors in office;
- 556 (2) A natural person who is a resident of this state;
- 557 (3) A corporation formed under the laws of this state;
- 558 (4) A foreign corporation which has procured a certificate of
559 authority to transact business or conduct its affairs in this state;
- 560 (5) A limited liability company;
- 561 (6) A registered foreign limited liability company;

562 (7) A registered limited liability partnership organized under the
563 laws of this state;

564 (8) A registered limited liability partnership not organized under
565 the laws of this state and which has procured a certificate of authority
566 to transact business or conduct its affairs in this state;

567 (9) A statutory trust organized under the laws of this state; or

568 (10) A statutory trust not organized under the laws of this state and
569 which has procured a certificate of registration to transact business or
570 conduct its affairs in this state.

571 (d) A limited liability company's or a registered foreign limited
572 liability company's registered agent shall be appointed by filing with
573 the Secretary of the State a written appointment in such form as the
574 Secretary of the State shall prescribe setting forth: (1) The name of the
575 limited liability company or registered foreign limited liability
576 company; (2) the name of the registered agent; and (3) (A) if the
577 registered agent is a natural person, the business and residence
578 addresses thereof; (B) if the registered agent is an entity organized
579 under the laws of this state, the address of the principal office thereof;
580 or (C) if the registered agent is an entity not organized under the laws
581 of this state, the address of the principal office thereof in this state, if
582 any. In each case, the address shall include the street and number or
583 other particular designation. Each written appointment shall also be
584 signed by, if other than the Secretary of the State, the registered agent
585 therein appointed.

586 (e) A registered agent for a limited liability company or registered
587 foreign limited liability company shall have a place of business in this
588 state.

589 (f) The only duties under sections 1 to 102, inclusive, of this act of a
590 registered agent that has complied with this act are: (1) To forward to
591 the limited liability company or registered foreign limited liability

592 company at the address most recently supplied to the agent by the
593 limited liability company or registered foreign limited liability
594 company any process, notice or demand pertaining to the limited
595 liability company or registered foreign limited liability company which
596 is served on or received by the agent; (2) if the registered agent resigns,
597 to provide the notice required by subsection (c) of section 17 of this act
598 to the limited liability company or registered foreign limited liability
599 company at the address most recently supplied to the agent by the
600 limited liability company or registered foreign limited liability
601 company; and (3) if the registered agent changes its name or address,
602 to provide the notice required by section 18 of this act.

603 Sec. 16. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
604 or registered foreign limited liability company may change the address
605 of its registered agent or appoint a new registered agent by delivering
606 to the Secretary of the State for filing a change of address of agent
607 certificate or a change of agent certificate containing all of the
608 following: (1) The name of the limited liability company or registered
609 foreign limited liability company; (2) if the address of the registered
610 agent is to be changed, the information required by subsection (f) of
611 section 15 of this act; and (3) if a new registered agent is to be
612 appointed, the information required by subdivisions (2) and (3) of
613 subsection (d) of section 15 of this act, which change of agent certificate
614 must be signed by, if other than the Secretary of the State, the
615 registered agent therein appointed.

616 (b) The members or managers of a limited liability company need
617 not approve the delivery for the Secretary of the State for filing of a: (1)
618 Change of address of agent certificate or a change of agent certificate
619 under this section; or (2) similar filing changing the registered agent or
620 registered office, if any, of the limited liability company in any other
621 jurisdiction.

622 (c) A change of agent certificate under this section designating a
623 new registered agent is an affirmation of fact by the limited liability

624 company or registered foreign limited liability company that the agent
625 has consented to serve.

626 Sec. 17. (NEW) (*Effective July 1, 2017*) (a) A registered agent may
627 resign as an agent for a limited liability company or registered foreign
628 limited liability company by delivering to the Secretary of the State for
629 filing a certificate of resignation that states: (1) The name of the limited
630 liability company or registered foreign limited liability company; (2)
631 the name of the agent; (3) that the agent resigns from serving as
632 registered agent for the limited liability company or registered foreign
633 limited liability company; and (4) the address of the limited liability
634 company or registered foreign limited liability company to which the
635 agent will send the notice required by subsection (c) of this section.

636 (b) A certificate of resignation takes effect on the earlier of: (1) The
637 thirty-first day after the day on which it is filed by the Secretary of the
638 State; or (2) the designation of a new registered agent for the limited
639 liability company or registered foreign limited liability company.

640 (c) A registered agent shall immediately furnish to the limited
641 liability company or registered foreign limited liability company notice
642 in a record of the date on which the certificate of resignation was filed.

643 (d) When a certificate of resignation takes effect, the registered agent
644 ceases to have responsibility under sections 1 to 102, inclusive, of this
645 act for any matter thereafter tendered to it as agent for the limited
646 liability company or registered foreign limited liability company. The
647 resignation does not affect any contractual rights the limited liability
648 company or registered foreign limited liability company has against
649 the agent or that the agent has against the limited liability company or
650 registered foreign limited liability company.

651 (e) A registered agent may resign with respect to a limited liability
652 company or registered foreign limited liability company whether or
653 not the limited liability company or registered foreign limited liability
654 company is in good standing.

655 Sec. 18. (NEW) (*Effective July 1, 2017*) (a) If a registered agent
656 changes its name or address, the agent shall, not later than thirty days
657 after such change, deliver to the Secretary of the State for filing a
658 certificate of change that states: (1) The name of the agent as currently
659 shown in the records of the Secretary of the State for the company or
660 foreign company; (2) if the name of the agent has changed, its new
661 name; and (3) if the address of the agent has changed, its new address.

662 (b) A registered agent shall, not later than thirty days after such
663 certificate of change is filed, furnish notice to the represented limited
664 liability company or registered foreign limited liability company of the
665 filing by the Secretary of the State of the certificate of change and the
666 changes made by the certificate.

667 Sec. 19. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
668 or registered foreign limited liability company may be served with any
669 process, notice or demand required or permitted by law by serving its
670 registered agent.

671 (b) When the Secretary of the State and the Secretary of the State's
672 successors in office have been appointed a foreign limited liability
673 company's agent for service of process, the foreign limited liability
674 company may be served by any proper officer or other person lawfully
675 empowered to make service leaving two true and attested copies of
676 such process together with the required fee at the office of the
677 Secretary of the State or depositing the same in the United States mail,
678 by registered or certified mail, postage prepaid, addressed to said
679 office. The Secretary of the State shall file one copy of such process and
680 keep a record of the date and hour of such receipt, and, within two
681 business days after such service, forward by registered or certified mail
682 the other copy of such process to the foreign limited liability company
683 at the address of the office designated in the application for
684 registration filed pursuant to subdivision (4) of section 72 of this act.
685 Service so made shall be effective as of the date and hour received by
686 the Secretary of the State as shown on the Secretary of the State's

687 records.

688 (c) If a limited liability company or registered foreign limited
689 liability company ceases to have a registered agent, or if its registered
690 agent cannot with reasonable diligence be served, the company or
691 foreign company may be served by registered or certified mail, return
692 receipt requested, or by similar commercial delivery service, addressed
693 to the company or foreign company at its principal office. The address
694 of the principal office shall be as shown on the company's or foreign
695 company's most recent annual report filed by the Secretary of the State.
696 Service is effected under this subsection on the earliest of: (1) The date
697 the company or foreign company receives the mail or delivery by the
698 commercial delivery service; (2) the date shown on the return receipt,
699 if signed by the company or foreign company; or (3) five days after its
700 deposit with the United States Postal Service, or with the commercial
701 delivery service, if correctly addressed and with sufficient postage or
702 payment.

703 (d) If process, notice or demand cannot be served on a limited
704 liability company or registered foreign limited liability company
705 pursuant to subsection (a) or (b) of this section, service may be made
706 by handing a copy to the individual in charge of any regular place of
707 business or activity of the company or foreign company if the
708 individual served is not a plaintiff in the action.

709 (e) Service of process, notice or demand on a registered agent shall
710 be in a written record.

711 (f) Service of process, notice or demand may be made by other
712 means under law other than the provisions of sections 1 to 102,
713 inclusive, of this act.

714 Sec. 20. (NEW) (*Effective July 1, 2017*) (a) Except as provided in
715 sections 1 to 102, inclusive, of this act, permissible means of delivery of
716 a record include delivery by hand, mail, conventional commercial
717 practice and electronic transmission.

718 (b) Delivery to the Secretary of the State is effective only when a
719 record is received by the Secretary of the State.

720 Sec. 21. (NEW) (*Effective July 1, 2017*) The Connecticut General
721 Assembly has power to amend or repeal all or part of sections 1 to 102,
722 inclusive, of this act at any time, and all limited liability companies and
723 foreign limited liability companies subject to this act are governed by
724 the amendment or repeal.

725 Sec. 22. (NEW) (*Effective July 1, 2017*) The Secretary of the State shall
726 charge and collect the following fees and remit them to the Treasurer
727 for the use of the state:

728 (a) Fees for filing documents and issuing certificates: (1) Filing
729 application to reserve a limited liability company name or to cancel a
730 reserved limited liability company name, sixty dollars; (2) filing
731 transfer of reserved limited liability company name, sixty dollars; (3)
732 filing certificate of organization, including appointment of statutory
733 agent, one hundred twenty dollars; (4) filing change of address of
734 agent certificate or change of agent certificate, fifty dollars; (5) filing
735 notice of resignation of statutory agent, fifty dollars; (6) filing
736 amendment to certificate of organization, one hundred twenty dollars;
737 (7) filing restated certificate of organization, one hundred twenty
738 dollars; (8) filing certificate of merger, sixty dollars; (9) filing certificate
739 of interest exchange, sixty dollars; (10) filing certificate of
740 consolidation, sixty dollars; (11) filing certificate of abandonment, fifty
741 dollars; (12) filing certificate of dissolution by resolution, fifty dollars;
742 (13) filing certificate of dissolution by expiration, fifty dollars; (14)
743 filing judicial decree of dissolution, fifty dollars; (15) filing certificate of
744 reinstatement, one hundred twenty dollars; (16) filing foreign
745 registration statement by a foreign limited liability company to
746 transact business in this state, one hundred twenty dollars; (17) filing
747 application of foreign limited liability company for amended foreign
748 registration statement, one hundred twenty dollars; (18) filing a
749 statement of withdrawal of foreign limited liability company, one

750 hundred twenty dollars; (19) filing an annual report, twenty dollars;
751 (20) filing an interim notice of change of manager or member, twenty
752 dollars; (21) filing a registration of name or a removal of registration of
753 name, sixty dollars; (22) filing a statement of correction, one hundred
754 dollars; and (23) filing a transfer of registration, sixty dollars plus the
755 qualification fee.

756 (b) Miscellaneous charges: (1) At the time of any service of process
757 on the Secretary of the State as statutory agent of a limited liability
758 company, which amount may be recovered as taxable costs by the
759 party to the suit or action causing such service to be made if such party
760 prevails in the suit or action, the plaintiff in the process so served shall
761 pay fifty dollars; (2) for preparing and furnishing a copy of any
762 document, instrument or paper filed or recorded relating to a limited
763 liability company: For each copy of each such document thereof
764 regardless of the number of pages, forty dollars; for affixing his
765 certification thereto, fifteen dollars; (3) for the issuance of a certification
766 of legal existence of a domestic limited liability company, fifty dollars;
767 (4) for the issuance of a certificate of legal existence which certificate
768 may reflect any and all changes of limited liability company names
769 and the dates of filing thereof, fifty dollars; (5) for the issuance of a
770 certificate of legal existence reflecting articles effecting fundamental
771 changes to certificate of organization and the date or dates of filing
772 thereof, one hundred dollars; and (6) for other services for which fees
773 are not provided by the general statutes, the Secretary of the State may
774 charge such fees as will in the judgment of the Secretary of the State
775 cover the cost of the services provided.

776 (c) The tax imposed under chapter 219 of the general statutes shall
777 not be imposed upon any transaction for which a fee is charged under
778 the provisions of this section.

779 Sec. 23. (NEW) (*Effective July 1, 2017*) A limited liability company
780 formed under sections 1 to 102, inclusive, of this act, or a foreign
781 limited liability company transacting business in this state pursuant to

782 the provisions of said sections shall be treated, for purposes of taxes
783 imposed by the laws of the state or any political subdivision thereof, in
784 accordance with the classification for federal tax purposes.

785 Sec. 24. (NEW) (*Effective July 1, 2017*) The repeal of sections 34-100 to
786 34-113, inclusive, 34-119 to 34-124, inclusive, 34-130 to 34-134,
787 inclusive, 34-140 to 34-144, inclusive, 34-150 to 34-152, inclusive, 34-158
788 to 34-161, inclusive, 34-167 to 34-173, inclusive, 34-179 to 34-180,
789 inclusive, 34-186 to 34-187, inclusive, 34-193 to 34-198, inclusive, 34-206
790 to 34-215, inclusive, 34-222 to 34-236, inclusive, and 34-241 to 34-242,
791 inclusive, of the general statutes and section 34-216 of the 2016
792 supplement to the general statutes by sections 103 and 104 of this act
793 do not affect: (1) The operation of the statute or any action taken under
794 it before its repeal; (2) any ratification, right, remedy, privilege,
795 obligation or liability acquired, accrued or incurred under the statute
796 before its repeal; (3) any violation of the statute, or any penalty,
797 forfeiture or punishment incurred because of the violation, before its
798 repeal; or (4) any proceeding, reorganization or dissolution
799 commenced under the statute before its repeal, and the proceeding,
800 reorganization or dissolution may be completed in accordance with the
801 statute as if it had not been repealed.

802 Sec. 25. (NEW) (*Effective July 1, 2017*) (a) One or more persons may
803 act as organizers to form a limited liability company by delivering to
804 the Secretary of the State for filing a certificate of organization.

805 (b) A certificate of organization shall state: (1) The name of the
806 limited liability company, which shall comply with section 12 of this
807 act; (2) the street address and mailing address of the company's
808 principal office; (3) the name of a registered agent appointed in
809 compliance with section 15 of this act, along with the street address
810 and mailing address in this state of the company's registered agent; (4)
811 the name, business address and residence address of at least one
812 manager or member of the limited liability company, except that if
813 good cause is shown, the Secretary of the State may accept a business

814 address in lieu of the business and residence addresses of such
815 manager or member, provided, for purposes of this subsection, a
816 showing of good cause shall include, but not be limited to, a showing
817 that public disclosure of the residence address of the manager or
818 member of the limited liability company may expose the personal
819 security of such manager or member to significant risk; and (5) the
820 electronic mail address, if any, of the limited liability company.

821 (c) A certificate of organization may contain statements as to matters
822 other than those required by subsection (b) of this section, but may not
823 vary or otherwise affect the provisions specified in subsection (c) of
824 section 5 of this act in a manner inconsistent with said section.
825 However, a statement in a certificate of organization is not effective as
826 a statement of authority.

827 (d) A limited liability company is formed on the date and at the time
828 of its filing by the Secretary of the State, as provided in section 30 of
829 this act.

830 Sec. 26. (NEW) (*Effective July 1, 2017*) (a) A certificate of organization
831 may be amended or restated at any time.

832 (b) To amend its certificate of organization, a limited liability
833 company shall deliver to the Secretary of the State for filing an
834 amendment stating: (1) The name of the company; and (2) the
835 amendment.

836 (c) To restate its certificate of organization, a limited liability
837 company shall deliver to the Secretary of the State for filing a
838 restatement, designated as such in its heading.

839 (d) If a member of a member-managed limited liability company, or
840 a manager of a manager-managed limited liability company, knows
841 that any information in a filed certificate of organization was
842 inaccurate when the certificate was filed or has become inaccurate due
843 to changed circumstances, the member or manager shall promptly: (1)

844 Cause the certificate to be amended; or (2) if appropriate, deliver to the
845 Secretary of the State for filing a statement of change under section 16
846 of this act or a statement of correction under section 33 of this act.

847 Sec. 27. (NEW) (*Effective July 1, 2017*) (a) A record delivered to the
848 Secretary of the State for filing pursuant to sections 1 to 102, inclusive,
849 of this act shall be signed as follows:

850 (1) Except as provided in subdivisions (2) and (3) of this subsection,
851 a record signed on behalf of a limited liability company shall be signed
852 by a person authorized by the company.

853 (2) A company's initial certificate of organization shall be signed by
854 at least one person acting as an organizer.

855 (3) A record delivered on behalf of a dissolved company that has no
856 member shall be signed by the person winding up the company's
857 activities and affairs under subsection (c) of section 57 of this act or a
858 person appointed under subsection (d) of section 57 of this act to wind
859 up the activities and affairs.

860 (4) Any other record delivered on behalf of a person to the Secretary
861 of the State for filing shall be signed by that person.

862 (b) Any record filed under sections 1 to 102, inclusive, of this act
863 may be signed by an agent. Whenever this chapter of the general
864 statutes requires a particular individual to sign a record and the
865 individual is deceased or incompetent, the record may be signed by a
866 legal representative of the individual.

867 (c) A person that signs a record as an agent or legal representative
868 thereby affirms as a fact that the person is authorized to sign the
869 record.

