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:

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

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

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

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

(3) "Contribution", except in the phrase "right of contribution", means property or a benefit described in section 40 of this act which is provided by a person to a limited liability company to become a member or in the person's capacity as a member.

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

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

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

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

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

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

(7) "Disinterested person" means a person, including a disinterested member, who, at the time action is to be taken under subparagraph (A) of subdivision (1) of subsection (d) of section 5 of this act, does not have (A) a material interest in the outcome of the action, or (B) a material relationship with a person who has such an interest.
(8) "Distribution" means a transfer of money or other property from a limited liability company to a person on account of a transferable interest or in the person's capacity as a member. "Distribution": (A) Includes (i) a redemption or other purchase by a limited liability company of a transferable interest; and (ii) a transfer to a member in return for the member's relinquishment of any right to participate as a member in the management or conduct of the company's activities and affairs or to have access to records or other information concerning the company's activities and affairs; and (B) does not include amounts constituting reasonable compensation for present or past service or payments made in the ordinary course of business under a bona fide retirement plan or other bona fide benefits program.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(24) "Professional service" means any type of service to the public that requires members of a profession rendering such service to obtain a license or other legal authorization as a condition precedent to the rendition thereof, limited to the professional services rendered by dentists, natureopaths, chiropractors, physicians and surgeons, physician assistants, doctors of dentistry, physical therapists, occupational therapists, podiatrists, optometrists, nurses, nurse-midwives, veterinarians, pharmacists, architects, professional
engineers, or jointly by architects and professional engineers, landscape architects, real estate brokers, insurance producers, certified public accountants and public accountants, land surveyors, psychologists, attorneys-at-law, licensed marital and family therapists, licensed professional counselors, licensed or certified alcohol and drug counselors and licensed clinical social workers.

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

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

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

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

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

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

(31) "Transfer" includes: (A) An assignment; (B) a conveyance; (C) a sale; (D) a lease; (E) an encumbrance, including a mortgage or security interest; (F) a gift; and (G) a transfer by operation of law.
"Transferable interest" means the right, as initially owned by a person in the person's capacity as a member, to receive distributions from a limited liability company, whether or not the person remains a member or continues to own any part of the right. "Transferable interest" applies to any fraction of the interest, by whomever owned.

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

"Two-thirds in interest of the members" means the members owning at least two-thirds of the transferable interests of the limited liability company, excluding any transferable interests not owned by the members; except that if it is not possible to determine which members own at least two-thirds of the transferable interests based on the operating agreement of the limited liability company, two-thirds in interest of the members means the members who would receive at least two-thirds of the distributions with respect to the dissolution of the limited liability company at the time of the vote if there would be such distributions, or if there would not be such distributions, two-thirds in interest of the members means the members who at the time of the vote contributed at least two-thirds of the unreturned capital contributions made to the limited liability company since the date of formation of the limited liability company.

Sec. 3. (NEW) (Effective July 1, 2017) (a) A person knows a fact if the person: (1) Has actual knowledge of the fact; or (2) is deemed to know the fact under subdivision (1) of subsection (d) of this section or pursuant to law other than sections 1 to 102, inclusive, of this act.

(b) A person has notice of a fact if the person: (1) Has reason to know the fact from all the facts known to the person at the time in question; or (2) is deemed to have notice of the fact under subdivision (2) of subsection (d) of this section.
Subject to subsection (f) of section 34 of this act, a person notifies another person of a fact by taking steps reasonably required to inform the other person in ordinary course, whether or not those steps cause the other person to know the fact.

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

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

Sec. 5. (NEW) (Effective July 1, 2017) (a) Except as provided in subsections (c) and (d) of this section, the operating agreement governs: (1) Relations among the members as members and between the members and the limited liability company; (2) the rights and duties under sections 1 to 102, inclusive, of this act of a person in the capacity of manager; (3) the activities and affairs of the company and the conduct of those activities and affairs; and (4) the means and conditions for amending the operating agreement.

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

(c) An operating agreement may not: (1) Vary the law applicable under section 4 of this act; (2) vary a limited liability company's capacity under subsection (a) of section 9 of this act, to sue and be sued in its own name; (3) vary any requirement, procedure or other
provision of sections 1 to 102, inclusive, of this act pertaining to: (A) Registered agents; or (B) the Secretary of the State, including provisions pertaining to records authorized or required to be delivered to the Secretary of the State for filing under sections 1 to 102, inclusive, of this act; (4) vary the provisions of section 28 of this act; (5) alter or eliminate the duty of loyalty or the duty of care, except as provided in subsection (d) of this section; (6) eliminate the implied contractual obligation of good faith and fair dealing under subsection (d) of section 47 of this act, except that the operating agreement may prescribe the standards, if not manifestly unreasonable, by which the performance of the obligation is to be measured; (7) relieve or exonerate a person from liability for conduct involving bad faith, wilful or intentional misconduct, or knowing violation of law; (8) unreasonably restrict the duties and rights under section 48 of this act, except that the operating agreement may impose reasonable restrictions on the availability and use of information obtained under said section and may define appropriate remedies, including liquidated damages, for a breach of any reasonable restriction on use; (9) vary the causes of dissolution specified in subdivisions (4) and (5) of subsection (a) of section 56 of this act; (10) vary the requirement to wind up the company’s activities and affairs as specified in subsections (a) and (e) of section 57 of this act and subdivision (1) of subsection (b) of section 57 of this act; (11) unreasonably restrict the right of a member to maintain an action under sections 64 to 69, inclusive, of this act; (12) vary the provisions of section 68 of this act, except that the operating agreement may provide that the company may not have a special litigation committee; (13) vary the required contents of a plan of merger under subsection (b) of section 88 of this act or, a plan of interest exchange under section 93 of this act; or (14) except as provided in section 6 of this act and subsection (b) of section 7 of this act, restrict the rights under sections 1 to 102, inclusive, of this act of a person other than a member or manager.