870 (d) The Secretary of the State is not required to verify either a
871 signature's authenticity or the authority of the person signing to so
872 commit the limited liability company, and the acceptance of a

873 document by the Secretary of the State shall not therefore serve to
874 validate the veracity of the signature or the signatory.

875 Sec. 28. (NEW) (*Effective July 1, 2017*) (a) If a person required by
876 sections 1 to 102, inclusive, of this act to sign a record or deliver a
877 record to the Secretary of the State for filing under said sections does
878 not do so, any other person that is aggrieved may petition the Superior
879 Court to order the: (1) Person to sign the record; (2) person to deliver
880 the record to the Secretary of the State for filing; or (3) Secretary of the
881 State to file the record unsigned.

882 (b) If a petitioner under subsection (a) of this section is not the
883 limited liability company or foreign limited liability company to which
884 the record pertains, the petitioner shall make the company or foreign
885 company a party to the action.

886 (c) A record filed under subdivision (3) of subsection (a) of this
887 section is effective without being signed.

888 Sec. 29. (NEW) (*Effective July 1, 2017*) (a) If a record delivered to the
889 Secretary of the State for filing under sections 1 to 102, inclusive, of this
890 act and filed by the Secretary of the State contains inaccurate
891 information, a person that suffers loss by reliance on the information
892 may recover damages for the loss from: (1) A person that signed the
893 record or caused another to sign it on the person's behalf, and knew
894 the information to be inaccurate at the time the record was signed; and
895 (2) subject to subsection (b) of this section, a member of a member-
896 managed limited liability company or the manager of a manager-
897 managed limited liability company, if: (A) The record was delivered
898 for filing on behalf of the company; and (B) the member or manager
899 had notice of the inaccuracy for a reasonably sufficient time before the
900 information was relied upon so that, before the reliance, the member or
901 manager reasonably could have:

902 (i) Effected an amendment under section 26 of this act;

903 (ii) Filed a petition under section 28 of this act; or

904 (iii) Delivered to the Secretary of the State for filing a statement of
905 change under section 16 of this act or a statement of correction under
906 section 33 of this act.

907 (b) To the extent that the operating agreement of a member-
908 managed limited liability company expressly relieves a member of
909 responsibility for maintaining the accuracy of information contained in
910 records delivered on behalf of the company to the Secretary of the
911 State for filing under sections 1 to 102, inclusive, of this act and
912 imposes that responsibility on one or more other members, the liability
913 set forth in subdivision (2) of subsection (a) of this section applies to
914 those other members and not to the member that the operating
915 agreement relieves of the responsibility.

916 (c) An individual who signs a record authorized or required to be
917 filed under sections 1 to 102, inclusive, of this act affirms under penalty
918 of false statement that the information set forth in the record is
919 accurate.

920 Sec. 30. (NEW) (*Effective July 1, 2017*) (a) To be filed by the Secretary
921 of the State pursuant to sections 1 to 102, inclusive, of this act, a record
922 shall be received by the Secretary of the State, comply with this act and
923 satisfy the following:

924 (1) The filing of the record shall be required or permitted by sections
925 1 to 102, inclusive, of this act.

926 (2) The record shall be physically delivered in written form unless
927 and to the extent the Secretary of the State permits electronic delivery
928 of records.

929 (3) The words in the record shall be in English and numbers shall be
930 in Arabic or Roman numerals, but the name of an entity need not be in
931 English if written in English letters or Arabic or Roman numerals.

932 (4) The record shall be signed by a person authorized or required
933 under sections 1 to 102, inclusive, of this act to sign the record.

934 (5) The record shall state the name and capacity, if any, of each
935 individual who signed it, either on behalf of the individual or the
936 person authorized or required to sign the record, but need not contain
937 a seal, attestation, acknowledgment or verification.

938 (b) When a record is delivered to the Secretary of the State for filing,
939 any fee required under sections 1 to 102, inclusive, of this act and any
940 fee, tax, interest or penalty required to be paid under sections 1 to 102,
941 inclusive, of this act or law other than sections 1 to 102, inclusive, of
942 this act shall be paid in a manner permitted by the Secretary of the
943 State or by that law.

944 (c) The Secretary of the State may require that a record delivered in
945 written form be accompanied by an identical or conformed copy.

946 Sec. 31. (NEW) (*Effective July 1, 2017*) Except as provided in section
947 32 of this act and subject to the provisions of subsection (c) of section
948 33 of this act, a certificate of organization is effective and a foreign
949 registration statement is effective on the date and at the time of its
950 filing by the Secretary of the State, as provided in section 30 of this act.
951 Each other record filed under sections 1 to 102, inclusive, of this act is
952 effective on the later of:

953 (1) On the date and at the time of its filing by the Secretary of the
954 State, as provided in section 30 of this act;

955 (2) On the date of filing and at the time specified in the record as its
956 effective time, if later than the time under subdivision (1) of this
957 section;

958 (3) At a specified delayed effective date and time, which may not be
959 more than ninety days after the date of filing; or

960 (4) If a delayed effective date is specified, but no time is specified, at

961 12:01 a.m. on the date specified, which may not be more than ninety
962 days after the date of filing.

963 Sec. 32. (NEW) (*Effective July 1, 2017*) (a) A record delivered to the
964 Secretary of the State for filing may be withdrawn before it takes effect
965 by delivering to the Secretary of the State for filing a statement of
966 withdrawal.

967 (b) A statement of withdrawal must: (1) Identify the record to be
968 withdrawn; and (2) if signed by fewer than all the persons that signed
969 the record being withdrawn, state that the record is withdrawn in
970 accordance with the agreement of all the persons that signed the
971 record or as otherwise provided in the operating agreement of the
972 limited liability company.

973 (c) On filing by the Secretary of the State of a statement of
974 withdrawal, the action or transaction evidenced by the original record
975 does not take effect.

976 Sec. 33. (NEW) (*Effective July 1, 2017*) (a) A person on whose behalf a
977 filed record was delivered to the Secretary of the State for filing may
978 correct the record if: (1) The record at the time of filing was inaccurate;
979 (2) the record was defectively signed; or (3) the electronic transmission
980 of the record to the Secretary of the State was defective.

981 (b) To correct a filed record, a person on whose behalf the record
982 was delivered to the Secretary of the State shall deliver to the Secretary
983 of the State for filing a statement of correction.

984 (c) A statement of correction: (1) May not state a delayed effective
985 date; (2) may not state an effective date before the original filing date
986 or more than ninety days after the original filing date; (3) must be
987 signed by the person correcting the filed record; (4) must identify the
988 filed record to be corrected; (5) must specify the inaccuracy or defect to
989 be corrected; and (6) must correct the inaccuracy or defect.

990 (d) A statement of correction is effective as of the effective date of
991 the filed record that it corrects except for purposes of subsection (d) of
992 section 3 of this act and as to persons relying on the uncorrected filed
993 record and adversely affected by the correction. For those purposes
994 and as to those persons, the statement of correction is effective when
995 filed.

996 Sec. 34. (NEW) (*Effective July 1, 2017*) (a) The Secretary of the State
997 shall file a record delivered to the Secretary of the State for filing which
998 satisfies sections 1 to 102, inclusive, of this act. The duty of the
999 Secretary of the State under this section is ministerial.

1000 (b) When the Secretary of the State files a record, the Secretary of the
1001 State shall record it as filed on the date and at the time of its delivery.
1002 After filing a record, the Secretary of the State shall deliver to the
1003 person that submitted the record an acknowledgment of the date and
1004 time of filing.

1005 (c) If the Secretary of the State refuses to file a record, the Secretary
1006 of the State shall, not later than fifteen business days after the record is
1007 delivered: (1) Return the record or notify the person that submitted the
1008 record of the refusal; and (2) provide a brief explanation of the reason
1009 for the refusal.

1010 (d) If the Secretary of the State refuses to file a record, the person
1011 that submitted the record may petition the Superior Court to compel
1012 filing of the record. The record and the explanation of the Secretary of
1013 the State of the refusal to file must be attached to the petition. The
1014 Superior Court may decide the matter in a summary proceeding.

1015 (e) The filing of or refusal to file a record does not create a
1016 presumption that the information contained in the record is correct or
1017 incorrect.

1018 (f) Except as provided by section 19 of this act or by law other than
1019 sections 1 to 102, inclusive, of this act, the Secretary of the State may

1020 deliver any record to a person by delivering it: (1) In person to the
1021 person that submitted it; (2) to the principal office of the person; or (3)
1022 to another address, including an electronic mail address, the person
1023 provides to the Secretary of the State for delivery.

1024 Sec. 35. (NEW) (*Effective July 1, 2017*) (a) On request of any person,
1025 the Secretary of the State shall issue a certificate of good standing for a
1026 limited liability company or a certificate of registration for a registered
1027 foreign limited liability company.

1028 (b) A certificate issued under subsection (a) of this section must
1029 state:

1030 (1) The limited liability company's name or the registered foreign
1031 limited liability company's name used in this state;

1032 (2) In the case of a limited liability company, that: (A) No statement
1033 of dissolution, statement of administrative dissolution or statement of
1034 termination has been filed; (B) the records of the Secretary of the State
1035 do not otherwise reflect that the company has been dissolved or
1036 terminated; (C) the limited liability company has filed all annual
1037 reports due through the date of the certificate in compliance with
1038 section 36 of this act; and (D) a proceeding is not pending under
1039 section 63 of this act; and

1040 (3) In the case of a registered foreign limited liability company, that:
1041 (A) It is registered to do business in this state; and (B) the registered
1042 foreign limited liability company has filed all annual reports due
1043 through the date of the certificate in compliance with section 36 of this
1044 act.

1045 (c) A certificate issued by the Secretary of the State under subsection
1046 (a) of this section may be relied upon as conclusive evidence of the
1047 facts set forth in the certificate.

1048 Sec. 36. (NEW) (*Effective July 1, 2017*) (a) A limited liability company

1049 or a registered foreign limited liability company shall deliver to the
1050 Secretary of the State by electronic transmission an annual report that
1051 states:

1052 (1) The name of the company;

1053 (2) The street address and mailing address of its principal office;

1054 (3) The name, business address and residence address of at least one
1055 member or manager, except that, if good cause is shown, the Secretary
1056 of the State may accept a business address in lieu of business and
1057 residence addresses of such manager or member. For purposes of this
1058 section, a showing of good cause shall include, but not be limited to, a
1059 showing that public disclosure of the residence address of the manager
1060 or member of the limited liability company may expose the personal
1061 security of such manager or member of significant risk;

1062 (4) An electronic mail address where the Secretary of the State can
1063 communicate with the company or its filing agent, if the company or
1064 its filing agent maintains an electronic mail address; and

1065 (5) In the case of a foreign company, its governing jurisdiction and
1066 any alternate name adopted under subsection (a) of section 75 of this
1067 act.

1068 (b) Information in the annual report must be current as of the date
1069 the report is signed by the limited liability company or registered
1070 foreign limited liability company.

1071 (c) The first annual report must be filed with the Secretary of the
1072 State after January first and before April first of the year following the
1073 calendar year in which the limited liability company was formed or the
1074 registered foreign limited liability company registered to do business
1075 in this state. Subsequent annual reports must be filed with the
1076 Secretary of the State after January first and before April first of each
1077 calendar year thereafter.

1078 (d) If an annual report does not contain the information required by
1079 this section, the Secretary of the State promptly shall notify the
1080 reporting limited liability company or registered foreign limited
1081 liability company and return the report for correction.

1082 (e) Upon the request of a limited liability company or a registered
1083 foreign limited liability company, the Secretary of the State may grant
1084 an exemption from the requirement to file an annual report by
1085 electronic transmission if the limited liability company or the
1086 registered foreign limited liability company does not have the
1087 capability to file by electronic transmission or make payment in an
1088 authorized manner by electronic means or if other good cause is
1089 shown. For purposes of this section, electronic transmission shall be
1090 limited to online filing utilizing the Internet or any newer mode of
1091 computer-aided, automated filing designated by the Secretary of the
1092 State for annual report filing.

1093 (f) If the manager or member named in a limited liability company's
1094 or a registered foreign limited liability company's most current annual
1095 report pursuant to subsection (c) of this section is replaced for such
1096 purpose by another manager or member after the limited liability
1097 company has filed such annual report, but not later than thirty days
1098 preceding the month during which the limited liability company's next
1099 annual report becomes due, the limited liability company shall file
1100 with the Secretary of the State an interim notice of change of manager
1101 or member that sets forth: (1) The name of the limited liability
1102 company; and (2) the name, title, business address and residence
1103 address of the new manager or member and the name and title of the
1104 former manager or member, except that if good cause is shown, the
1105 Secretary of the State may accept a business address in lieu of the
1106 business and residence addresses of the new manager or member. Any
1107 such change of manager or member that occurs within the thirty-day
1108 period preceding the month during which the limited liability
1109 company's next annual report becomes due shall be reflected in such
1110 next annual report.

1111 Sec. 37. (NEW) (*Effective July 1, 2017*) (a) A member is not an agent of
1112 a limited liability company solely by reason of being a member.

1113 (b) A person's status as a member does not prevent or restrict law
1114 other than sections 1 to 102, inclusive, of this act from imposing
1115 liability on a limited liability company because of the person's conduct.

1116 Sec. 38. (NEW) (*Effective July 1, 2017*) (a) A debt, obligation or other
1117 liability of a limited liability company is solely the debt, obligation or
1118 other liability of the company. A member or manager is not personally
1119 liable, directly or indirectly, by way of contribution or otherwise, for a
1120 debt, obligation or other liability of the company solely by reason of
1121 being or acting as a member or manager. This subsection applies
1122 regardless of the dissolution of the company.

1123 (b) The failure of a limited liability company to observe formalities
1124 relating to the exercise of its powers or management of its activities
1125 and affairs is not a ground for imposing liability on a member or
1126 manager of the company for a debt, obligation or other liability of the
1127 company.

1128 (c) Nothing contained in sections 1 to 102, inclusive, of this act shall
1129 be interpreted to abolish, repeal, modify, restrict or limit the law in
1130 effect on July 1, 2017, in this state applicable to the professional
1131 relationship and liabilities between the person furnishing the
1132 professional services and the person receiving such professional
1133 service and to the standards for professional conduct provided (1) any
1134 member, manager, agent or employee of a limited liability company
1135 rendering professional services formed under sections 1 to 102,
1136 inclusive, of this act shall be personally liable and accountable only for
1137 negligent or wrongful acts or misconduct committed by such person,
1138 or by any person under such person's direct supervision and control,
1139 while rendering professional services on behalf of the limited liability
1140 company to the person for whom such professional services were
1141 being rendered; and (2) the personal liability of members of a limited

1142 liability company rendering professional services formed under
1143 sections 1 to 102, inclusive, of this act in their capacity as members of
1144 such limited liability company, shall be not greater in any aspect than
1145 that of a shareholder who is an employee of a corporation formed
1146 under chapter 601 of the general statutes. A limited liability company
1147 rendering professional services shall be liable up to the full value of its
1148 property for any negligent or wrongful acts or misconduct committed
1149 by any of its members, managers, agents or employees while they are
1150 engaged on behalf of the limited liability company in the rendering of
1151 professional services.

1152 Sec. 39. (NEW) (*Effective July 1, 2017*) (a) If a limited liability
1153 company is to have only one member upon formation, the person
1154 becomes a member as agreed by that person and the organizer of the
1155 company. That person and the organizer may be, but need not be,
1156 different persons. If different, the organizer acts on behalf of the initial
1157 member.

1158 (b) If a limited liability company is to have more than one member
1159 upon formation, those persons become members as agreed by the
1160 persons before the formation of the company. The organizer acts on
1161 behalf of the persons in forming the company and may be, but need
1162 not be, one of the persons.

1163 (c) After formation of a limited liability company, a person becomes
1164 a member: (1) As provided in the operating agreement; (2) as the result
1165 of a transaction effective under the Connecticut Entity Transactions
1166 Act; (3) with the affirmative vote or consent of all of the members; or
1167 (4) as provided in subdivision (3) of subsection (a) of section 56 of this
1168 act.

1169 (d) A person may become a member without: (1) Acquiring a
1170 transferable interest; or (2) making or being obligated to make a
1171 contribution to the limited liability company.

1172 Sec. 40. (NEW) (*Effective July 1, 2017*) A contribution may consist of

1173 property transferred to, services performed for, or another benefit
1174 provided to the limited liability company or an agreement to transfer
1175 property to, perform services for, or provide another benefit to the
1176 company.

1177 Sec. 41. (NEW) (*Effective July 1, 2017*) (a) A person's obligation to
1178 make a contribution to a limited liability company is not excused by
1179 the person's death, disability or other inability to perform personally.

1180 (b) If a person does not fulfill an obligation to make a contribution
1181 other than money, the person is obligated at the option of the limited
1182 liability company to contribute money equal to the value of the part of
1183 the contribution which has not been made.