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

(e) The court shall decide as a matter of law whether a term of an operating agreement is manifestly unreasonable under subdivision (6) of subsection (c) of this section or subdivision (3) of subsection (d) of this section. The court: (1) Shall make its determination as of the time the challenged term became part of the operating agreement and by considering only circumstances existing at that time; and (2) may invalidate the term only if, in light of the purposes, activities and affairs of the limited liability company, it is readily apparent that: (A) The objective of the term is unreasonable; or (B) the term is an unreasonable means to achieve the term's objective.

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

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

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

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

(b) The obligations of a limited liability company and its members to a person in the person's capacity as a transferee or a person dissociated as a member are governed by the operating agreement. Subject only to a court order issued under subdivision (2) of subsection (b) of section 51 of this act to effectuate a charging order, an amendment to the operating agreement made after a person becomes a transferee or is dissociated as a member: (1) Is effective with regard to any debt, obligation or other liability of the limited liability company or its members to the person in the person's capacity as a transferee or person dissociated as a member; and (2) is not effective to the extent the amendment imposes a new debt, obligation or other liability on the transferee or person dissociated as a member.

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

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

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

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

(c) A limited liability company has perpetual duration.

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

(b) A limited liability company may be formed under sections 1 to 102, inclusive, of this act for the transaction of any business or the promotion of any purpose which may be lawfully carried on by a limited liability company except that of a Connecticut bank as defined in section 36a-2 of the general statutes.

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

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

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

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

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

(h) Nothing in sections 1 to 102, inclusive, of this act shall be construed to authorize a limited liability company formed under said sections to transact any business except in compliance with any laws of this state regulating or otherwise applying to the same. The provisions of sections 1 to 102, inclusive, of this act shall govern all limited liability companies, except that where by law special provisions are made in the case of a designated class or classes of limited liability companies governing the limited liability company procedure thereof in any respect, limiting or extending the powers thereof, conditioning action upon the approval of any agency of the state or otherwise prescribing the conduct of such limited liability companies, such
procedure, power, action or conduct shall be governed by such special provisions whether or not such limited liability companies are formed under said sections.

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

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

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

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

Sec. 12. (NEW) (Effective July 1, 2017) (a) The name of a limited liability company shall contain the words "limited liability company" or the abbreviation "L.L.C." or "LLC". "Limited" may be abbreviated as "Ltd.", and "company" may be abbreviated as "Co."

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

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

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

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

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

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

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

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

Sec. 14. (NEW) (Effective July 1, 2017) (a) A foreign limited liability company that is not registered to do business in this state under sections 70 to 79, inclusive, of this act may register its name, or an alternate name adopted pursuant to section 75 of this act, if the name is distinguishable on the records of the Secretary of the State from the names that are not available under section 12 of this act.

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

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

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

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

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

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

(1) Natural person who is a resident of this state;

(2) Corporation formed under the laws of this state;

(3) Foreign corporation that has procured a certificate of authority to transact business or conduct its affairs in this state;

(4) Limited liability company;

(5) Registered foreign limited liability company;
(6) Registered limited liability partnership organized under the laws of this state;

(7) Registered limited liability partnership that is not organized under the laws of this state and that has procured a certificate of authority to transact business or conduct its affairs in this state;

(8) Statutory trust organized under the laws of this state; or

(9) Statutory trust that is not organized under the laws of this state and that has procured a certificate of registration to transact business or conduct its affairs in this state.

(c) The registered agent for a registered foreign limited liability company shall be:

(1) The Secretary of the State and his or her successors in office;

(2) A natural person who is a resident of this state;

(3) A corporation formed under the laws of this state;

(4) A foreign corporation that has procured a certificate of authority to transact business or conduct its affairs in this state;

(5) A limited liability company;

(6) A registered foreign limited liability company;

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

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

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

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

(d) A limited liability company's or a registered foreign limited liability company's registered agent shall be appointed by filing with the Secretary of the State a written appointment in such form as the Secretary of the State shall prescribe setting forth: (1) The name of the limited liability company or registered foreign limited liability company; (2) the name of the registered agent; and (3) (A) if the registered agent is a natural person, the business and residence addresses thereof; (B) if the registered agent is an entity organized under the laws of this state, the address of the principal office thereof; or (C) if the registered agent is an entity that is not organized under the laws of this state, the address of the principal office thereof in this state, if any. In each case set forth in subparagraph (A), (B), or (C) of subdivision (3) of this subsection, the address shall include the street and number or other particular designation. Each written appointment shall also be signed by, if other than the Secretary of the State, the registered agent therein appointed.

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

(f) The only duties under sections 1 to 102, inclusive, of this act of a registered agent that has complied with sections 1 to 102, inclusive, of this act are: (1) To forward to the limited liability company or registered foreign limited liability company at the address most recently supplied to the agent by the limited liability company or registered foreign limited liability company any process, notice or demand pertaining to the limited liability company or registered foreign limited liability company that is served on or received by the agent; (2) if the registered agent resigns, to provide the notice required by subsection (c) of section 17 of this act to the limited liability company or registered foreign limited liability company at the address most recently supplied to the agent by the limited liability company or
registered foreign limited liability company; and (3) if the registered
agent changes its name or address, to provide the notice required by
section 18 of this act.

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

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

(c) A change of agent certificate filed under this section designating
a new registered agent is an affirmation of fact by the limited liability
company or registered foreign limited liability company that the agent
has consented to serve.

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

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

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

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

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

Sec. 18. (NEW) (Effective July 1, 2017) (a) If a registered agent changes its name or address, the agent shall, not later than thirty days after such change, deliver to the Secretary of the State for filing a certificate of change that states: (1) The name of the agent as currently shown in the records of the Secretary of the State for the company or foreign company; (2) if the name of the agent has changed, its new name; and (3) if the address of the agent has changed, its new address.
(b) A registered agent shall, not later than thirty days after such certificate of change is filed, furnish notice to the represented limited liability company or registered foreign limited liability company of the filing by the Secretary of the State of the certificate of change and the changes made by the certificate.

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

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

(c) If a limited liability company or registered foreign limited liability company ceases to have a registered agent, or if its registered agent cannot with reasonable diligence be served, the company or foreign company may be served by registered or certified mail, return receipt requested, or by similar commercial delivery service, addressed to the company or foreign company at its principal office. The address of the principal office shall be as shown on the company's or foreign
company's most recent annual report filed by the Secretary of the State. 

Service is effected under this subsection on the earliest of: (1) The date the company or foreign company receives the mail or delivery by the commercial delivery service; (2) the date shown on the return receipt, if signed by the company or foreign company; or (3) five days after its deposit with the United States Postal Service, or with the commercial delivery service, if correctly addressed and with sufficient postage or payment.

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

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

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

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

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

Sec. 21. (NEW) (Effective July 1, 2017) The Connecticut General Assembly has power to amend or repeal all or part of sections 1 to 102, inclusive, of this act at any time, and all limited liability companies and foreign limited liability companies subject to sections 1 to 102, inclusive, of this act are governed by such amendment or repeal.
Sec. 22. (NEW) (Effective July 1, 2017) The Secretary of the State shall charge and collect the following fees and remit them to the Treasurer for the use of the state:

(a) Fees for filing documents and issuing certificates: (1) Filing an application to reserve a limited liability company name or to cancel a reserved limited liability company name, sixty dollars; (2) filing a transfer of reserved limited liability company name, sixty dollars; (3) filing a certificate of organization, including appointment of registered agent, one hundred twenty dollars; (4) filing a change of address of agent certificate or change of agent certificate, fifty dollars; (5) filing a notice of resignation of registered agent, fifty dollars; (6) filing an amendment to certificate of organization, one hundred twenty dollars; (7) filing a restated certificate of organization, one hundred twenty dollars; (8) filing a certificate of merger, sixty dollars; (9) filing a certificate of interest exchange, sixty dollars; (10) filing a certificate of abandonment, fifty dollars; (11) filing a certificate of reinstatement, one hundred twenty dollars; (12) filing a foreign registration statement by a foreign limited liability company to transact business in this state, one hundred twenty dollars; (13) filing an application of foreign limited liability company for amended foreign registration statement, one hundred twenty dollars; (14) filing a statement of withdrawal of foreign limited liability company, one hundred twenty dollars; (15) filing an annual report, twenty dollars; (16) filing an interim notice of change of manager or member, twenty dollars; (17) filing a registration of name or a removal of registration of name, sixty dollars; (18) filing a statement of correction, one hundred dollars; and (19) filing a transfer of registration, sixty dollars plus the qualification fee.

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

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

Sec. 23. (NEW) (Effective July 1, 2017) A limited liability company
formed under sections 1 to 102, inclusive, of this act, or a foreign
limited liability company transacting business in this state pursuant to
the provisions of said sections shall be treated, for purposes of taxes
imposed by the laws of the state or any political subdivision thereof, in
accordance with the classification for federal tax purposes.

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

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

(b) A certificate of organization shall state: (1) The name of the limited liability company, which shall comply with section 12 of this act; (2) the street address and mailing address of the company's principal office; (3) the name of a registered agent appointed in compliance with section 15 of this act, along with the street address and mailing address in this state of the company's registered agent; (4) the name, business address and residence address of at least one manager or member of the limited liability company, except that if good cause is shown, the Secretary of the State may accept a business address in lieu of the business and residence addresses of such manager or member, provided, for purposes of this subsection, a showing of good cause shall include, but not be limited to, a showing that public disclosure of the residence address of the manager or member of the limited liability company may expose the personal security of such manager or member to significant risk; and (5) the electronic mail address, if any, of the limited liability company.

(c) A certificate of organization may contain statements as to matters other than those required by subsection (b) of this section, but may not vary or otherwise affect the provisions specified in subsection (c) of section 5 of this act in a manner inconsistent with said section. However, a statement in a certificate of organization is not effective as a statement of authority.
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Sec. 26. (NEW) (Effective July 1, 2017) (a) A certificate of organization may be amended or restated at any time.