1184 (c) The obligation of a person to make a contribution may be
1185 compromised only by the affirmative vote or consent of all members. If
1186 a creditor of a limited liability company extends credit or otherwise
1187 acts in reliance on an obligation described in subsection (a) of this
1188 section without notice of a compromise under this subsection, the
1189 creditor may enforce the obligation.

1190 Sec. 42. (NEW) (*Effective July 1, 2017*) (a) Any distributions made by
1191 a limited liability company before its dissolution and winding up must
1192 be made among members and persons dissociated as members in that
1193 proportion which reflects contributions received by the limited liability
1194 company and not returned, except to the extent necessary to comply
1195 with a transfer effective under section 50 of this act or charging order
1196 in effect under section 51 of this act.

1197 (b) A person has a right to a distribution before the dissolution and
1198 winding up of a limited liability company only if the company decides
1199 to make an interim distribution. A person's dissociation does not
1200 entitle the person to a distribution.

1201 (c) A person does not have a right to demand or receive a
1202 distribution from a limited liability company in any form other than

1203 money. Except as provided in subsection (d) of section 62 of this act, a
1204 limited liability company may distribute an asset in kind only if each
1205 part of the asset is fungible with each other part and each person
1206 receives a percentage of the asset equal in value to the person's share of
1207 distributions.

1208 (d) If a member or transferee becomes entitled to receive a
1209 distribution, the member or transferee has the status of, and is entitled
1210 to all remedies available to, a creditor of the limited liability company
1211 with respect to the distribution. However, the company's obligation to
1212 make a distribution is subject to offset for any amount owed to the
1213 company by the member or a person dissociated as a member on
1214 whose account the distribution is made.

1215 Sec. 43. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
1216 may not make a distribution, if after the distribution: (1) The company
1217 would not be able to pay its debts as they become due in the ordinary
1218 course of the company's activities and affairs; or (2) the company's
1219 total assets would be less than the sum of its total liabilities plus the
1220 amount that would be needed, if the company were to be dissolved
1221 and wound up at the time of the distribution, to satisfy the preferential
1222 rights upon dissolution and winding up of members and transferees
1223 whose preferential rights are superior to those of persons receiving the
1224 distribution.

1225 (b) A limited liability company may base a determination that a
1226 distribution is not prohibited under subsection (a) of this section on: (1)
1227 Financial statements prepared on the basis of accounting practices and
1228 principles that are reasonable in the circumstances; or (2) a fair
1229 valuation or other method that is reasonable under the circumstances.

1230 (c) Except as provided in subsection (e) of this section, the effect of a
1231 distribution under subsection (a) of this section is measured: (1) In the
1232 case of a distribution as described in subparagraph (A) of subdivision
1233 (8) of section 2 of this act, the date money or other property is

1234 transferred or debt is incurred by the company; or (2) in all other cases,
1235 as of the date: (A) The distribution is authorized, if the payment occurs
1236 not later than one hundred twenty days after that date; or (B) the
1237 payment is made, if the payment occurs more than one hundred days
1238 after the distribution is authorized.

1239 (d) A limited liability company's indebtedness to a member or
1240 transferee incurred by reason of a distribution made in accordance
1241 with this section is at parity with the company's indebtedness to its
1242 general, unsecured creditors.

1243 (e) A limited liability company's indebtedness, including
1244 indebtedness issued as a distribution, is not a liability for purposes of
1245 subsection (a) of this section if the terms of the indebtedness provide
1246 that payment of principal and interest is made only if and to the extent
1247 that payment of a distribution could then be made under this section.
1248 If the indebtedness is issued as a distribution, each payment of
1249 principal or interest is treated as a distribution, the effect of which is
1250 measured on the date the payment is made.

1251 (f) In measuring the effect of a distribution under section 62 of this
1252 act, the liabilities of a dissolved limited liability company do not
1253 include any claim that has been disposed of under section 59, 60 or 61
1254 of this act.

1255 Sec. 44. (NEW) (*Effective July 1, 2017*) (a) Except as provided in
1256 subsection (b) of this section, if a member of a member-managed
1257 limited liability company or manager of a manager-managed limited
1258 liability company consents to a distribution made in violation of
1259 section 43 of this act and in consenting to the distribution fails to
1260 comply with section 47 of this act, the member or manager is
1261 personally liable to the company for the amount of the distribution
1262 which exceeds the amount that could have been distributed without
1263 the violation of section 43 of this act.

1264 (b) To the extent the operating agreement of a member-managed

1265 limited liability company expressly relieves a member of the authority
1266 and responsibility to consent to distributions and imposes that
1267 authority and responsibility on one or more other members, the
1268 liability set forth in subsection (a) of this section applies to the other
1269 members and not the member that the operating agreement relieves of
1270 authority and responsibility.

1271 (c) A person that receives a distribution knowing that the
1272 distribution violated section 43 of this act is personally liable to the
1273 limited liability company but only to the extent that the distribution
1274 received by the person exceeded the amount that could have been
1275 properly paid under section 43 of this act.

1276 (d) A person against which an action is commenced because the
1277 person is liable under subsection (a) of this section may implead: (1)
1278 Any other person that is liable under subsection (a) of this section and
1279 seek to enforce a right of contribution from the person; and (2) any
1280 person that received a distribution in violation of subsection (c) of this
1281 section and seek to enforce a right of contribution from the person in
1282 the amount the person received in violation of subsection (c) of this
1283 section.

1284 (e) An action under this section is barred unless commenced not
1285 later than two years after the distribution.

1286 Sec. 45. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
1287 is a member-managed limited liability company unless the operating
1288 agreement:

1289 (1) Expressly provides that: (A) The company is or will be
1290 "manager-managed"; (B) the company is or will be "managed by
1291 managers"; or (C) management of the company is or will be "vested in
1292 managers"; or

1293 (2) Includes words of similar import.

1294 (b) In a member-managed limited liability company, the following
1295 rules apply:

1296 (1) Except as expressly provided in sections 1 to 102, inclusive, of
1297 this act, the management and conduct of the company are vested in the
1298 members.

1299 (2) Matters in the ordinary course of the activities of the company
1300 shall be decided by the affirmative vote or consent of a majority in
1301 interest of the members.

1302 (3) The affirmative vote or consent of two-thirds in interest of the
1303 members is required to: (A) Undertake an act outside the ordinary
1304 course of the company's activities and affairs; or (B) approve a
1305 transaction under the Connecticut Entity Transactions Act.

1306 (4) The affirmative vote or consent of all of the members is required
1307 to amend the operating agreement.

1308 (c) In a manager-managed limited liability company, the following
1309 rules apply:

1310 (1) Except as expressly provided in sections 1 to 102, inclusive, of
1311 this act, any matter relating to the activities and affairs of the company
1312 is decided exclusively by the manager, or, if there is more than one
1313 manager, by a majority of the managers.

1314 (2) Each manager has equal rights in the management and conduct
1315 of the company's activities and affairs.

1316 (3) The affirmative vote or consent of two-thirds in interest of the
1317 members is required to: (A) Undertake an act outside the ordinary
1318 course of the company's activities and affairs; or (B) approve a
1319 transaction under the Connecticut Entity Transactions Act.

1320 (4) The affirmative vote or consent of all of the members is required
1321 to amend the operating agreement.

1322 (5) A manager may be chosen at any time by the affirmative vote or
1323 consent of a majority in interest of the members and remains a
1324 manager until a successor has been chosen, unless the manager at an
1325 earlier time resigns, is removed, or dies or, in the case of a manager
1326 that is not an individual, terminates. A manager may be removed at
1327 any time by the consent of a majority in interest of the members
1328 without notice or cause.

1329 (6) A person need not be a member to be a manager, but the
1330 dissociation of a member that is also a manager removes the person as
1331 a manager. If a person that is both a manager and a member ceases to
1332 be a manager, that cessation does not by itself dissociate the person as
1333 a member.

1334 (7) A person's ceasing to be a manager does not discharge any debt,
1335 obligation or other liability to the limited liability company or
1336 members which the person incurred while a manager.

1337 (d) An action requiring the vote or consent of members under
1338 sections 1 to 102, inclusive, of this act may be taken without a meeting,
1339 and a member may appoint a proxy or other agent to vote, consent or
1340 otherwise act for the member by signing an appointing record,
1341 personally or by the member's agent.

1342 (e) The dissolution of a limited liability company does not affect the
1343 applicability of this section. However, a person that wrongfully causes
1344 dissolution of the company loses the right to participate in
1345 management as a member and a manager.

1346 (f) A limited liability company shall reimburse a member for an
1347 advance to the company beyond the amount of capital the member
1348 agreed to contribute.

1349 (g) A payment or advance made by a member which gives rise to an
1350 obligation of the limited liability company under subsection (f) of this
1351 section or subsection (a) of section 46 of this act constitutes a loan to

1352 the company.

1353 (h) A member is not entitled to remuneration for services performed
1354 for a member-managed limited liability company, except for
1355 reasonable compensation for services rendered in winding up the
1356 activities of the company.

1357 Sec. 46. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
1358 shall reimburse a member of a member-managed company or the
1359 manager of a manager-managed company for any payment made by
1360 the member or in the course of the member's or manager's activities on
1361 behalf of the company, if the member or manager complied with
1362 sections 45 and 47 of this act in making the payment.

1363 (b) In the ordinary course of its duties and affairs, a limited liability
1364 company may indemnify and hold harmless a person with respect to
1365 any claim or demand against the person and any debt, obligation or
1366 other liability incurred by the person by reason of the person's former
1367 or present capacity as a member, manager or officer if the claim,
1368 demand, debt, obligation or other liability does not arise from the
1369 person's breach of section 43, 45 or 47 of this act.

1370 (c) A limited liability company shall indemnify and hold harmless a
1371 person who was wholly successful, on the merits or otherwise, in the
1372 defense of any proceeding with respect to any claim or demand
1373 against the person by reason of the person's former or present capacity
1374 as a member, manager or officer of the company from and against
1375 reasonable expenses, including attorney's fees and costs incurred by
1376 the person in connection with such claim or demand. As used in this
1377 subsection, "proceeding" means any threatened, pending or completed
1378 action, arbitration, investigation, suit or proceeding, whether civil,
1379 criminal or administrative and whether formal or informal.

1380 (d) In the ordinary course of its activities and affairs, a limited
1381 liability company may advance reasonable expenses, including
1382 attorney's fees and costs, incurred by a person in connection with a

1383 claim or demand against the person by reason of the person's former
1384 or present capacity as a member, manager or officer of the company if
1385 the person promises to repay the company if the person ultimately is
1386 determined not to be entitled to be indemnified under subsection (b) of
1387 this section.

1388 (e) A limited liability company may purchase and maintain
1389 insurance on behalf of a member, manager or officer of the company
1390 against liability asserted against or incurred by the member, manager
1391 or officer in that capacity or arising from that status even if, under
1392 subdivision (7) of subsection (c) of section 5 of this act, the operating
1393 agreement could not eliminate or limit the person's liability to the
1394 company for the conduct giving rise to the liability.

1395 Sec. 47. (NEW) (*Effective July 1, 2017*) (a) A member of a member-
1396 managed limited liability company owes to the company and, subject
1397 to subsection (b) of section 64 of this act, the other members the duties
1398 of loyalty and care set forth in subsections (b) and (c) of this section.

1399 (b) The fiduciary duty of loyalty of a member in a member-managed
1400 limited liability company includes the duties:

1401 (1) To account to the company and to hold as trustee for it any
1402 property, profit or benefit derived by the member: (A) In the conduct
1403 or winding up of the company's activities and affairs; (B) from a use by
1404 the member of the company's property; or (C) from the appropriation
1405 of a company opportunity;

1406 (2) To refrain from dealing with the company in the conduct or
1407 winding up of the company's activities and affairs as or on behalf of a
1408 person having an interest adverse to the company; and

1409 (3) To refrain from competing with the company in the conduct of
1410 the company's activities and affairs before the dissolution of the
1411 company.

1412 (c) (1) A member of a member-managed limited liability company
1413 shall discharge the duties of such member as a member, including
1414 duties as a member of a committee of the members of the limited
1415 liability company: (A) In good faith; (B) with the care an ordinarily
1416 prudent person in a like position would exercise under similar
1417 circumstances; and (C) in a manner the member reasonably believes to
1418 be in the best interests of the limited liability company.

1419 (2) In discharging such duties, the member is entitled to rely on
1420 information, opinions, reports or statements, including financial
1421 statements and other financial data, if prepared or presented by: (A)
1422 One or more officers or employees of the limited liability company
1423 whom the member reasonably believes to be reliable and competent in
1424 the matters presented; (B) legal counsel, public accountants or other
1425 persons as to matters the member reasonably believes are within the
1426 person's professional or expert competence; or (C) a committee of
1427 members of the limited liability company of which the member is not a
1428 member if the member reasonably believes the committee merits
1429 confidence.

1430 (3) In discharging such duties under subsection (a) of this section
1431 and the operating agreement, a member or manager shall not be liable
1432 to the limited liability company or to any other member for actions or
1433 failure to act pursuant to the provisions of the operating agreement,
1434 except that a member is not acting in good faith if the member has
1435 knowledge concerning the matter in question that makes reliance
1436 otherwise permitted by this subsection unwarranted.

1437 (d) A member shall discharge the duties and obligations under
1438 sections 1 to 102, inclusive, of this act or under the operating
1439 agreement and exercise any rights consistently with the implied
1440 contractual obligation of good faith and fair dealing.

1441 (e) A member, other than in the capacity of a manager, does not
1442 violate a duty or obligation under sections 1 to 102, inclusive, of this

1443 act or under the operating agreement solely because the member's
1444 conduct furthers the member's own interest.

1445 (f) A majority in interest of disinterested members of a member-
1446 managed limited liability company or a manager-managed limited
1447 liability company may authorize or ratify, after full disclosure of all
1448 material facts, a specific act or transaction that otherwise would violate
1449 the duty of loyalty.

1450 (g) It is a defense to a claim under subdivision (2) of subsection (b)
1451 of this section and any comparable claim in equity or at common law
1452 that the transaction was fair to the limited liability company.

1453 (h) If, as permitted by subsection (f) of this section, subdivision (5)
1454 of subsection (i) of this section or the operating agreement, a member
1455 enters into a transaction with the limited liability company which
1456 otherwise would be prohibited by subdivision (2) of subsection (b) of
1457 this section, the member's rights and obligations arising from the
1458 transaction are the same as those of a person that is not a member.

1459 (i) In a manager-managed limited liability company, the following
1460 rules apply:

1461 (1) Subsections (a), (b), (c) and (g) of this section apply to the
1462 manager or managers and not the members.

1463 (2) Subsection (d) of this section applies to managers and members.

1464 (3) Subsection (e) of this section applies only to members.

1465 (4) The power to ratify under subsection (f) of this section applies
1466 only to the members.

1467 (5) Subject to subsection (d) of this section, a member does not have
1468 any duty to the company or to any other member solely by reason of
1469 being a member.

1470 Sec. 48. (NEW) (*Effective July 1, 2017*) (a) In a member-managed
1471 limited liability company, the following rules apply:

1472 (1) On reasonable notice, a member may inspect and copy during
1473 regular business hours, at a reasonable location specified by the
1474 company, any record maintained by the company regarding the
1475 company's activities, affairs, financial condition and other
1476 circumstances to the extent the information is material to the member's
1477 rights and duties under the operating agreement or sections 1 to 102,
1478 inclusive, of this act.

1479 (2) The company shall furnish to each member: (A) Without
1480 demand, any information concerning the company's activities, affairs,
1481 financial condition, and other circumstances which the company
1482 knows and is material to the proper exercise of the member's rights
1483 and duties under the operating agreement or sections 1 to 102,
1484 inclusive, of this act, except to the extent the company can establish
1485 that it reasonably believes the member already knows the information;
1486 and (B) on demand, any other information concerning the company's
1487 activities, affairs, financial condition and other circumstances, except to
1488 the extent the demand or information demanded is unreasonable or
1489 otherwise improper under the circumstances.

1490 (3) The duty to furnish information under subdivision (2) of this
1491 subsection also applies to each member to the extent the member
1492 knows any of the information described in said subdivision.

1493 (b) In a manager-managed limited liability company, the following
1494 rules apply:

1495 (1) The informational rights set forth in subsection (a) of this section
1496 and the duty set forth in subdivision (3) of subsection (a) of this section
1497 apply to the managers and not the members.

1498 (2) During regular business hours and at a reasonable location
1499 specified by the company, a member may inspect and copy full

1500 information regarding the activities, affairs, financial condition and
1501 other circumstances of the company as is just and reasonable if: (A)
1502 The member seeks the information for a purpose reasonably related to
1503 the member's interest as a member; (B) the member makes a demand
1504 in a record received by the company, describing with reasonable
1505 particularity the information sought and the purpose for seeking the
1506 information; and (C) the information sought is directly connected to
1507 the member's purpose.

1508 (3) Not later than ten days after receiving a demand pursuant to
1509 subparagraph (B) of subdivision (2) of this subsection, the company
1510 shall in a record inform the member that made the demand of: (A) The
1511 information that the company will provide in response to the demand
1512 and when and where the company will provide the information; and
1513 (B) the company's reasons for declining, if the company declines to
1514 provide any demanded information.

1515 (4) Whenever sections 1 to 102, inclusive, of this act or an operating
1516 agreement provide for a member to give or withhold consent to a
1517 matter, before the consent is given or withheld, the company shall,
1518 without demand, provide the member with all information that is
1519 known to the company and is material to the member's decision.

1520 (c) Subject to subsection (i) of this section, on not less than ten days'
1521 demand made in a record received by a limited liability company, a
1522 person dissociated as a member may have access to information to
1523 which the person was entitled while a member if:

1524 (1) The information pertains to the period during which the person
1525 was a member;

1526 (2) The person seeks the information in good faith; and

1527 (3) The person satisfies the requirements imposed on a member by
1528 subdivision (2) of subsection (b) of this section.

1529 (d) A limited liability company shall respond to a demand made
1530 pursuant to subsection (c) of this section in the manner provided in
1531 subdivision (3) of subsection (b) of this section.

1532 (e) A limited liability company may charge a person that makes a
1533 demand under this section the reasonable costs of copying, limited to
1534 the costs of labor and material.

1535 (f) A member or person dissociated as a member may exercise rights
1536 under this section through an agent or, in the case of an individual
1537 under legal disability, a legal representative. Any restriction or
1538 condition imposed by the operating agreement or under subsection (i)
1539 of this section applies both to the agent or legal representative and the
1540 member or person dissociated as a member.

1541 (g) Subject to subsection (i) of this section, the rights under this
1542 section do not extend to a person as a transferee.

1543 (h) If a member dies, the provisions of section 52 of this act shall
1544 apply.

1545 (i) In addition to any restriction or condition set forth in the
1546 operating agreement, a limited liability company, as a matter within
1547 the ordinary course of its activities and affairs, may impose reasonable
1548 restrictions and conditions on access to and use of information to be
1549 furnished under this section, including designating information
1550 confidential and imposing nondisclosure and safeguarding obligations
1551 on the recipient. In a dispute concerning the reasonableness of a
1552 restriction under this subsection, the company has the burden of
1553 proving reasonableness.

1554 Sec. 49. (NEW) (*Effective July 1, 2017*) A transferable interest is
1555 personal property.

1556 Sec. 50. (NEW) (*Effective July 1, 2017*) (a) Subject to subsection (f) of
1557 section 51 of this act, a transfer, in whole or in part, of a transferable

1558 interest: (1) Is permissible; (2) does not by itself cause a member's
1559 dissociation or a dissolution and winding up of the limited liability
1560 company's activities and affairs; and (3) subject to section 52 of this act,
1561 does not entitle the transferee to: (A) Participate in the management or
1562 conduct of the company's activities and affairs; or (B) except as
1563 provided in subsection (c) of this section, have access to records or
1564 other information concerning the company's activities and affairs.

1565 (b) A transferee has the right to receive, in accordance with the
1566 transfer, distributions to which the transferor would otherwise be
1567 entitled.

1568 (c) In a dissolution and winding up of a limited liability company, a
1569 transferee is entitled to an account of the company's transactions only
1570 from the date of dissolution.

1571 (d) A transferable interest may be evidenced by a certificate of the
1572 interest issued by the limited liability company in a record, and,
1573 subject to this section, the interest represented by the certificate may be
1574 transferred by a transfer of the certificate.

1575 (e) A limited liability company need not give effect to a transferee's
1576 rights under this section until the company knows or has notice of the
1577 transfer.

1578 (f) A transfer of a transferable interest in violation of a restriction on
1579 transfer contained in the operating agreement is ineffective as to a
1580 person having knowledge or notice of the restriction at the time of
1581 transfer.

1582 (g) Except as provided in subparagraph (B) of subdivision (4) of
1583 section 54 of this act, if a member transfers a transferable interest, the
1584 transferor retains the rights of a member other than the transferable
1585 interest transferred and retains all the duties and obligations of a
1586 member.

1587 (h) If a member transfers a transferable interest to a person that
1588 becomes a member with respect to the transferred interest, the
1589 transferee is liable for the member's obligations under section 41 of this
1590 act and subsection (c) of section 44 of this act known to the transferee
1591 when the transferee becomes a member.

1592 Sec. 51. (NEW) (*Effective July 1, 2017*) (a) On application by a
1593 judgment creditor of a member or transferee, a court may enter a
1594 charging order against the transferable interest of the judgment debtor
1595 for the unsatisfied amount of the judgment. Subject to subsection (e) of
1596 this section, a charging order constitutes a lien on a judgment debtor's
1597 transferable interest and requires the limited liability company to pay
1598 over to the person to which the charging order was issued any
1599 distribution that otherwise would be paid to the judgment debtor. To
1600 the extent that the transferable interest of the judgment debtor is so
1601 charged, the judgment creditor has only the right to receive any
1602 distribution or distributions to which the judgment debtor would
1603 otherwise have been entitled in respect of such transferable interest.

1604 (b) To the extent necessary to effectuate the collection of
1605 distributions pursuant to a charging order in effect under subsection
1606 (a) of this section, the court may: (1) Appoint a receiver of the
1607 distributions subject to the charging order, with the power to make all
1608 inquiries the judgment debtor might have made; and (2) make all other
1609 orders necessary to give effect to the charging order.

1610 (c) The member or transferee whose transferable interest is subject
1611 to a charging order under subsection (a) of this section may extinguish
1612 the charging order by satisfying the judgment and filing a certified
1613 copy of the satisfaction with the court that issued the charging order.

1614 (d) A limited liability company or one or more members whose
1615 transferable interests are not subject to the charging order may pay to
1616 the judgment creditor the full amount due under the judgment and
1617 thereby succeed to the rights of the judgment creditor, including the

1618 charging order.

1619 (e) The entry of a charging order is the exclusive remedy by which a
1620 person seeking to enforce a judgment against a member or transferee
1621 may, in the capacity of judgment creditor, satisfy the judgment from
1622 the judgment debtor's transferable interest. With respect to the
1623 judgment debtor's transferable interest, attachment, garnishment,
1624 foreclosure or other legal or equitable remedies are not available to the
1625 judgment creditor, whether the limited liability company has one
1626 member or more than one member.

1627 (f) Sections 1 to 102, inclusive, of this act do not deprive any
1628 member or transferee of the benefit of any exemption laws applicable
1629 to the transferable interest of the member or transferee.

1630 Sec. 52. (NEW) (*Effective July 1, 2017*) If a member dies, the deceased
1631 member's legal representative may exercise: (1) The rights of a
1632 transferee provided in subsection (c) of section 50 of this act; and (2)
1633 for the purposes of settling the estate, the rights the deceased member
1634 had under section 48 of this act.

1635 Sec. 53. (NEW) (*Effective July 1, 2017*) (a) A person has the power to
1636 dissociate as a member at any time, rightfully or wrongfully, by
1637 withdrawing as a member by express will under subdivision (2) of
1638 section 54 of this act.

1639 (b) A person's dissociation as a member is wrongful only if the
1640 dissociation: (1) Is in breach of an express provision of the operating
1641 agreement; or (2) occurs before the completion of the winding up of
1642 the company and: (A) The person withdraws as a member by express
1643 will; (B) the person is expelled as a member by judicial order under
1644 subdivision (5) of section 54 of this act; (C) the person is dissociated
1645 under subdivision (8) of section 54 of this act; or (D) in the case of a
1646 person that is not a trust other than a business trust, an estate or an
1647 individual, the person is expelled or otherwise dissociated as a
1648 member because it wilfully dissolved or terminated.

1649 (c) A person that wrongfully dissociates as a member is liable to the
1650 limited liability company and, subject to section 64 of this act, to the
1651 other members for damages caused by the dissociation. The liability is
1652 in addition to any debt, obligation or other liability of the member to
1653 the company or the other members.

1654 Sec. 54. (NEW) (*Effective July 1, 2017*) A person is dissociated as a
1655 member when:

1656 (1) The company has notice of the person's express will to withdraw
1657 as a member, but, if the person specified a withdrawal date later than
1658 the date the company had notice, on that later date;

1659 (2) An event set forth in the operating agreement as causing the
1660 person's dissociation occurs;

1661 (3) The person is expelled as a member pursuant to the operating
1662 agreement;

1663 (4) The person is expelled as a member by the unanimous consent of
1664 the other members if: (A) It is unlawful to carry on the company's
1665 activities and affairs with the person as a member; (B) there has been a
1666 transfer of all the person's transferable interest in the company, other
1667 than: (i) A transfer for security purposes; or (ii) a charging order in
1668 effect under section 51 of this act; or (C) the person is an entity and: (i)
1669 The company notifies the person that it will be expelled as a member
1670 because the person has filed a statement of dissolution or the
1671 equivalent, the person has been administratively dissolved, its charter
1672 or its equivalent has been revoked, or the person's right to conduct
1673 business has been suspended by the governing jurisdiction; and (ii) not
1674 later than ninety days after the notification, the statement of
1675 dissolution or the equivalent has not been withdrawn, rescinded or
1676 revoked, or the person's charter or the equivalent or right to conduct
1677 business has not been reinstated;

1678 (5) On application by the company or a member in a direct action

1679 under section 64 of this act, the person is expelled as a member by
1680 judicial order because the person: (A) Has engaged or is engaging in
1681 wrongful conduct that has affected adversely and materially, or will
1682 affect adversely and materially, the company's activities and affairs; (B)
1683 has committed wilfully or persistently, or is committing wilfully or
1684 persistently, a material breach of the operating agreement or a duty or
1685 obligation under section 47 of this act; or (C) has engaged or is
1686 engaging in conduct relating to the company's activities and affairs
1687 which makes it not reasonably practicable to carry on the activities and
1688 affairs with the person as a member;

1689 (6) In the case of an individual: (A) The individual dies; or (B) in a
1690 member-managed limited liability company: (i) A guardian or general
1691 conservator for the individual is appointed; or (ii) a court orders that
1692 the individual has otherwise become incapable of performing the
1693 individual's duties as a member under sections 1 to 102, inclusive, of
1694 this act or the operating agreement;

1695 (7) In a member-managed limited liability company, the person: (A)
1696 Becomes a debtor in bankruptcy; (B) executes an assignment for the
1697 benefit of creditors; or (C) seeks, consents to, or acquiesces in the
1698 appointment of a trustee, receiver or liquidator of the person or of all
1699 or substantially all the person's property;

1700 (8) In the case of a person that is a testamentary or inter vivos trust
1701 or is acting as a member by virtue of being a trustee of such a trust, the
1702 trust's entire transferable interest in the company is distributed;

1703 (9) In the case of a person that is an estate or is acting as a member
1704 by virtue of being a personal representative of an estate, the estate's
1705 entire transferable interest in the company is distributed;

1706 (10) In the case of a person that is not an individual, the existence of
1707 the person terminates;

1708 (11) The company participates in a merger under sections 80 to 97,

1709 inclusive, of this act or the Connecticut Entity Transactions Act and:
1710 (A) The company is not the surviving entity; or (B) otherwise as a
1711 result of the merger, the person ceases to be a member;

1712 (12) The company participates in an interest exchange under
1713 sections 80 to 97, inclusive, of this act or the Connecticut Entity
1714 Transactions Act and, as a result of the interest exchange, the person
1715 ceases to be a member;

1716 (13) The company participates in a conversion under sections 80 to
1717 87, inclusive, of this act or the Connecticut Entity Transactions Act;

1718 (14) The company participates in a domestication under sections 80
1719 to 97, inclusive, of this act or the Connecticut Entity Transactions Act
1720 and, as a result of the domestication, the person ceases to be a member;
1721 or

1722 (15) The company dissolves and completes winding up.

1723 Sec. 55. (NEW) (*Effective July 1, 2017*) (a) If a person is dissociated as
1724 a member: (1) The person's right to participate as a member in the
1725 management and conduct of the company's activities and affairs
1726 terminates; (2) if the company is member-managed, the person's duties
1727 and obligations under section 47 of this act as a member end with
1728 regard to matters arising and events occurring after the person's
1729 dissociation; and (3) subject to section 52 of this act and sections 80 to
1730 87, inclusive, of this act or the Connecticut Entity Transactions Act, any
1731 transferable interest owned by the person in the person's capacity as a
1732 member immediately before dissociation as a member is owned by the
1733 person solely as a transferee.

1734 (b) A person's dissociation as a member does not of itself discharge
1735 the person from any debt, obligation or other liability to the company
1736 or the other members which the person incurred while a member.

1737 Sec. 56. (NEW) (*Effective July 1, 2017*) (a) A limited liability company

1738 is dissolved, and its activities and affairs must be wound up, upon the
1739 occurrence of any of the following:

1740 (1) An event or circumstance that the operating agreement states
1741 causes dissolution;

1742 (2) The consent of a majority in interest of the members;

1743 (3) The passage of ninety consecutive days during which the
1744 company has no members unless before the end of the period: (A)
1745 Consent to admit at least one specified person as a member is given by
1746 transferees owning the rights to receive a majority of distributions as
1747 transferees at the time the consent is to be effective; and (B) at least one
1748 person becomes a member in accordance with the consent;

1749 (4) On application by a member, the entry by the Superior Court for
1750 the judicial district where the principal office of the limited liability
1751 company is located, or if none in this state, where its registered agent is
1752 located, of an order dissolving the company on the grounds that: (A)
1753 The conduct of all or substantially all of the company's activities and
1754 affairs is unlawful; or (B) it is not reasonably practicable to carry on the
1755 company's activities and affairs;

1756 (5) On application by a member, the entry by the Superior Court for
1757 the judicial district where the principal office of the limited liability
1758 company is located, of an order dissolving the company on the
1759 grounds that the managers or those members in control of the
1760 company: (A) Have acted, are acting or will act in a manner that is
1761 illegal or fraudulent; or (B) have acted or are acting in a manner that is
1762 oppressive and was, is, or will be directly harmful to the applicant; or

1763 (6) The preparation and filing of a certificate of dissolution by
1764 forfeiture by the Secretary of the State under subsection (b) or (c) of
1765 section 63 of this act.

1766 (b) In a proceeding brought under subdivision (5) of subsection (a)

1767 of this section, the court may order a remedy other than dissolution.

1768 Sec. 57. (NEW) (*Effective July 1, 2017*) (a) A dissolved limited liability
1769 company shall wind up its activities and affairs and, except as
1770 provided in section 58 of this act, the company continues after
1771 dissolution only for the purpose of winding up.

1772 (b) In winding up its activities and affairs, a limited liability
1773 company: (1) Shall: (A) Promptly after the dissolution, deliver to the
1774 Secretary of the State for filing a certificate of dissolution stating the
1775 name of the company and that the company is dissolved; and (B)
1776 discharge the company's debts, obligations and other liabilities, settle
1777 and close the company's activities and affairs, and marshal and
1778 distribute the assets of the company; and (2) may: (A) Preserve the
1779 company activities, affairs and property as a going concern for a
1780 reasonable time; (B) prosecute and defend actions and proceedings,
1781 whether civil, criminal or administrative; (C) transfer the company's
1782 property; (D) settle disputes by mediation or arbitration; and (E)
1783 perform other acts necessary or appropriate to the winding up.

1784 (c) If a dissolved limited liability company has no members, the
1785 legal representative of the last person to have been a member may
1786 wind up the activities and affairs of the company. If the person does
1787 so, the person has the powers of a sole manager under subsection (c) of
1788 section 45 of this act and is deemed to be a manager for the purposes of
1789 subsection (a) of section 38 of this act.

1790 (d) If the legal representative under subsection (c) of this section
1791 declines or fails to wind up the company's activities and affairs, a
1792 person may be appointed to do so by the consent of transferees owning
1793 a majority in interest of the rights to receive distributions as transferees
1794 at the time the consent is to be effective. A person appointed under this
1795 subsection: (1) Has the powers of a sole manager under subsection (c)
1796 of section 45 of this act and is deemed to be a manager for the purposes
1797 of subsection (a) of section 38 of this act; and (2) shall promptly deliver

1798 to the Secretary of the State for filing an amendment to the company's
1799 certificate of organization stating: (A) That the company has no
1800 members; (B) the name and street and mailing addresses of the person;
1801 and (C) that the person has been appointed pursuant to this subsection
1802 to wind up the company.

1803 (e) The Superior Court for the judicial district where the principal
1804 office of the company is located may order judicial supervision of the
1805 winding up of a dissolved limited liability company, including the
1806 appointment of a person to wind up the company's activities and
1807 affairs: (1) On application of a member, if the applicant establishes
1808 good cause; (2) on the application of a transferee, if: (A) The company
1809 does not have any members; (B) the legal representative of the last
1810 person to have been a member declines or fails to wind up the
1811 company's activities; and (C) within a reasonable time following the
1812 dissolution, a person has not been appointed pursuant to subsection (c)
1813 of this section; or (3) in connection with a proceeding under
1814 subdivision (4) or (5) of subsection (a) of section 56 of this act.

1815 Sec. 58. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
1816 may be reinstated as provided in this section at any time after its
1817 dissolution, unless the Superior Court for the judicial district where the
1818 limited liability company is located has entered an order under
1819 subdivision (4) or (5) of subsection (a) of section 56 of this act.