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

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

(d) If a member of a member-managed limited liability company, or a manager of a manager-managed limited liability company, knows that any information in a filed certificate of organization was inaccurate when the certificate of organization was filed or has become inaccurate due to changed circumstances, the member or manager shall promptly: (1) Cause the certificate of organization to be amended; or (2) if appropriate, deliver to the Secretary of the State for filing a statement of change under section 16 of this act or a statement of correction under section 33 of this act.

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

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

(2) A company's initial certificate of organization shall be signed by at least one person acting as an organizer.
(3) A record delivered on behalf of a dissolved company that has no member shall be signed by the person winding up the company's activities and affairs under subsection (c) of section 57 of this act or a person appointed under subsection (d) of section 57 of this act to wind up the activities and affairs.

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

(b) Any record filed under sections 1 to 102, inclusive, of this act may be signed by an agent. Whenever any provision of sections 1 to 102, inclusive, of this act requires a particular individual to sign a record and the individual is deceased or incompetent, the record may be signed by a legal representative of the individual.

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

(d) The Secretary of the State is not required to verify either a signature's authenticity or the authority of the person signing to so commit the limited liability company, and the acceptance of a document by the Secretary of the State shall not therefore serve to validate the veracity of the signature or the signatory.

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

(b) If a petitioner under subsection (a) of this section is not the limited liability company or foreign limited liability company to which the record pertains, the petitioner shall make the company or foreign company a party to the action.
(c) A record filed under subdivision (3) of subsection (a) of this section is effective without being signed.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(4) If a delayed effective date is specified, but no time is specified, at 12:01 a.m. on the date specified, which may not be more than ninety days after the date of filing.

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

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

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

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

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

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

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

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

(b) When the Secretary of the State files a record, the Secretary of the State shall record it as filed on the date and at the time of its delivery. After filing a record, the Secretary of the State shall deliver to the person that submitted the record an acknowledgment of the date and time of filing.
(c) If the Secretary of the State refuses to file a record, the Secretary of the State shall, not later than fifteen business days after the record is delivered: (1) Return the record or notify the person that submitted the record of the refusal; and (2) provide a brief explanation of the reason for the refusal.

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

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

(f) Except as provided by section 19 of this act or by law other than sections 1 to 102, inclusive, of this act, the Secretary of the State may deliver any record to a person by delivering it: (1) In person to the person that submitted it; (2) to the principal office of the person; or (3) to another address, including an electronic mail address, the person provides to the Secretary of the State for delivery.

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

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

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

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

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

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

Sec. 36. (NEW) (Effective July 1, 2017) (a) A limited liability company
or a registered foreign limited liability company shall deliver to the
Secretary of the State by electronic transmission an annual report that
states:

(1) The name of the company;

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

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

(4) An electronic mail address where the Secretary of the State can
communicate with the company or its filing agent, if the company or
its filing agent maintains an electronic mail address; and
(5) In the case of a foreign limited liability company, its governing jurisdiction and any alternate name adopted under subsection (a) of section 75 of this act.

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

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

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

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

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

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

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

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

(b) The failure of a limited liability company to observe formalities relating to the exercise of its powers or management of its activities and affairs is not a ground for imposing liability on a member or manager of the company for a debt, obligation or other liability of the company.
(c) Nothing contained in sections 1 to 102, inclusive, of this act shall be interpreted to abolish, repeal, modify, restrict or limit the law in effect on July 1, 2017, in this state applicable to the professional relationship and liabilities between the person furnishing the professional services and the person receiving such professional service and to the standards for professional conduct, provided (1) any member, manager, agent or employee of a limited liability company rendering professional services formed under sections 1 to 102, inclusive, of this act shall be personally liable and accountable only for negligent or wrongful acts or misconduct committed by such person, or by any person under such person's direct supervision and control, while rendering professional services on behalf of the limited liability company to the person for whom such professional services were being rendered; and (2) the personal liability of members of a limited liability company rendering professional services formed under sections 1 to 102, inclusive, of this act in their capacity as members of such limited liability company, shall be not greater in any aspect than that of a shareholder who is an employee of a corporation formed under chapter 601 of the general statutes. A limited liability company rendering professional services shall be liable for up to the full value of its property for any negligent or wrongful acts or misconduct committed by any of its members, managers, agents or employees while they are engaged on behalf of the limited liability company in the rendering of professional services.

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

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

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

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

Sec. 40. (NEW) (Effective July 1, 2017) A contribution may consist of property transferred to, services performed for, or another benefit provided to the limited liability company or an agreement to transfer property to, perform services for, or provide another benefit to the company.

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

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

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

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

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

(c) A person does not have a right to demand or receive a distribution from a limited liability company in any form other than money. Except as provided in subsection (d) of section 62 of this act, a limited liability company may distribute an asset in kind only if each part of the asset is fungible with each other part and each person receives a percentage of the asset equal in value to the person's share of distributions.

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

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

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

(c) Except as provided in subsection (e) of this section, the effect of a
distribution under subsection (a) of this section is measured: (1) In the
case of a distribution as described in subparagraph (A) of subdivision
(8) of section 2 of this act, the date money or other property is
transferred or debt is incurred by the company; or (2) in all other cases,
as of the date: (A) The distribution is authorized, if the payment occurs
not later than one hundred twenty days after that date; or (B) the
payment is made, if the payment occurs more than one hundred days
after the distribution is authorized.