1820 (b) Reinstatement of the dissolved limited liability company under
1821 this section requires:

1822 (1) The written consent of a majority in interest of the members.

1823 (2) If a certificate of dissolution applicable to the limited liability
1824 company has been filed, a certificate of reinstatement conforming, with
1825 such adaptations as are appropriate, to the content requirements of a
1826 limited liability company's certificate of organization shall be executed
1827 and filed with the Secretary of the State in accordance with the
1828 requirements set forth in sections 25 to 36, inclusive, of this act which

1829 pertain to the filing and recording of a record.

1830 (3) A certificate of reinstatement under this section shall be
1831 accompanied by: (A) Payment of all penalties and forfeitures incurred
1832 by the limited liability company and a reinstatement fee as provided
1833 by subdivision (15) of subsection (a) of section 22 of this act, (B) an
1834 annual report for the current year, and (C) an appointment of a
1835 statutory agent for service of process.

1836 (4) If the name of the limited liability company to be reinstated is no
1837 longer available, it shall, simultaneously with reinstatement, be
1838 changed to an available name by amendment to the certificate of
1839 organization.

1840 (5) No action or proceeding, civil or criminal, to which the limited
1841 liability company is a party at the time of reinstatement, shall be
1842 affected by such reinstatement except as the court shall, under the
1843 circumstances, determine.

1844 (c) If a limited liability company is reinstated after its dissolution:

1845 (1) The company resumes carrying on its activities and affairs as if
1846 dissolution had never occurred;

1847 (2) Subject to subdivision (3) of this subsection, any liability
1848 incurred by the company after the dissolution and before the
1849 reinstatement is effective is determined as if dissolution had never
1850 occurred;

1851 (3) The rights of a third party arising out of conduct in reliance on
1852 the dissolution before the third party knew or had notice of the
1853 reinstatement may not be adversely affected; and

1854 (4) Any claim against the limited liability company barred as
1855 provided in section 60 of this act and not otherwise barred shall be
1856 relieved of such bar upon reinstatement of the limited liability
1857 company, and the reinstated limited liability company shall be

1858 estopped to deny its legal existence during such time as its rights and
1859 powers were forfeited.

1860 Sec. 59. (NEW) (*Effective July 1, 2017*) (a) Except as provided in
1861 subsection (d) of this section, a dissolved limited liability company
1862 may give notice of a known claim under subsection (b) of this section,
1863 which has the effect provided in subsection (c) of this section.

1864 (b) A dissolved limited liability company may in a record notify its
1865 known claimants of the dissolution. The notice must: (1) Specify the
1866 information required to be included in a claim; (2) state that a claim
1867 must be in writing and provide a mailing address to which the claim is
1868 to be sent; (3) state the deadline for receipt of a claim, which may not
1869 be less than one hundred twenty days after the date the notice is
1870 received by the claimant; and (4) state that the claim will be barred if
1871 not received by the deadline.

1872 (c) A claim against a dissolved limited liability company is barred if
1873 the requirements of subsection (b) of this section are met and: (1) The
1874 claim is not received by the specified deadline; or (2) if the claim is
1875 timely received but rejected by the company: (A) The company causes
1876 the claimant to receive a notice in a record stating that the claim is
1877 rejected and will be barred unless the claimant commences an action
1878 against the company to enforce the claim not later than ninety days
1879 after the claimant receives the notice; and (B) the claimant does not
1880 commence the required action not later than ninety days after the
1881 complainant receives the notice.

1882 (d) This section does not apply to a claim based on an event
1883 occurring after the effective date of dissolution or a liability that on
1884 that date is contingent.

1885 Sec. 60. (NEW) (*Effective July 1, 2017*) (a) A dissolved limited liability
1886 company may publish notice of its dissolution and request persons
1887 having claims against the company to present them in accordance with
1888 the notice.

1889 (b) A notice under subsection (a) of this section must: (1) Be
1890 published at least once in a newspaper of general circulation in the
1891 county in this state in which the dissolved limited liability company's
1892 principal office is located or, if the principal office is not located in this
1893 state, in the county in which the office of the company's registered
1894 agent is or was last located; (2) describe the information required to be
1895 contained in a claim, state that the claim must be in writing, and
1896 provide a mailing address to which the claim is to be sent; and (3) state
1897 that a claim against the company is barred unless an action to enforce
1898 the claim is commenced not later than three years after publication of
1899 the notice.

1900 (c) If a dissolved limited liability company publishes a notice in
1901 accordance with subsection (b) of this section, the claim of each of the
1902 following claimants is barred unless the claimant commences an action
1903 to enforce the claim against the company not later than three years
1904 after the publication date of the notice: (1) A claimant that did not
1905 receive notice in a record under section 59 of this act; (2) a claimant
1906 whose claim was timely sent to the company but not acted on; and (3)
1907 a claimant whose claim is contingent on, or based on an event
1908 occurring after, the effective date of dissolution.

1909 (d) A claim not barred under this section or section 59 of this act
1910 may be enforced: (1) Against a dissolved limited liability company, to
1911 the extent of its undistributed assets; and (2) except as provided in
1912 section 61 of this act, if assets of the company have been distributed
1913 after dissolution, against a member or transferee to the extent of that
1914 person's proportionate share of the claim or of the company's assets
1915 distributed to the member or transferee after dissolution, whichever is
1916 less, but a person's total liability for all claims under this subdivision
1917 may not exceed the total amount of assets distributed to the person
1918 after dissolution.

1919 Sec. 61. (NEW) (*Effective July 1, 2017*) (a) A dissolved limited liability
1920 company that has published a notice under section 60 of this act may

1921 file an application with the Superior Court in the judicial district where
1922 the dissolved company's principal office is located or, if the principal
1923 office is not located in this state, where the office of its registered agent
1924 is located, for a determination of the amount and form of security to be
1925 provided for payment of claims that are contingent, have not been
1926 made known to the company, or are based on an event occurring after
1927 the effective date of dissolution but which, based on the facts known to
1928 the dissolved company, are reasonably expected to arise after the
1929 effective date of dissolution. Security is not required for any claim that
1930 is or is reasonably anticipated to be barred under subsection (c) of
1931 section 60 of this act.

1932 (b) Not later than ten days after the filing of an application under
1933 subsection (a) of this section, the dissolved limited liability company
1934 shall give notice of the proceeding to each claimant holding a
1935 contingent claim known to the company.

1936 (c) In any proceeding under this section, the court may appoint a
1937 guardian ad litem to represent all claimants whose identities are
1938 unknown. The reasonable fees and expenses of the guardian ad litem,
1939 including all reasonable expert witness fees, must be paid by the
1940 dissolved limited liability company.

1941 (d) A dissolved limited liability company that provides security in
1942 the amount and form ordered by the court under subsection (a) of this
1943 section satisfies the company's obligations with respect to claims that
1944 are contingent, have not been made known to the company or are
1945 based on an event occurring after the effective date of dissolution, and
1946 such claims may not be enforced against a member or transferee that
1947 received assets in liquidation.

1948 Sec. 62. (NEW) (*Effective July 1, 2017*) (a) In winding up its activities
1949 and affairs, a limited liability company shall apply its assets to
1950 discharge its obligations to creditors, including members that are
1951 creditors.

1952 (b) After a limited liability company complies with subsection (a) of
1953 this section, any surplus must be distributed in the following order,
1954 subject to any charging order in effect under section 51 of this act: (1)
1955 To members and persons dissociated as members, an amount equal to
1956 the respective values of the contributions received by the limited
1957 liability company and not returned to each such member and
1958 dissociated member; and (2) to members and dissociated members, in
1959 shares which are proportionate to their respective transferable
1960 interests, except to the extent necessary to comply with any transfer
1961 effective under section 50 of this act.

1962 (c) If a limited liability company does not have sufficient surplus to
1963 comply with subdivision (1) of subsection of this section, any surplus
1964 must be distributed among the owners of transferable interests in
1965 proportion to the value of their respective unreturned contributions.

1966 (d) All distributions made under subsections (b) and (c) of this
1967 section must be paid in money.

1968 Sec. 63. (NEW) (*Effective July 1, 2017*) (a) The Secretary of the State
1969 may effect the dissolution of a limited liability company by forfeiture
1970 as provided in this section.

1971 (b) Whenever it comes to the attention of the Secretary of the State
1972 that a limited liability company is more than one year in default of
1973 filing its annual report as required by section 36 of this act, the
1974 Secretary of the State may notify such limited liability company by
1975 registered or certified mail addressed to such limited liability company
1976 at its principal office as last shown on his records that, under the
1977 provisions of this section, the limited liability company's rights and
1978 powers are prima facie forfeited. Unless the limited liability company
1979 within three months of the mailing of such notice files such annual
1980 report, the Secretary of the State shall prepare and file in his office a
1981 certificate of dissolution by forfeiture stating that the delinquent
1982 limited liability company has been dissolved by forfeiture by reason of

1983 its default.

1984 (c) Whenever it comes to the attention of the Secretary of the State
1985 that a delinquent limited liability company has failed to maintain a
1986 statutory agent for service, the Secretary of the State may notify such
1987 limited liability company by registered or certified mail addressed to
1988 such limited liability company at its principal office as last shown on
1989 his records that, under the provisions of this section, the limited
1990 liability company's rights and powers are prima facie forfeited. Unless
1991 the limited liability company, within three months of the mailing of
1992 such notice, files an appointment of statutory agent for service, the
1993 Secretary of the State shall prepare and file in his office a certificate of
1994 dissolution by forfeiture stating that the delinquent limited liability
1995 company has been dissolved by forfeiture by reason of its default.

1996 (d) Dissolution shall be effective upon the filing by the Secretary of
1997 the State of such certificate of dissolution by forfeiture.

1998 (e) After filing the certificate of dissolution by forfeiture, the
1999 Secretary of the State shall: (1) Mail a certified copy thereof to the
2000 delinquent limited liability company addressed to such limited liability
2001 company at its principal office as last shown on his records; and (2)
2002 cause notice of the filing of such certificate of dissolution by forfeiture
2003 to be posted on the office of the Secretary of the State's Internet web
2004 site for a period of sixty days following the date on which the Secretary
2005 of the State files the certificate of dissolution by forfeiture.

2006 (f) A limited liability company that is dissolved by forfeiture
2007 continues in existence as an entity but may not carry on any activities
2008 except as necessary to wind up its activities and affairs and liquidate
2009 its assets under sections 57, 59, 60, 61 and 62 of this act, or to apply for
2010 reinstatement under section 58 of this act.

2011 (g) The dissolution of a limited liability company by forfeiture does
2012 not terminate the authority of its registered agent.

2013 Sec. 64. (NEW) (*Effective July 1, 2017*) (a) Subject to subsection (b) of
2014 this section, a member may maintain a direct action against another
2015 member, a manager or the limited liability company to enforce the
2016 member's rights and otherwise protect the member's interests,
2017 including rights and interests under the operating agreement or
2018 sections 1 to 102, inclusive, of this act or arising independently of the
2019 membership relationship.

2020 (b) A member maintaining a direct action under this section must
2021 plead and prove an actual or threatened injury that is not solely the
2022 result of an injury suffered or threatened to be suffered by the limited
2023 liability company.

2024 Sec. 65. (NEW) (*Effective July 1, 2017*) A member may maintain a
2025 derivative action to enforce a right of a limited liability company if: (1)
2026 The member first makes a demand on the other members in a member-
2027 managed limited liability company, or the managers of a manager-
2028 managed limited liability company, requesting that they cause the
2029 company to bring an action to enforce the right, and the managers or
2030 other members do not bring the action within ninety days; or (2) a
2031 demand under subdivision (1) of this section would be futile.

2032 Sec. 66. (NEW) (*Effective July 1, 2017*) A derivative action to enforce a
2033 right of a limited liability company may be maintained only by a
2034 person that is a member at the time the action is commenced and: (1)
2035 Was a member when the conduct giving rise to the action occurred; or
2036 (2) whose status as a member devolved on the person by operation of
2037 law or pursuant to the terms of the operating agreement from a person
2038 that was a member at the time of the conduct.

2039 Sec. 67. (NEW) (*Effective July 1, 2017*) In a derivative action, the
2040 complaint must state with particularity: (1) The date and content of
2041 plaintiff's demand and the response by the managers or other
2042 members to the demand; or (2) why the demand should be excused as
2043 futile.

2044 Sec. 68. (NEW) (*Effective July 1, 2017*) (a) If a limited liability
2045 company is named as or made a party in a derivative proceeding, the
2046 company may appoint a special litigation committee to investigate the
2047 claims asserted in the proceeding and determine whether pursuing the
2048 action is in the best interests of the company. If the company appoints
2049 a special litigation committee, on motion by the committee made in the
2050 name of the company, except for good cause shown, the court shall
2051 stay discovery for the time reasonably necessary to permit the
2052 committee to make its investigation. This subsection does not prevent
2053 the court from: (1) Enforcing a person's right to information under
2054 section 48 of this act; or (2) granting extraordinary relief in the form of
2055 a temporary restraining order or preliminary injunction.

2056 (b) A special litigation committee must be composed of one or more
2057 disinterested individuals, who may be members or managers.

2058 (c) A special litigation committee may be appointed: (1) In a
2059 member-managed limited liability company: (A) By the consent of a
2060 majority in interest of the members not named as parties in the
2061 proceeding; or (B) if all members are named as parties in the
2062 proceeding, by a majority in interest of the members named as
2063 defendants; or (2) in a manager-managed limited liability company:
2064 (A) By a majority of the managers not named as parties in the
2065 proceeding; or (B) if all managers are named as parties in the
2066 proceeding, by a majority of the managers named as defendants.

2067 (d) After appropriate investigation, a special litigation committee
2068 may determine that it is in the best interests of the limited liability
2069 company that the proceeding: (1) Continue under the control of the
2070 plaintiff; (2) continue under the control of the committee; (3) be settled
2071 on terms approved by the committee; or (4) be dismissed.

2072 (e) After making a determination under subsection (d) of this
2073 section, a special litigation committee shall file with the court a
2074 statement of its determination and its report supporting its

2075 determination and shall serve each party with a copy of the
2076 determination and report. The court shall determine whether the
2077 members of the committee were disinterested individuals and whether
2078 the committee conducted its investigation and made its
2079 recommendation in good faith, independently, and with reasonable
2080 care, with the committee having the burden of proof. If the court finds
2081 that the members of the committee were disinterested individuals, and
2082 that the committee acted in good faith, independently, and with
2083 reasonable care, the court shall enforce the determination of the
2084 committee. Otherwise, the court shall dissolve the stay of discovery
2085 entered under subsection (a) of this section and allow the action to
2086 continue under the control of the plaintiff.

2087 Sec. 69. (NEW) (*Effective July 1, 2017*) (a) Except as provided in
2088 subsection (b) of this section: (1) Any proceeds or other benefits of a
2089 derivative action, whether by judgment, compromise or settlement,
2090 belong to the limited liability company and not to the plaintiff; and (2)
2091 if the plaintiff receives any proceeds, the plaintiff shall remit them
2092 immediately to the company.

2093 (b) On termination of the derivative proceedings, the court may
2094 order: (1) The limited liability company to pay the plaintiff's expenses
2095 incurred in the proceeding if it finds that the proceeding has resulted
2096 in a substantial benefit to the limited liability company; (2) the plaintiff
2097 to pay any defendant's expenses incurred in defending the proceeding
2098 if it finds that the proceeding was commenced or maintained without
2099 reasonable cause or for an improper purpose; or (3) a party to pay an
2100 opposing party's expenses incurred because of the filing of a pleading,
2101 motion or other paper, if it finds that the pleading, motion or other
2102 paper was not well grounded in fact, after reasonable inquiry, or
2103 warranted by existing law or a good faith argument for the extension,
2104 modification or reversal of existing law and was interposed for an
2105 improper purpose, such as to harass or cause unnecessary delay or
2106 needless increase in the cost of litigation. As used in this subsection,
2107 "expenses" means reasonable expenses of any kind that are incurred in

2108 connection with a matter including, but not limited to, reasonable
2109 counsel fees.

2110 (c) A derivative action on behalf of a limited liability company may
2111 not be voluntarily dismissed or settled without the court's approval.

2112 Sec. 70. (NEW) (*Effective July 1, 2017*) (a) The law of the governing
2113 jurisdiction of a foreign limited liability company governs: (1) The
2114 internal affairs of the company; (2) the liability of a member as member
2115 and a manager as manager for a debt, obligation or other liability of
2116 the company; and (3) the liability of a series of the company.

2117 (b) A foreign limited liability company is not precluded from
2118 registering to transact business in this state because of any difference
2119 between the law of the governing jurisdiction and the law of this state.

2120 (c) Registration of a foreign limited liability company to transact
2121 business in this state does not authorize the foreign company to
2122 engage in any activities or affairs or exercise any power in this state
2123 that a limited liability company may not engage in or exercise in this
2124 state.

2125 Sec. 71. (NEW) (*Effective July 1, 2017*) (a) A foreign limited liability
2126 company may not transact business in this state until it registers with
2127 the Secretary of the State under sections 70 to 79, inclusive, of this act.

2128 (b) A foreign limited liability company transacting business in this
2129 state may not maintain an action or proceeding in this state unless it is
2130 registered to transact business in this state.

2131 (c) The failure of a foreign limited liability company to register to
2132 transact business in this state does not impair the validity of a contract
2133 or act of the company, or preclude it from defending an action or
2134 proceeding in this state.

2135 (d) A limitation on the liability of a member or manager of a foreign
2136 limited liability company is not waived solely because the company

2137 does business in this state without registering to transact business in
2138 this state.

2139 (e) Subsections (a) and (b) of section 70 of this act apply even if a
2140 foreign limited liability company fails to register under sections 70 to
2141 79, inclusive, of this act.

2142 (f) A foreign limited liability company, by transacting business in
2143 this state without a foreign registration statement, appoints the
2144 Secretary of the State as its agent for service of process with respect to
2145 a cause of action arising out of the transaction of business in this state.
2146 Such foreign limited liability company may be served in the manner
2147 provided in subsection (b) of section 119 of this act.

2148 (g) A foreign limited liability company which transacts business in
2149 this state without a valid foreign registration statement shall be liable
2150 to this state, for each year or part thereof during which it transacted
2151 business in this state without such certificate, in an amount equal to:
2152 (1) All fees and taxes which would have been imposed by law upon
2153 such limited liability company had it duly applied for and received
2154 such registration to transact business in this state, and (2) all interest
2155 and penalties imposed by law for failure to pay such fees and taxes. A
2156 foreign limited liability company is further liable to this state, for each
2157 month or part thereof during which it transacted business in this state
2158 without a valid foreign registration statement, in an amount equal to
2159 three hundred dollars, except that a foreign limited liability company
2160 which has registered with the Secretary of the State not later than
2161 ninety days after it has commenced transacting business in this state
2162 shall not be liable for such monthly penalty. Such fees and penalties
2163 may be levied by the Secretary of the State. The Attorney General may
2164 bring proceedings to recover all amounts due this state under the
2165 provisions of this subsection.

2166 (h) The civil penalty set forth in subsection (g) of this section may be
2167 recovered in an action brought by the Attorney General. Upon a

2168 finding by the court that a foreign limited liability company has
2169 transacted business in this state in violation of sections 70 to 79,
2170 inclusive, of this act, the court shall, in addition to imposing a civil
2171 penalty, issue an injunction restraining further transaction of business
2172 by the foreign limited liability company and the further exercise of any
2173 rights and privileges of a limited liability company in this state. The
2174 foreign limited liability company shall be enjoined from transacting
2175 business in this state until all civil penalties, plus any interest and court
2176 costs which the court may assess, have been paid and until the foreign
2177 limited liability company has otherwise complied with the provisions
2178 of said sections.

2179 Sec. 72. (NEW) (*Effective July 1, 2017*) To register to do business in
2180 this state, a foreign limited liability company must deliver a foreign
2181 registration statement to the Secretary of State for filing. The statement
2182 shall set forth:

2183 (1) The name of the company and, if the name does not comply with
2184 section 12 of this act, an alternate name adopted pursuant to
2185 subsection (a) of section 75 of this act;

2186 (2) That the company is a foreign limited liability company;

2187 (3) The name of the company's governing jurisdiction;

2188 (4) The street and mailing addresses of the company's principal
2189 office and, if the law of the governing jurisdiction requires the
2190 company to maintain an office in that jurisdiction, the street and
2191 mailing addresses of the required office;

2192 (5) The name and address of the agent in this state for service of
2193 process on the foreign limited liability company required to be
2194 maintained by subdivision (4) of subsection (b) of section 25 of this act
2195 and an acceptance of such appointment signed by the agent appointed
2196 if other than the Secretary of the State;

2197 (6) The name and respective business and residence addresses of a
2198 manager or a member of the foreign limited liability company, except
2199 that, if good cause is shown, the Secretary of the State may accept a
2200 business address in lieu of business and residence addresses of such
2201 manager or member. For purposes of this subdivision, a showing of
2202 good cause shall include, but not be limited to, a showing that public
2203 disclosure of the residence address of the manager or member of the
2204 foreign limited liability company may expose the personal security of
2205 such manager or member to significant risk; and

2206 (7) The electronic mail address, if any, of the foreign limited liability
2207 company.

2208 Sec. 73. (NEW) (*Effective July 1, 2017*) A registered foreign limited
2209 liability company shall deliver to the Secretary of the State for filing an
2210 amendment to its foreign registration statement if there is a change in:
2211 (1) The name of the company; (2) the company's governing
2212 jurisdiction; (3) an address required by subdivision (4) of section 72 of
2213 this act; or (4) the information required by subdivision (5) of section 72
2214 of this act.

2215 Sec. 74. (NEW) (*Effective July 1, 2017*) (a) Activities of a foreign
2216 limited liability company which do not constitute transacting business
2217 in this state under sections 70 to 79, inclusive, of this act include:

2218 (1) Maintaining, defending, mediating, arbitrating, or settling an
2219 action or proceeding;

2220 (2) Carrying on any activity concerning its internal affairs, including
2221 holding meetings of its members or managers;

2222 (3) Maintaining accounts in financial institutions;

2223 (4) Maintaining offices or agencies for the transfer, exchange and
2224 registration of the securities of the company, or maintaining trustees or
2225 depositories with respect to those securities;

- 2226 (5) Selling through independent contractors;
- 2227 (6) Soliciting or obtaining orders by any means if the orders require
2228 acceptance outside this state before they become contracts;
- 2229 (7) Creating or acquiring indebtedness, mortgages or security
2230 interests in property;
- 2231 (8) Securing or collecting debts, or enforcing mortgages or security
2232 interests in property securing the debts, and foreclosing on, holding,
2233 protecting or maintaining any such property;
- 2234 (9) Conducting an isolated transaction that is not in the course of
2235 similar transactions;
- 2236 (10) Owning, without more, property;
- 2237 (11) Voting securities or other equity ownership interests owned by
2238 the foreign limited liability company; and
- 2239 (12) Transacting business in interstate commerce.
- 2240 (b) A person does not transact business in this state solely because
2241 such person: (1) Owns a controlling interest in a corporation or foreign
2242 corporation that is transacting business in this state; (2) is a limited
2243 partner of a limited partnership or foreign limited partnership that is
2244 transacting business in this state; or (3) is a member or manager of a
2245 limited liability company or foreign limited liability company that is
2246 transacting business in this state.
- 2247 (c) This section does not apply in determining the contacts or
2248 activities that may subject a foreign limited liability company to service
2249 of process, taxation or regulation under law of this state other than
2250 sections 1 to 102, inclusive, of this act.
- 2251 Sec. 75. (NEW) (*Effective July 1, 2017*) (a) A foreign limited liability
2252 company whose name does not comply with section 12 of this act may

2253 not register to transact business in this state until it adopts, for the
2254 purpose of transacting business in this state, an alternate name that
2255 complies with said section. A registered foreign limited liability
2256 company that registers under an alternate name under this subsection
2257 need not comply with chapter 620 of the general statutes. After
2258 registering to transact business in this state with an alternate name, a
2259 registered foreign limited liability company shall transact business in
2260 this state under: (1) The alternate name; (2) the company's name, with
2261 the addition of its governing jurisdiction; or (3) an assumed or
2262 fictitious name that the company is authorized to use under chapter
2263 620 of the general statutes.

2264 (b) If a registered foreign limited liability company changes its name
2265 to one that does not comply with section 12 of this act, it may not
2266 transact business in this state until it complies with subsection (a) of
2267 this section by amending its registration to adopt an alternate name
2268 that complies with said section.

2269 Sec. 76. (NEW) (*Effective July 1, 2017*) (a) When a registered foreign
2270 limited liability company has merged into a foreign entity that is not
2271 registered to transact business in this state or has converted to a
2272 foreign entity required to register with the Secretary of the State to
2273 transact business in this state, the foreign entity shall deliver to the
2274 Secretary of the State for filing an application for transfer of
2275 registration. The application must state:

2276 (1) The name of the registered foreign limited liability company
2277 before the merger or conversion;

2278 (2) That before the merger or conversion the registration pertained
2279 to a foreign limited liability company;

2280 (3) The name of the applicant foreign entity into which the foreign
2281 limited liability company has merged or to which it has been
2282 converted, and, if the name does not comply with section 12 of this act,
2283 an alternate name adopted pursuant to subsection (a) of section 75 of

2284 this act;

2285 (4) The type of entity of the applicant foreign entity and its
2286 governing jurisdiction;

2287 (5) The street and mailing addresses of the principal office of the
2288 applicant foreign entity and, if the law of the entity's governing
2289 jurisdiction requires the entity to maintain an office in that jurisdiction,
2290 the street and mailing addresses of that office;

2291 (6) The name and street and mailing addresses of the applicant
2292 foreign entity's registered agent in this state;

2293 (7) The name and respective business and residence addresses of a
2294 manager or a member of the foreign limited liability company, except
2295 that, if good cause is shown, the Secretary of the State may accept a
2296 business address in lieu of business and residence addresses of such
2297 manager or member. For purposes of this subdivision, a showing of
2298 good cause shall include, but not be limited to, a showing that public
2299 disclosure of the residence address of the manager or member of the
2300 foreign limited liability company may expose the personal security of
2301 such manager or member to significant risk; and

2302 (8) The electronic mail address, if any, of the foreign limited liability
2303 company.

2304 (b) When an application for transfer of registration takes effect, the
2305 registration of the foreign limited liability company to transact
2306 business in this state is transferred without interruption to the foreign
2307 entity into which the foreign company has merged or to which it has
2308 been converted.

2309 Sec. 77. (NEW) (*Effective July 1, 2017*) (a) The foreign registration
2310 statement of a foreign limited liability company to transact business in
2311 this state may be revoked by the Secretary of the State upon the
2312 conditions provided in this section when: (1) The foreign limited

2313 liability company has failed to file its annual report with the Secretary
2314 of the State; (2) a wilful misrepresentation has been made of any
2315 material matter in any application, report, affidavit or other document,
2316 submitted by such foreign limited liability company pursuant to
2317 sections 70 to 79, inclusive, of this act; (3) the foreign limited liability
2318 company is exceeding the authority conferred upon it by said sections;
2319 or (4) the foreign limited liability company is without an agent upon
2320 whom process may be served in this state for sixty days or more.

2321 (b) On the happening of an event set out in subdivision (1), (2), (3)
2322 or (4) of subsection (a) of this section, the Secretary of the State shall
2323 give not less than twenty days' written notice to the foreign limited
2324 liability company that the Secretary intends to revoke the foreign
2325 registration statement of such foreign limited liability company for one
2326 of said causes, specifying the same. Such notice shall be given by
2327 registered or certified mail addressed to the foreign limited liability
2328 company at its address as last shown on the records of the Secretary of
2329 the State. If, before expiration of the time set forth in the notice, the
2330 foreign limited liability company establishes to the satisfaction of the
2331 Secretary of the State that the stated cause for the revocation of its
2332 foreign registration statement did not exist at the time the notice was
2333 mailed or, if it did exist at said time, has been cured, the Secretary of
2334 the State shall take no further action. Otherwise, on the expiration of
2335 the time set forth in the notice, the Secretary shall revoke the foreign
2336 registration statement of such foreign limited liability company to
2337 transact business in this state.

2338 (c) Upon revoking the foreign registration statement of any foreign
2339 limited liability company, the Secretary of the State shall file a
2340 certificate of revocation in his office and shall: (1) Mail a copy thereof
2341 to such foreign limited liability company at its address as last shown
2342 on the Secretary's records; and (2) cause notice of the filing of such
2343 certificate of revocation to be posted on the office of the Secretary of
2344 the State's Internet web site for a period of sixty days following the
2345 date on which the Secretary of the State files the certificate of

2346 revocation. The filing of such certificate of revocation shall cause the
2347 authority of a foreign limited liability company to transact business in
2348 this state to cease. Notwithstanding the filing of the certificate of
2349 revocation, the appointment by a foreign limited liability company of
2350 an attorney upon whom process may be served shall continue in force
2351 as long as any liability remains outstanding against the foreign limited
2352 liability company in this state.

2353 Sec. 78. (NEW) (*Effective July 1, 2017*) (a) A registered foreign limited
2354 liability company may withdraw its registration by delivering a
2355 statement of withdrawal to the Secretary of the State for filing. The
2356 statement of withdrawal must state: (1) The name of the company and
2357 its governing jurisdiction; (2) that the company is not transacting
2358 business in this state and that it withdraws its registration to transact
2359 business in this state; (3) that the company revokes the authority of its
2360 registered agent to accept service on its behalf in this state; (4) that the
2361 company surrenders its authority to transact business in this state; and
2362 (5) an address to which service of process may be made under
2363 subsection (b) of this section.

2364 (b) After the withdrawal of the registration of a foreign limited
2365 liability company, service of process in any action or proceeding based
2366 on a cause of action arising during the time the company was
2367 registered to transact business in this state may be made pursuant to
2368 section 19 of this act.

2369 Sec. 79. (NEW) (*Effective July 1, 2017*) The Attorney General may
2370 maintain an action to enjoin a foreign limited liability company from
2371 transacting business in this state in violation of this section and
2372 sections 70 to 78, inclusive, of this act.

2373 Sec. 80. (NEW) (*Effective July 1, 2017*) As used in this section and
2374 sections 81 to 97, inclusive, of this act:

2375 (1) "Interest exchange" means a transaction authorized by sections
2376 93 to 97, inclusive, of this act.

2377 (2) "Merger" means a transaction in which two or more merging
2378 limited liability companies and foreign limited liability companies are
2379 combined into a surviving limited liability company pursuant to a
2380 filing with the Secretary of the State pursuant to section 90 of this act.

2381 (3) "Merging limited liability company" means a limited liability
2382 company or foreign limited liability company that is party to a merger.

2383 (4) "Organic law" means, with respect to a limited liability company,
2384 the provisions of sections 1 to 102, inclusive, of this act as in effect in
2385 this state from time to time, and with respect to a foreign limited
2386 liability company, the law of the governing jurisdiction governing the
2387 internal affairs of a foreign limited liability company.

2388 (5) "Organizational documents" means the certificate of organization
2389 and operating agreement of a limited liability company or a foreign
2390 limited liability company, or comparable records of a foreign limited
2391 liability company as provided in its organic law.

2392 (6) "Plan" means a plan of merger or interest exchange.

2393 (7) "Protected agreement" means: (A) A record evidencing
2394 indebtedness and any related agreement in effect on or after July 1,
2395 2017; (B) an agreement that is binding on a limited liability company or
2396 foreign limited liability company on or after July 1, 2017; (C) the
2397 organizational documents of a limited liability company in effect on or
2398 after July 1, 2017; or (D) an agreement that is binding on any of the
2399 members or managers of a limited liability company or foreign limited
2400 liability company on or after July 1, 2017.

2401 (8) "Surviving limited liability company" means a limited liability
2402 company or foreign limited liability company into which one or more
2403 other limited liability companies and foreign limited liability
2404 companies are merged whether the surviving limited liability
2405 company preexisted the merger or was created by the merger.

2406 Sec. 81. (NEW) (*Effective July 1, 2017*) (a) Unless displaced by the
2407 particular provisions of sections 80 to 97, inclusive, of this act, the
2408 principles of law and equity shall supplement said sections.

2409 (b) Sections 80 to 97, inclusive, of this act shall not authorize any
2410 action prohibited by law or affect the application or requirements of
2411 law other than said sections.

2412 Sec. 82. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
2413 or foreign limited liability company that is required to give notice to,
2414 or obtain the approval of, a governmental agency or officer of this state
2415 to be a party to a merger must give the notice or obtain the approval to
2416 be a party to an interest exchange.

2417 (b) Property held for a charitable purpose under the law of this state
2418 by a limited liability company or foreign limited liability company
2419 immediately before a transaction under sections 80 to 97, inclusive, of
2420 this act becomes effective may not, as a result of the transaction, be
2421 diverted from the objects for which it was donated, granted, devised or
2422 otherwise transferred unless, to the extent required by or pursuant to
2423 the law of this state concerning cy pres or other law dealing with
2424 nondiversion of charitable assets, the limited liability company or
2425 foreign limited liability company obtains an appropriate order of the
2426 Attorney General specifying the disposition of the property.

2427 (c) A bequest, devise, gift, grant or promise contained in a will or
2428 other instrument of donation, subscription or conveyance that is made
2429 to a merging limited liability company that is not the surviving limited
2430 liability company and that takes effect or remains payable after the
2431 merger inures to the surviving limited liability company. A trust
2432 obligation that would govern property if transferred to the merging
2433 limited liability company that does not survive the merger applies to
2434 property that is transferred to the surviving limited liability company
2435 under this section.

2436 Sec. 83. (NEW) (*Effective July 1, 2017*) A filing under sections 80 to 97,

2437 inclusive, of this act signed by a limited liability company becomes
2438 part of the organizational documents of the limited liability company.