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

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

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

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

(b) To the extent the operating agreement of a member-managed limited liability company expressly relieves a member of the authority and responsibility to consent to distributions and imposes that authority and responsibility on one or more other members, the liability set forth in subsection (a) of this section applies to the other members and not the member that the operating agreement relieves of authority and responsibility.

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

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

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

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

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

(2) Includes words of similar import.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(d) In the ordinary course of its activities and affairs, a limited
liability company may advance reasonable expenses, including
attorney's fees and costs, incurred by a person in connection with a
claim or demand against the person by reason of the person's former
or present capacity as a member, manager or officer of the company if
the person promises to repay the company if the person ultimately is
determined not to be entitled to be indemnified under subsection (b) of
this section.

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

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

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

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

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

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

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

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

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

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

(e) A member, other than in the capacity of a manager, does not violate a duty or obligation under sections 1 to 102, inclusive, of this act or under the operating agreement solely because the member's conduct furthers the member's own interest.

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

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

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

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

1. Subsections (a), (b), (c) and (g) of this section apply to the manager or managers and not the members.
(2) Subsection (d) of this section applies to managers and members.

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

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

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

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

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

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

(3) The duty to furnish information under subdivision (2) of this subsection also applies to each member to the extent the member knows any of the information described in said subdivision.
(b) In a manager-managed limited liability company, the following rules apply:

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

(2) During regular business hours and at a reasonable location specified by the company, a member may inspect and copy full information regarding the activities, affairs, financial condition and other circumstances of the company as is just and reasonable if: (A) The member seeks the information for a purpose reasonably related to the member's interest as a member; (B) the member makes a demand in a record received by the company, describing with reasonable particularity the information sought and the purpose for seeking the information; and (C) the information sought is directly connected to the member's purpose.

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 50. (NEW) (Effective July 1, 2017) (a) Subject to subsection (f) of section 51 of this act, a transfer, in whole or in part, of a transferable interest: (1) Is permissible; (2) does not by itself cause a member's dissociation or a dissolution and winding up of the limited liability company's activities and affairs; and (3) subject to section 52 of this act, does not entitle the transferee to: (A) Participate in the management or conduct of the company's activities and affairs; or (B) except as provided in subsection (c) of this section, have access to records or other information concerning the company's activities and affairs.

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

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

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

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

(f) A transfer of a transferable interest in violation of a restriction on transfer contained in the operating agreement is ineffective as to a person having knowledge or notice of the restriction at the time of transfer.
(g) Except as provided in subparagraph (B) of subdivision (4) of section 54 of this act, if a member transfers a transferable interest, the transferor retains the rights of a member other than the transferable interest transferred and retains all the duties and obligations of a member.

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

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

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

(c) The member or transferee whose transferable interest is subject to a charging order under subsection (a) of this section may extinguish the charging order by satisfying the judgment and filing a certified copy of the satisfaction with the court that issued the charging order.
(d) A limited liability company or one or more members whose transferable interests are not subject to the charging order may pay to the judgment creditor the full amount due under the judgment and thereby succeed to the rights of the judgment creditor, including the charging order.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(11) The company participates in a merger under sections 80 to 97, inclusive, of this act or the Connecticut Entity Transactions Act and:
(A) The company is not the surviving entity; or (B) otherwise as a result of the merger, the person ceases to be a member;

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

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

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

(15) The company dissolves and completes winding up.

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

(b) A person's dissociation as a member does not of itself discharge the person from any debt, obligation or other liability to the company or the other members which the person incurred while a member.
Sec. 56. (NEW) (Effective July 1, 2017) (a) A limited liability company is dissolved, and its activities and affairs must be wound up, upon the occurrence of any of the following:

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

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

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

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

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

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

(b) In a proceeding brought under subdivision (5) of subsection (a)
of this section, the court may order a remedy other than dissolution.

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

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

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

(d) If the legal representative under subsection (c) of this section declines or fails to wind up the company's activities and affairs, a person may be appointed to do so by the consent of transferees owning a majority in interest of the rights to receive distributions as transferees at the time the consent is to be effective. A person appointed under this subsection: (1) Has the powers of a sole manager under subsection (c) of section 45 of this act and is deemed to be a manager for the purposes of subsection (a) of section 38 of this act; and (2) shall promptly deliver to the Secretary of the State for filing an amendment to the company's
certificate of organization stating: (A) That the company has no members; (B) the name and street and mailing addresses of the person; and (C) that the person has been appointed pursuant to this subsection to wind up the company.

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

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

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

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

(2) If a certificate of dissolution applicable to the limited liability company has been filed, a certificate of reinstatement conforming, with such adaptations as are appropriate, to the content requirements of a limited liability company's certificate of organization shall be executed and filed with the Secretary of the State in accordance with the requirements set forth in sections 25 to 36, inclusive, of this act which pertain to the filing and recording of a record.
(3) A certificate of reinstatement under this section shall be accompanied by: (A) Payment of all penalties and forfeitures incurred by the limited liability company and a reinstatement fee as provided by subdivision (11) of subsection (a) of section 22 of this act, (B) an annual report for the current year, and (C) an appointment of a registered agent for service of process.

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

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

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

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

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

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

(4) Any claim against the limited liability company barred as provided in section 60 of this act and not otherwise barred shall be relieved of such bar upon reinstatement of the limited liability company, and the reinstated limited liability company shall be estopped to deny its legal existence during such time as its rights and powers were forfeited.
Sec. 59. (NEW) (Effective July 1, 2017) (a) Except as provided in subsection (d) of this section, a dissolved limited liability company may give notice of a known claim under subsection (b) of this section, which has the effect provided in subsection (c) of this section.

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

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

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

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

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

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

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

Sec. 61. (NEW) (Effective July 1, 2017) (a) A dissolved limited liability company that has published a notice under section 60 of this act may file an application with the Superior Court in the judicial district where the dissolved company's principal office is located or, if the principal office is not located in this state, where the office of its registered agent
is located, for a determination of the amount and form of security to be provided for payment of claims that are contingent, have not been made known to the company, or are based on an event occurring after the effective date of dissolution but which, based on the facts known to the dissolved company, are reasonably expected to arise after the effective date of dissolution. Security is not required for any claim that is or is reasonably anticipated to be barred under subsection (c) of section 60 of this act.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) After making a determination under subsection (d) of this
section, a special litigation committee shall file with the court a
statement of its determination and its report supporting its
determination and shall serve each party with a copy of the
determination and report. The court shall determine whether the
members of the committee were disinterested individuals and whether
the committee conducted its investigation and made its
recommendation in good faith, independently, and with reasonable
care, with the committee having the burden of proof. If the court finds
that the members of the committee were disinterested individuals, and
that the committee acted in good faith, independently, and with
reasonable care, the court shall enforce the determination of the
committee. Otherwise, the court shall dissolve the stay of discovery
entered under subsection (a) of this section and allow the action to
continue under the control of the plaintiff.

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

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

(c) A derivative action on behalf of a limited liability company may
not be voluntarily dismissed or settled without the court's approval.
Sec. 70. (NEW) (Effective July 1, 2017) (a) The law of the governing jurisdiction of a foreign limited liability company governs: (1) The internal affairs of the company; (2) the liability of a member as member and a manager as manager for a debt, obligation or other liability of the company; and (3) the liability of a series of the company.

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

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

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

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

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

(d) A limitation on the liability of a member or manager of a foreign limited liability company is not waived solely because the company does business in this state without registering to transact business in this state.

(e) Subsections (a) and (b) of section 70 of this act apply even if a foreign limited liability company fails to register under sections 70 to 79, inclusive, of this act.
(f) A foreign limited liability company, by transacting business in this state without a foreign registration statement, appoints the Secretary of the State as its agent for service of process with respect to a cause of action arising out of the transaction of business in this state. Such foreign limited liability company may be served in the manner provided in subsection (b) of section 19 of this act.

(g) A foreign limited liability company which transacts business in this state without a valid foreign registration statement shall be liable to this state, for each year or part thereof during which it transacted business in this state without such certificate, in an amount equal to:

1. All fees and taxes which would have been imposed by law upon such limited liability company had it duly applied for and received such registration to transact business in this state, and
2. All interest and penalties imposed by law for failure to pay such fees and taxes. A foreign limited liability company is further liable to this state, for each month or part thereof during which it transacted business in this state without a valid foreign registration statement, in an amount equal to three hundred dollars, except that a foreign limited liability company which has registered with the Secretary of the State not later than ninety days after it has commenced transacting business in this state shall not be liable for such monthly penalty. Such fees and penalties may be levied by the Secretary of the State. The Attorney General may bring proceedings to recover all amounts due this state under the provisions of this subsection.

(h) The civil penalties set forth in subsection (g) of this section may be recovered in an action brought by the Attorney General. Upon a finding by the court that a foreign limited liability company has transacted business in this state in violation of sections 70 to 79, inclusive, of this act, the court shall, in addition to imposing a civil penalty, issue an injunction restraining further transaction of business by the foreign limited liability company and the further exercise of any rights and privileges of a limited liability company in this state. The foreign limited liability company shall be enjoined from transacting
business in this state until all civil penalties, plus any interest and court
costs which the court may assess, have been paid and until the foreign
limited liability company has otherwise complied with the provisions
of said sections.

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

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

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

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

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

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

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

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

Sec. 73. (NEW) (Effective July 1, 2017) A registered foreign limited liability company shall deliver to the Secretary of the State for filing an amendment to its foreign registration statement if there is a change in:

(1) The name of the company; (2) the company's governing jurisdiction; (3) an address required by subdivision (4) of section 72 of this act; or (4) the information required by subdivision (5) of section 72 of this act.

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

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

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

(3) Maintaining accounts in financial institutions;

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

(5) Selling through independent contractors;

(6) Soliciting or obtaining orders by any means if the orders require acceptance outside this state before they become contracts;

(7) Creating or acquiring indebtedness, mortgages or security interests in property;

(8) Securing or collecting debts, or enforcing mortgages or security
interests in property securing the debts, and foreclosing on, holding, protecting or maintaining any such property;

(9) Conducting an isolated transaction that is not in the course of similar transactions;

(10) Owning, without more, property;

(11) Voting securities or other equity ownership interests owned by the foreign limited liability company; and

(12) Transacting business in interstate commerce.

(b) A person does not transact business in this state solely because such person: (1) Owns a controlling interest in a corporation or foreign corporation that is transacting business in this state; (2) is a limited partner of a limited partnership or foreign limited partnership that is transacting business in this state; or (3) is a member or manager of a limited liability company or foreign limited liability company that is transacting business in this state.