2439 Sec. 84. (NEW) (*Effective July 1, 2017*) (a) The fact that a transaction
2440 under sections 80 to 97, inclusive, of this act produces a certain result
2441 does not preclude the same result from being accomplished in any
2442 other manner permitted by law.

2443 (b) Sections 80 to 97, inclusive, of this act do not preclude a limited
2444 liability company from being merged, converted or domesticated
2445 under law other than said sections.

2446 Sec. 85. (NEW) (*Effective July 1, 2017*) A plan may refer to facts
2447 ascertainable outside the plan, provided the manner in which the facts
2448 shall operate upon the plan is specified in the plan. The facts may
2449 include the occurrence of an event or a determination or action by a
2450 person, whether or not the event, determination or action is within the
2451 control of a party to the transaction.

2452 Sec. 86. (NEW) (*Effective July 1, 2017*) (a) Subject to subsection (b) of
2453 this section, nothing in sections 1 to 102, inclusive, of this act shall be
2454 construed to grant by law appraisal rights to a member of a merging
2455 limited liability company pursuant to a merger under sections 88 to 91,
2456 inclusive, of this act or an acquired limited liability company pursuant
2457 to sections 92 to 97, inclusive, of this act in connection with the
2458 transaction.

2459 (b) A member of a merging limited liability company pursuant to a
2460 merger under sections 88 to 91, inclusive, of this act, or an acquired
2461 limited liability company pursuant to sections 92 to 97, inclusive, of
2462 this act, is entitled to contractual appraisal rights in connection with
2463 the transaction to the extent provided in: (1) The limited liability
2464 company's organizational documents; or (2) the plan.

2465 Sec. 87. (NEW) (*Effective July 1, 2017*) Sections 80 to 97, inclusive, of
2466 this act shall not be used to effect a transaction that is a merger or

2467 interest exchange governed by sections 1 to 102, inclusive, of this act
2468 involving a limited liability company organized to render professional
2469 services unless the transaction involves another limited liability
2470 company or foreign limited liability company organized to render the
2471 same professional service permitted to be performed by a limited
2472 liability company pursuant to subsection (c) of section 9 of this act, or
2473 to render two or more professional services permitted to be performed
2474 by a limited liability company pursuant to subsection (d) of section 9 of
2475 this act.

2476 Sec. 88. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
2477 may merge with one or more other merging limited liability companies
2478 into a surviving limited liability company pursuant to this section and
2479 sections 89 to 91, inclusive, of this act, and a plan of merger, if: (1) The
2480 organic law of each of the other merging limited liability companies
2481 authorizes the merger; (2) the merger is not prohibited by the law of
2482 the governing jurisdiction of the other merging limited liability
2483 companies or by any federal law; and (3) each of the other merging
2484 limited liability companies complies with its organic law in effecting
2485 the merger.

2486 (b) A plan of merger must be in a record and must include: (1) The
2487 name and form of each merging limited liability company; (2) the
2488 name and form of the surviving limited liability company and, if the
2489 surviving organization is to be created by the merger, a statement to
2490 that effect; (3) the terms and conditions of the merger, including the
2491 manner and basis for converting the transferable interests in each
2492 merging limited liability company into any combination of money,
2493 transferable interests in the surviving limited liability company, and
2494 other consideration; (4) if the surviving limited liability company is to
2495 be created by the merger, the surviving limited liability company's
2496 organizational documents that are proposed to be in a record; and (5) if
2497 the surviving limited liability company is not to be created by the
2498 merger, any amendments to be made by the merger to the surviving
2499 limited liability company's organizational documents that are, or are

2500 proposed to be, in a record.

2501 Sec. 89. (NEW) (*Effective July 1, 2017*) (a) Unless otherwise provided
2502 in the certificate of organization or operating agreement of the limited
2503 liability company, a plan of merger must be consented to by two-thirds
2504 in interest of the members of the limited liability company.

2505 (b) Subject to any contractual rights, after a merger is approved, and
2506 at any time before articles of merger are delivered to the Secretary of
2507 the State for filing under section 90 of this act, a merging limited
2508 liability company may amend the plan or abandon the merger: (1) As
2509 provided in the plan; or (2) except as otherwise prohibited in the plan,
2510 with the same consent as was required to approve the plan.

2511 Sec. 90. (NEW) (*Effective July 1, 2017*) (a) After each merging limited
2512 liability company has approved a merger, a certificate of merger must
2513 be signed on behalf of each merging limited liability company, as
2514 provided in subsection (a) of section 27 of this act.

2515 (b) A certificate of merger under this section must include:

2516 (1) The name of each merging limited liability company and its
2517 governing jurisdiction;

2518 (2) The name of the surviving limited liability company, its
2519 governing jurisdiction, and, if the surviving limited liability company
2520 is created by the merger, a statement to that effect;

2521 (3) The date the merger is effective under the organic law of the
2522 surviving limited liability company;

2523 (4) If the surviving limited liability company is to be created by the
2524 merger and is a limited liability company, the surviving limited
2525 liability company's certificate of organization, as an attachment;

2526 (5) If the surviving limited liability company preexists the merger,
2527 any amendments provided for in the plan of merger for the

2528 organizational document that created the surviving limited liability
2529 company that are in a public record;

2530 (6) A statement as to each merging limited liability company that
2531 the merger was approved as required by the merging limited liability
2532 company's organic law;

2533 (7) If the surviving limited liability company is a foreign limited
2534 liability company not authorized to transact business in this state, the
2535 street and mailing addresses of an office that the Secretary of the State
2536 may use for the purposes of subsection (b) of section 91 of this act;

2537 (8) If the certificate of merger is not to be effective upon filing, the
2538 date and time when it shall become effective; and

2539 (9) Any additional information required by the organic law of any
2540 merging limited liability company.

2541 (c) In addition to the requirements of subsection (b) of this section,
2542 the certificate of merger may contain any other provision not
2543 prohibited by law.

2544 (d) Each merging limited liability company shall deliver the
2545 certificate of merger for filing in the office of the Secretary of the State.

2546 (e) A merger becomes effective when the certificate of merger is
2547 effective under section 31 of this act.

2548 Sec. 91. (NEW) (*Effective July 1, 2017*) (a) When a merger becomes
2549 effective:

2550 (1) The surviving limited liability company continues or comes into
2551 existence;

2552 (2) Each merging limited liability company that merges into the
2553 surviving limited liability company ceases to exist as a separate entity;

2554 (3) All property owned by each merging limited liability company

2555 that ceases to exist vests in the surviving limited liability company;

2556 (4) All debts, obligations or other liabilities of each merging limited
2557 liability company that ceases to exist continue as debts, obligations or
2558 other liabilities of the surviving limited liability company;

2559 (5) An action or proceeding pending by or against any merging
2560 limited liability company that ceases to exist may be continued as if the
2561 merger had not occurred;

2562 (6) Except as prohibited by other law, all of the rights, privileges,
2563 immunities, powers and purposes of each merging limited liability
2564 company that ceases to exist vest in the surviving limited liability
2565 company;

2566 (7) Except as otherwise provided in the plan of merger, the terms
2567 and conditions of the plan of merger take effect; and

2568 (8) Except as otherwise agreed, if a merging limited liability
2569 company ceases to exist, the merger does not dissolve the limited
2570 liability company for the purposes of sections 56 to 63, inclusive, of this
2571 act;

2572 (9) If the surviving limited liability company is created by the
2573 merger, the certificate of organization becomes effective; and

2574 (10) If the surviving limited liability company preexisted the
2575 merger, any amendments provided for in the articles of merger for the
2576 organizational document that created the limited liability company
2577 become effective.

2578 (b) A surviving limited liability company that is a foreign limited
2579 liability company consents to the jurisdiction of the courts of this state
2580 for the enforcement of any debt, obligation or other liability owed by a
2581 merging limited liability company if before the merger the merging
2582 limited liability company was subject to suit in this state on the debt,
2583 obligation or other liability. A surviving limited liability company that

2584 is a foreign limited liability company and not authorized to transact
2585 business in this state appoints the Secretary of the State as its agent for
2586 service of process for the purposes of enforcing a debt, obligation, or
2587 other liability under this subsection. Service on the Secretary of the
2588 State under this subsection must be made in the same manner and has
2589 the same consequences as in subsections (c) and (d) of section 19 of this
2590 act.

2591 (c) The transferable interests in a limited liability company that are
2592 to be converted under the terms of the plan of merger are so converted,
2593 and the former holders thereof are entitled only to the rights provided
2594 in the plan of merger and to any appraisal rights they have under
2595 section 86 of this act and the merging limited liability company's
2596 organic law.

2597 Sec. 92. (NEW) (*Effective July 1, 2017*) (a) By complying with the
2598 provisions of this section and sections 93 to 97, inclusive, of this act: (1)
2599 A limited liability company may acquire all of one or more classes or
2600 series of transferable interests of another limited liability company or a
2601 foreign limited liability company in exchange for interests, securities,
2602 obligations, money, other property, rights to acquire interests or
2603 securities, or any combination of the foregoing; or (2) all of one or more
2604 classes or series of transferable interests of a limited liability company
2605 may be acquired by another limited liability company or a foreign
2606 limited liability company in exchange for interests, securities,
2607 obligations, money, other property, rights to acquire interests or
2608 securities, or any combination of the foregoing.

2609 (b) By complying with the provisions with this section and sections
2610 93 to 97, inclusive, of this act, a foreign limited liability company may
2611 be the acquiring or acquired limited liability company in an interest
2612 exchange under this section and sections 93 to 97, inclusive, of this act,
2613 if the interest exchange is authorized by the organic law of the foreign
2614 limited liability company.

2615 (c) If a protected agreement contains a provision that applies to a
2616 merger of a domestic limited liability company but does not refer to an
2617 interest exchange, the provision applies to an interest exchange in
2618 which the domestic limited liability company is the acquired entity as
2619 if the interest exchange were a merger until the provision is amended
2620 after July 1, 2017.

2621 Sec. 93. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
2622 may be the acquired limited liability company in an interest exchange
2623 under sections 92 to 97, inclusive, of this act, by approving a plan of
2624 interest exchange. The plan must be in a record and contain: (1) The
2625 name of the acquired limited liability company; (2) the name and the
2626 governing jurisdiction of the acquiring limited liability company or
2627 foreign limited liability company; (3) the manner of converting the
2628 transferable interests in the acquired limited liability company into
2629 interests, securities, obligations, money, other property, rights to
2630 acquire interests or securities, or any combination of the foregoing; (4)
2631 any proposed amendments to the certificate of organization or
2632 operating agreement that are, or are proposed to be, in a record of the
2633 acquired limited liability company; (5) the other terms and conditions
2634 of the interest exchange; and (6) any other provision required by the
2635 law of this state or the organizational documents of the acquired
2636 limited liability company.

2637 (b) In addition to the requirements of subsection (a) of this section, a
2638 plan of interest exchange may contain any other provision not
2639 prohibited by law.

2640 Sec. 94. (NEW) (*Effective July 1, 2017*) (a) Unless otherwise provided
2641 in the certificate of organization or operating agreement of the limited
2642 liability agreement, a plan of interest exchange is not effective unless it
2643 has been approved by two-thirds in interest of the members of an
2644 acquired limited liability company entitled to vote on or consent to any
2645 matter.

2646 (b) An interest exchange involving a foreign limited liability
2647 company is not effective unless it is approved by the foreign limited
2648 liability company in accordance with the organic law of the foreign
2649 limited liability company.

2650 (c) Except as otherwise provided in its organic law or organizational
2651 documents, the members of the acquiring limited liability company or
2652 foreign limited liability company are not required to approve the
2653 interest exchange.

2654 Sec. 95. (NEW) (*Effective July 1, 2017*) (a) A plan of interest exchange
2655 may be amended only with the consent of each party to the plan,
2656 except as otherwise provided in the plan.

2657 (b) An acquired limited liability company may approve an
2658 amendment of a plan of interest exchange: (1) In the same manner as
2659 the plan was approved, if the plan does not provide for the manner in
2660 which it may be amended; or (2) by the managers or members of the
2661 limited liability company in the manner provided in the plan, but a
2662 member that was entitled to vote on or consent to approval of the
2663 interest exchange is entitled to vote on or consent to any amendment of
2664 the plan that will change: (A) The amount or kind of interests,
2665 securities, obligations, money, other property, rights to acquire
2666 interests or securities, or any combination of the foregoing, to be
2667 received by any of the members of the acquired limited liability
2668 company under the plan; (B) the certificate of organization or
2669 operating agreement of the acquired company that will be in effect
2670 immediately after the interest exchange becomes effective, except for
2671 changes that do not require approval of the members of the acquired
2672 limited liability company under sections 1 to 102, inclusive, of this act
2673 or the operating agreement; or (C) any other terms or conditions of the
2674 plan, if the change would adversely affect the member in any material
2675 respect.

2676 (c) After a plan of interest exchange has been approved and before a

2677 certificate of interest exchange becomes effective, the plan may be
2678 abandoned as provided in the plan. Unless prohibited by the plan, an
2679 acquired limited liability company may abandon the plan in the same
2680 manner as the plan was approved.

2681 (d) If a plan of interest exchange is abandoned after a certificate of
2682 interest exchange has been delivered to the Secretary of the State for
2683 filing and before the certificate becomes effective, a certificate of
2684 abandonment, signed by the acquired limited liability company, must
2685 be delivered to the Secretary of the State for filing before the certificate
2686 of interest exchange becomes effective. The certificate of abandonment
2687 takes effect on filing, and the interest exchange is abandoned and does
2688 not become effective. The certificate of abandonment must contain (1)
2689 The name of the acquired limited liability company; (2) the date on
2690 which the certificate of interest exchange was delivered to the
2691 Secretary of the State for filing; and (3) a statement that the interest
2692 exchange has been abandoned in accordance with this section.

2693 Sec. 96. (NEW) (*Effective July 1, 2017*) (a) A certificate of interest
2694 exchange must be signed by an acquired limited liability company and
2695 delivered to the Secretary of the State for filing.

2696 (b) A certificate of interest exchange must contain: (1) The name of
2697 the acquired limited liability company; (2) the name and governing
2698 jurisdiction of the acquiring limited liability company or foreign
2699 limited liability company; (3) a statement that the plan of interest
2700 exchange was approved by the acquired limited liability company in
2701 accordance with sections 92 to 97, inclusive, of this act; (4) if the
2702 certificate of interest exchange is not to be effective upon filing, the
2703 date and time when it shall become effective; and (5) any amendments
2704 to the acquired limited liability company's certificate of organization
2705 approved as part of the plan of interest exchange.

2706 (c) In addition to the requirements of subsection (b) of this section, a
2707 certificate of interest exchange may contain any other provision not

2708 prohibited by law.

2709 (d) A plan of interest exchange that is signed by an acquired limited
2710 liability company and meets all the requirements of subsection (b) of
2711 this section may be delivered to the Secretary of the State for filing
2712 instead of a certificate of interest exchange and on filing has the same
2713 effect. If a plan of interest exchange is filed as provided in this
2714 subsection, references in sections 80 to 97, inclusive, of this act, to a
2715 certificate of interest exchange refer to the plan of interest exchange
2716 filed under this subsection.

2717 (e) An interest exchange becomes effective when the certificate of
2718 interest exchange is effective under section 31 of this act.

2719 Sec. 97. (NEW) (*Effective July 1, 2017*) (a) When an interest exchange
2720 in which the acquired entity is a limited liability company becomes
2721 effective: (1) The transferable interests in a limited liability company
2722 that are the subject of the interest exchange cease to exist or are
2723 converted or exchanged, and the members holding those transferable
2724 interests are entitled only to the rights provided to them under the
2725 plan of interest exchange and to any appraisal rights they have under
2726 section 86 of this act; (2) the acquiring limited liability company or
2727 foreign limited liability company becomes the member of the
2728 transferable interests in the acquired limited liability company set forth
2729 in the plan of interest exchange to be acquired by the acquiring limited
2730 liability company or foreign limited liability company; (3) the
2731 certificate of organization of the acquired limited liability company is
2732 amended as provided in the certificate of interest exchange; and (4) the
2733 provisions of the operating agreement of the acquired limited liability
2734 company that are to be in a record, if any, are amended to the extent
2735 provided in the plan of interest exchange.

2736 (b) Except as otherwise provided in the operating agreement of an
2737 acquired limited liability company, the interest exchange does not give
2738 rise to any rights that a member, manager or third party would

2739 otherwise have upon a dissolution, liquidation or winding up of the
2740 acquired limited liability company.

2741 (c) The transferable interests in a limited liability company that are
2742 to be exchanged under the terms of the plan of interest exchange are so
2743 exchanged, and the former holders thereof are entitled only to the
2744 rights provided in the plan of interest exchange and to any appraisal
2745 rights they have under section 86 of this act and the acquired limited
2746 liability company's organic law.

2747 Sec. 98. (NEW) (*Effective July 1, 2017*) In applying and construing the
2748 provisions of the Connecticut Uniform Limited Liability Company Act,
2749 consideration must be given to the need to promote uniformity of the
2750 law with respect to its subject matter among states that enact it.