(c) This section does not apply in determining the contacts or activities that may subject a foreign limited liability company to service of process, taxation or regulation under law of this state other than sections 1 to 102, inclusive, of this act.

Sec. 75. (NEW) (Effective July 1, 2017) (a) A foreign limited liability company whose name does not comply with section 12 of this act may not register to transact business in this state until it adopts, for the purpose of transacting business in this state, an alternate name that complies with said section. A registered foreign limited liability company that registers under an alternate name under this subsection need not comply with chapter 620 of the general statutes. After registering to transact business in this state with an alternate name, a registered foreign limited liability company shall transact business in this state under: (1) The alternate name; (2) the company's name, with the addition of its governing jurisdiction; or (3) an assumed or
fictitious name that the company is authorized to use under chapter 620 of the general statutes.

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

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

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

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

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

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

(5) The street and mailing addresses of the principal office of the applicant foreign entity and, if the law of the entity's governing jurisdiction requires the entity to maintain an office in that jurisdiction, the street and mailing addresses of that office;
(6) The name and street and mailing addresses of the applicant foreign entity's registered agent in this state;

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

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

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

Sec. 77. (NEW) (Effective July 1, 2017) (a) The foreign registration statement of a foreign limited liability company to transact business in this state may be revoked by the Secretary of the State upon the conditions provided in this section when: (1) The foreign limited liability company has failed to file its annual report with the Secretary of the State; (2) a wilful misrepresentation has been made of any material matter in any application, report, affidavit or other document, submitted by such foreign limited liability company pursuant to sections 70 to 79, inclusive, of this act; (3) the foreign limited liability company is exceeding the authority conferred upon it by said sections; or (4) the foreign limited liability company is without an agent upon whom process may be served in this state for sixty days or more.

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

(c) Upon revoking the foreign registration statement of any foreign
limited liability company, the Secretary of the State shall file a
certificate of revocation in his office and shall: (1) Mail a copy thereof
to such foreign limited liability company at its address as last shown
on the Secretary's records; and (2) cause notice of the filing of such
certificate of revocation to be posted on the office of the Secretary of
the State's Internet web site for a period of sixty days following the
date on which the Secretary of the State files the certificate of
revocation. The filing of such certificate of revocation shall cause the
authority of a foreign limited liability company to transact business in
this state to cease. Notwithstanding the filing of the certificate of
revocation, the appointment by a foreign limited liability company of
an attorney upon whom process may be served shall continue in force
as long as any liability remains outstanding against the foreign limited
liability company in this state.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) Property held for a charitable purpose under the law of this state
by a limited liability company or foreign limited liability company
immediately before a transaction under sections 80 to 97, inclusive, of
this act becomes effective may not, as a result of the transaction, be
deviated from the objects for which it was donated, granted, devised or
otherwise transferred unless, to the extent required by or pursuant to
the law of this state concerning cy pres or other law dealing with
nondiversion of charitable assets, the limited liability company or
foreign limited liability company provides notice to the Attorney
General and obtains an appropriate order of a court competent
jurisdiction specifying the disposition of the property.

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

Sec. 83. (NEW) (Effective July 1, 2017) A filing under sections 80 to 97,
inclusive, of this act signed by a limited liability company becomes
part of the organizational documents of the limited liability company.

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

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

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

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

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

Sec. 87. (NEW) (Effective July 1, 2017) Sections 80 to 97, inclusive, of this act shall not be used to effect a transaction that is a merger or interest exchange governed by sections 1 to 102, inclusive, of this act involving a limited liability company organized to render professional services unless the transaction involves another limited liability company or foreign limited liability company organized to render the same professional service permitted to be performed by a limited liability company pursuant to subsection (c) of section 9 of this act, or to render two or more professional services permitted to be performed by a limited liability company pursuant to subsection (d) of section 9 of this act.
Sec. 88. (NEW) (Effective July 1, 2017) (a) A limited liability company may merge with one or more other merging limited liability companies into a surviving limited liability company pursuant to this section and sections 89 to 91, inclusive, of this act, and a plan of merger, if: (1) The organic law of each of the other merging limited liability companies authorizes the merger; (2) the merger is not prohibited by the law of the governing jurisdiction of the other merging limited liability companies or by any federal law; and (3) each of the other merging limited liability companies complies with its organic law in effecting the merger.

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

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

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

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

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

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

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

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

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

(5) If the surviving limited liability company preexists the merger, any amendments provided for in the plan of merger for the organizational document that created the surviving limited liability company that are in a public record;

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

(7) If the surviving limited liability company is a foreign limited liability company not authorized to transact business in this state, the street and mailing addresses of an office that the Secretary of the State may use for the purposes of subsection (b) of section 91 of this act;
(8) If the certificate of merger is not to be effective upon filing, the date and time when it shall become effective; and

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

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

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

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

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

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

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

(3) All property owned by each merging limited liability company that ceases to exist vests in the surviving limited liability company;

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

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

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

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

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

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

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

(b) A surviving limited liability company that is a foreign limited liability company consents to the jurisdiction of the courts of this state for the enforcement of any debt, obligation or other liability owed by a merging limited liability company if before the merger the merging limited liability company was subject to suit in this state on the debt, obligation or other liability. A surviving limited liability company that is a foreign limited liability company and not authorized to transact business in this state appoints the Secretary of the State as its agent for service of process for the purposes of enforcing a debt, obligation, or other liability under this subsection. Service on the Secretary of the State under this subsection must be made in the same manner and has the same consequences as in subsections (c) and (d) of section 19 of this act.