2751 Sec. 99. (NEW) (*Effective July 1, 2017*) Sections 1 to 102, inclusive, of
2752 this act modify, limit and supersede the Electronic Signatures in Global
2753 and National Commerce Act, 15 USC Section 7001 et seq., but do not
2754 modify, limit or supersede Section 101(c) of said act, 15 USC Section
2755 7001(c), or authorize electronic delivery of any of the notices described
2756 in Section 103(b) of said act, 15 USC Section 7003(b).

2757 Sec. 100. (NEW) (*Effective July 1, 2017*) Sections 1 to 102, inclusive, of
2758 this act do not affect an action commenced, proceeding brought or
2759 right accrued before July 1, 2017.

2760 Sec. 101. (NEW) (*Effective July 1, 2017*) If any provision of sections 1
2761 to 102, inclusive, of this act or its application to any person or
2762 circumstance is held invalid, the invalidity does not affect other
2763 provisions or applications of sections 1 to 102, inclusive, of this act
2764 which can be given effect without the invalid provision or application,
2765 and to this end the provisions of said sections are severable.

2766 Sec. 102. (NEW) (*Effective July 1, 2017*) (a) It is the policy of this
2767 section and sections 1 to 101, inclusive, of this act to give maximum
2768 effect to the principle of freedom of contract and to enforceability of

2769 limited liability company agreements.

2770 (b) Unless displaced by particular provisions of this section and
2771 sections 1 to 101, inclusive, of this act, the principles of law and equity
2772 supplement said sections.

2773 (c) Rules that statutes in derogation of the common law are to be
2774 strictly construed shall have no application under this section and
2775 sections 1 to 101, inclusive, of this act.

2776 (d) Neither this section, sections 1 to 101, inclusive, of this act nor
2777 any amendments to said sections shall be construed to impair the
2778 obligations of any contract existing on, or affect any action or
2779 proceedings begun or right accrued before July 1, 2017, or the effective
2780 date of such amendment.

2781 Sec. 103. Subsection (b) of section 20-312 of the general statutes is
2782 repealed and the following is substituted in lieu thereof (*Effective July*
2783 *1, 2017*):

2784 (b) The practice of or the offer to practice real estate brokerage
2785 business in this state by individual licensed real estate brokers or real
2786 estate salespersons as a corporation, limited liability company or
2787 partnership, a material part of the business of which includes real
2788 estate brokerage, is permitted, provided (1) the personnel of such
2789 corporation, limited liability company or partnership who engage in
2790 the real estate brokerage business as real estate brokers or real estate
2791 salespersons, and the real estate brokers whose ownership, control,
2792 membership or partnership interest is credited toward the
2793 requirements of subdivision (3) of this subsection, are licensed or
2794 exempt from licensure under this chapter, (2) the corporation, limited
2795 liability company or partnership has been issued a real estate broker
2796 license by the commission as provided in this section and has paid the
2797 license or renewal fee required for a real estate broker's license as set
2798 forth in section 20-314, and (3) except for a publicly traded corporation
2799 (A) with respect to a corporation other than a nonstock corporation,

2800 one or more real estate brokers own or control fifty-one per cent or
2801 more of the total issued shares of the corporation, (B) with respect to a
2802 nonstock corporation, one or more real estate brokers constitute at
2803 least fifty-one per cent of the members of the nonstock corporation, (C)
2804 with respect to a limited liability company, one or more real estate
2805 brokers own or control at least fifty-one per cent of the interest in the
2806 limited liability company, as defined in section [34-101] section 2 of
2807 this act, or (D) with respect to a partnership, one or more real estate
2808 brokers' partnership interest, as defined in section 34-301, constitutes at
2809 least fifty-one per cent of the total partnership interest. No such
2810 corporation, limited liability company or partnership shall be relieved
2811 of responsibility for the conduct or acts of its agents, employees or
2812 officers by reason of its compliance with this section, nor shall any
2813 individual practicing real estate brokerage be relieved of responsibility
2814 for real estate services performed by reason of the individual's
2815 employment or relationship with such corporation, limited liability
2816 company or partnership. The Real Estate Commission may refuse to
2817 authorize the issuance or renewal of a license if any facts exist that
2818 would entitle the commission to suspend or revoke an existing license.

2819 Sec. 104. Subsection (e) of section 34-327 of the general statutes is
2820 repealed and the following is substituted in lieu thereof (*Effective July*
2821 *1, 2017*):

2822 (e) A registered limited liability partnership that consists of partners
2823 who render professional service, as defined in section [34-101] section
2824 2 of this act, shall continuously maintain professional liability
2825 insurance in an amount not less than two hundred fifty thousand
2826 dollars.

2827 Sec. 105. Subsection (b) of section 34-406 of the general statutes is
2828 repealed and the following is substituted in lieu thereof (*Effective July*
2829 *1, 2017*):

2830 (b) The name of a registered limited liability partnership or foreign

2831 registered limited liability partnership shall be such as to distinguish it
2832 upon the records of the Secretary of the State from: (1) The name of
2833 any registered limited liability partnership, limited partnership,
2834 limited liability company or corporation existing under the laws of this
2835 state; (2) the name of any foreign registered limited liability
2836 partnership, foreign limited partnership, foreign limited liability
2837 company or foreign corporation authorized to transact business in this
2838 state; (3) any name reserved under section 34-407 or reserved or
2839 registered under section 33-656, 33-657, 33-1045, 33-1046, 33-1047, 34-
2840 13, 34-13a or [34-103] sections 13 or 14 of this act; or (4) the name of any
2841 other entity whose name is carried upon the records of the Secretary of
2842 the State as organized or authorized to transact business or conduct
2843 affairs in this state.

2844 Sec. 106. Subsection (a) of section 34-506 of the general statutes is
2845 repealed and the following is substituted in lieu thereof (*Effective July*
2846 *1, 2017*):

2847 (a) The name of each statutory trust as set forth in its certificate of
2848 trust shall be such as to distinguish it upon the records of the office of
2849 the Secretary of the State from: (1) The name of any corporation,
2850 limited partnership, limited liability company, limited liability
2851 partnership or statutory trust existing under the laws of this state; (2)
2852 the name of any foreign corporation, limited partnership, limited
2853 liability company, limited liability partnership or statutory trust
2854 authorized to transact business in this state; or (3) any name reserved
2855 under subsection (d) of this section or under section 33-656, 33-657, 34-
2856 13, 34-13a, [34-102, 34-103] section 13 of this act, 34-406, as amended by
2857 this act, or 34-407.

2858 Sec. 107. Subsection (a) of section 35-1 of the general statutes is
2859 repealed and the following is substituted in lieu thereof (*Effective July*
2860 *1, 2017*):

2861 (a) No person, except as provided in this subsection, shall conduct

2862 or transact business in this state, under any assumed name, or under
2863 any designation, name or style, corporate or otherwise, other than the
2864 real name or names of the person or persons conducting or transacting
2865 such business, unless there has been filed, in the office of the town
2866 clerk in the town in which such business is or is to be conducted or
2867 transacted, a certificate stating the name under which such business is
2868 or is to be conducted or transacted and the full name and post-office
2869 address of each person conducting or transacting such business or, in
2870 the case of a corporation or limited liability company using such an
2871 assumed name, its full name and principal post-office address. Such
2872 certificate shall be executed by all of such persons or, in the case of a
2873 corporation or limited liability company, by an authorized officer
2874 thereof, and acknowledged before an authority qualified to administer
2875 oaths. Each town clerk shall keep an alphabetical index of the names of
2876 all persons filing such certificates and of all names or styles assumed as
2877 provided in this subsection and, for the indexing and filing of each
2878 such certificate, shall receive the statutory filing fee for documents
2879 established in section 7-34a, to be paid by the person filing such
2880 certificate. A copy of any such certificate, certified by the town clerk in
2881 whose office the same has been filed, shall be presumptive evidence, in
2882 all courts in this state, of the facts contained in such certificate. The
2883 provisions of this subsection shall not prevent the lawful use of a
2884 partnership name or designation if such partnership name or
2885 designation includes the true surname of at least one of the persons
2886 composing such partnership. This subsection shall not apply to: (1)
2887 Any limited partnership, as defined in section 34-9, provided such
2888 limited partnership (A) has (i) filed a certificate as provided for in
2889 section 34-10, or (ii) registered with the Secretary of the State as
2890 provided in section 34-38g, and (B) conducts or transacts business
2891 under the name stated in the certificate or registered with the Secretary
2892 of the State, or (2) any limited liability company, as defined in section
2893 [34-101] section 2 of this act, provided such limited liability company
2894 (A) has (i) filed articles or a certificate of organization as provided for
2895 in [section 34-120] sections 10 and 25 of this act, or (ii) registered with

2896 the Secretary of the State as provided in [section 34-223] sections 14, 71
2897 and 72 of this act, and (B) conducts or transacts business under the
2898 name stated in the articles of organization or registered with the
2899 Secretary of the State. Any person conducting or transacting business
2900 in violation of the provisions of this subsection shall be fined not more
2901 than five hundred dollars or imprisoned not more than one year.
2902 Failure to comply with the provisions of this subsection shall be
2903 deemed to be an unfair or deceptive trade practice under subsection (a)
2904 of section 42-110b.

2905 Sec. 108. Subsection (a) of section 36a-434a of the general statutes is
2906 repealed and the following is substituted in lieu thereof (*Effective July*
2907 *1, 2017*):

2908 (a) Any out-of-state trust company, whether or not owned or
2909 controlled by an out-of-state holding company or a foreign banking
2910 corporation, as defined in subsection (a) of section 36a-425, may, with
2911 the approval of the commissioner, establish and maintain an office in
2912 this state to act as a fiduciary or engage in a trust business in this state,
2913 provided the laws of the state in which such trust company is
2914 chartered authorize (1) similar companies chartered in this state to act
2915 as a fiduciary, and (2) trust banks to establish and maintain such office
2916 in such state. Such approved out-of-state trust company shall be
2917 deemed to transact business in this state for the purposes of section 33-
2918 920, subsection (a) of section 33-1210, [section 34-223] sections 70 and
2919 71 of this act or section 34-429 and shall comply with the applicable
2920 requirements of said sections. Application for approval to establish
2921 and maintain an office pursuant to this section shall be made on forms
2922 prescribed by the commissioner. Such application shall state the
2923 minimum equity capital of the out-of-state trust company which shall
2924 be at least two million dollars. Such application shall be accompanied
2925 by evidence of compliance with the applicable requirements of the
2926 regulator in the state in which the out-of-state trust company is
2927 chartered for the establishment and maintenance of such office and the
2928 bond required under section 36a-434b. The out-of-state trust company

2929 shall pay to the commissioner, at the time of making such application,
 2930 a nonrefundable fee of one thousand five hundred dollars. The
 2931 commissioner shall approve or disapprove the application within
 2932 thirty days after the application has been filed with the commissioner.
 2933 The thirty-day period of review may be extended by the commissioner,
 2934 in writing, on a determination that the application raises issues that
 2935 require additional information or additional time for analysis.

2936 Sec. 109. Sections 34-100 to 34-113, inclusive, 34-119 to 34-124,
 2937 inclusive, 34-130 to 34-134, inclusive, 34-140 to 34-144, inclusive, 34-150
 2938 to 34-152, inclusive, 34-158 to 34-161, inclusive, 34-167 to 34-173,
 2939 inclusive, 34-179, 34-180, 34-186, 34-187, 34-193 to 34-198, inclusive, 34-
 2940 206 to 34-216, inclusive, 34-222 to 34-236, inclusive, 34-241 and 34-242
 2941 of the general statutes are repealed. (*Effective July 1, 2017*)

2942 Sec. 110. Section 34-216 of the 2016 supplement to the general
 2943 statutes is repealed. (*Effective July 1, 2017*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2017</i>	New section
Sec. 2	<i>July 1, 2017</i>	New section
Sec. 3	<i>July 1, 2017</i>	New section
Sec. 4	<i>July 1, 2017</i>	New section
Sec. 5	<i>July 1, 2017</i>	New section
Sec. 6	<i>July 1, 2017</i>	New section
Sec. 7	<i>July 1, 2017</i>	New section
Sec. 8	<i>July 1, 2017</i>	New section
Sec. 9	<i>July 1, 2017</i>	New section
Sec. 10	<i>July 1, 2017</i>	New section
Sec. 11	<i>July 1, 2017</i>	New section
Sec. 12	<i>July 1, 2017</i>	New section
Sec. 13	<i>July 1, 2017</i>	New section
Sec. 14	<i>July 1, 2017</i>	New section
Sec. 15	<i>July 1, 2017</i>	New section
Sec. 16	<i>July 1, 2017</i>	New section
Sec. 17	<i>July 1, 2017</i>	New section

Sec. 18	<i>July 1, 2017</i>	New section
Sec. 19	<i>July 1, 2017</i>	New section
Sec. 20	<i>July 1, 2017</i>	New section
Sec. 21	<i>July 1, 2017</i>	New section
Sec. 22	<i>July 1, 2017</i>	New section
Sec. 23	<i>July 1, 2017</i>	New section
Sec. 24	<i>July 1, 2017</i>	New section
Sec. 25	<i>July 1, 2017</i>	New section
Sec. 26	<i>July 1, 2017</i>	New section
Sec. 27	<i>July 1, 2017</i>	New section
Sec. 28	<i>July 1, 2017</i>	New section
Sec. 29	<i>July 1, 2017</i>	New section
Sec. 30	<i>July 1, 2017</i>	New section
Sec. 31	<i>July 1, 2017</i>	New section
Sec. 32	<i>July 1, 2017</i>	New section
Sec. 33	<i>July 1, 2017</i>	New section
Sec. 34	<i>July 1, 2017</i>	New section
Sec. 35	<i>July 1, 2017</i>	New section
Sec. 36	<i>July 1, 2017</i>	New section
Sec. 37	<i>July 1, 2017</i>	New section
Sec. 38	<i>July 1, 2017</i>	New section
Sec. 39	<i>July 1, 2017</i>	New section
Sec. 40	<i>July 1, 2017</i>	New section
Sec. 41	<i>July 1, 2017</i>	New section
Sec. 42	<i>July 1, 2017</i>	New section
Sec. 43	<i>July 1, 2017</i>	New section
Sec. 44	<i>July 1, 2017</i>	New section
Sec. 45	<i>July 1, 2017</i>	New section
Sec. 46	<i>July 1, 2017</i>	New section
Sec. 47	<i>July 1, 2017</i>	New section
Sec. 48	<i>July 1, 2017</i>	New section
Sec. 49	<i>July 1, 2017</i>	New section
Sec. 50	<i>July 1, 2017</i>	New section
Sec. 51	<i>July 1, 2017</i>	New section
Sec. 52	<i>July 1, 2017</i>	New section
Sec. 53	<i>July 1, 2017</i>	New section
Sec. 54	<i>July 1, 2017</i>	New section
Sec. 55	<i>July 1, 2017</i>	New section
Sec. 56	<i>July 1, 2017</i>	New section

Sec. 57	<i>July 1, 2017</i>	New section
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Sec. 79	<i>July 1, 2017</i>	New section
Sec. 80	<i>July 1, 2017</i>	New section
Sec. 81	<i>July 1, 2017</i>	New section
Sec. 82	<i>July 1, 2017</i>	New section
Sec. 83	<i>July 1, 2017</i>	New section
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Sec. 86	<i>July 1, 2017</i>	New section
Sec. 87	<i>July 1, 2017</i>	New section
Sec. 88	<i>July 1, 2017</i>	New section
Sec. 89	<i>July 1, 2017</i>	New section
Sec. 90	<i>July 1, 2017</i>	New section
Sec. 91	<i>July 1, 2017</i>	New section
Sec. 92	<i>July 1, 2017</i>	New section
Sec. 93	<i>July 1, 2017</i>	New section
Sec. 94	<i>July 1, 2017</i>	New section
Sec. 95	<i>July 1, 2017</i>	New section

Sec. 96	<i>July 1, 2017</i>	New section
Sec. 97	<i>July 1, 2017</i>	New section
Sec. 98	<i>July 1, 2017</i>	New section
Sec. 99	<i>July 1, 2017</i>	New section
Sec. 100	<i>July 1, 2017</i>	New section
Sec. 101	<i>July 1, 2017</i>	New section
Sec. 102	<i>July 1, 2017</i>	New section
Sec. 103	<i>July 1, 2017</i>	20-312(b)
Sec. 104	<i>July 1, 2017</i>	34-327(e)
Sec. 105	<i>July 1, 2017</i>	34-406(b)
Sec. 106	<i>July 1, 2017</i>	34-506(a)
Sec. 107	<i>July 1, 2017</i>	35-1(a)
Sec. 108	<i>July 1, 2017</i>	36a-434a(a)
Sec. 109	<i>July 1, 2017</i>	Repealer section
Sec. 110	<i>July 1, 2017</i>	Repealer section

Statement of Purpose:

To adopt the Connecticut Uniform Limited Liability Company 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.]