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

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

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

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

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

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

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

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

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

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

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

(c) After a plan of interest exchange has been approved and before a
certificate of interest exchange becomes effective, the plan may be
abandoned as provided in the plan. Unless prohibited by the plan, an
acquired limited liability company may abandon the plan in the same
manner as the plan was approved.

(d) If a plan of interest exchange is abandoned after a certificate of
interest exchange has been delivered to the Secretary of the State for
filing and before the certificate of interest exchange becomes effective,
a certificate of abandonment, signed by the acquired limited liability
company, must be delivered to the Secretary of the State for filing
before the certificate of interest exchange becomes effective. The
certificate of abandonment takes effect on filing, and the interest
exchange is abandoned and does not become effective. The certificate
of abandonment must contain (1) The name of the acquired limited
liability company; (2) the date on which the certificate of interest
2698 exchange was delivered to the Secretary of the State for filing; and (3) a
2699 statement that the interest exchange has been abandoned in
2700 accordance with this section.

2701 Sec. 96. (NEW) (Effective July 1, 2017) (a) A certificate of interest
2702 exchange must be signed by an acquired limited liability company and
2703 delivered to the Secretary of the State for filing.

2704 (b) A certificate of interest exchange must contain: (1) The name of
2705 the acquired limited liability company; (2) the name and governing
2706 jurisdiction of the acquiring limited liability company or foreign
2707 limited liability company; (3) a statement that the plan of interest
2708 exchange was approved by the acquired limited liability company in
2709 accordance with sections 92 to 97, inclusive, of this act; (4) if the
2710 certificate of interest exchange is not to be effective upon filing, the
2711 date and time when it shall become effective; and (5) any amendments
2712 to the acquired limited liability company's certificate of organization
2713 approved as part of the plan of interest exchange.

2714 (c) In addition to the requirements of subsection (b) of this section, a
2715 certificate of interest exchange may contain any other provision not
2716 prohibited by law.

2717 (d) A plan of interest exchange that is signed by an acquired limited
2718 liability company and meets all the requirements of subsection (b) of
2719 this section may be delivered to the Secretary of the State for filing
2720 instead of a certificate of interest exchange and on filing has the same
2721 effect. If a plan of interest exchange is filed as provided in this
2722 subsection, references in sections 80 to 97, inclusive, of this act, to a
2723 certificate of interest exchange refer to the plan of interest exchange
2724 filed under this subsection.

2725 (e) An interest exchange becomes effective when the certificate of
2726 interest exchange is effective under section 31 of this act.

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

(b) Except as otherwise provided in the operating agreement of an acquired limited liability company, the interest exchange does not give rise to any rights that a member, manager or third party would otherwise have upon a dissolution, liquidation or winding up of the acquired limited liability company.

(c) The transferable interests in a limited liability company that are to be exchanged under the terms of the plan of interest exchange are so exchanged, and the former holders thereof are entitled only to the rights provided in the plan of interest exchange and to any appraisal rights they have under section 86 of this act and the acquired limited liability company's organic law.
and National Commerce Act, 15 USC Section 7001 et seq., but do not modify, limit or supersede Section 101(c) of said act, 15 USC Section 7001(c), or authorize electronic delivery of any of the notices described in Section 103(b) of said act, 15 USC Section 7003(b).

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

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

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

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

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

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

Sec. 103. Subsection (b) of section 20-312 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July
(b) The practice of or the offer to practice real estate brokerage business in this state by individual licensed real estate brokers or real estate salespersons as a corporation, limited liability company or partnership, a material part of the business of which includes real estate brokerage, is permitted, provided (1) the personnel of such corporation, limited liability company or partnership who engage in the real estate brokerage business as real estate brokers or real estate salespersons, and the real estate brokers whose ownership, control, membership or partnership interest is credited toward the requirements of subdivision (3) of this subsection, are licensed or exempt from licensure under this chapter, (2) the corporation, limited liability company or partnership has been issued a real estate broker license by the commission as provided in this section and has paid the license or renewal fee required for a real estate broker's license as set forth in section 20-314, and (3) except for a publicly traded corporation (A) with respect to a corporation other than a nonstock corporation, one or more real estate brokers own or control fifty-one per cent or more of the total issued shares of the corporation, (B) with respect to a nonstock corporation, one or more real estate brokers constitute at least fifty-one per cent of the members of the nonstock corporation, (C) with respect to a limited liability company, one or more real estate brokers own or control at least fifty-one per cent of the interest in the limited liability company, as defined in section [34-101] section 2 of this act, or (D) with respect to a partnership, one or more real estate brokers' partnership interest, as defined in section 34-301, constitutes at least fifty-one per cent of the total partnership interest. No such corporation, limited liability company or partnership shall be relieved of responsibility for the conduct or acts of its agents, employees or officers by reason of its compliance with this section, nor shall any individual practicing real estate brokerage be relieved of responsibility for real estate services performed by reason of the individual's employment or relationship with such corporation, limited liability company or partnership. The Real Estate Commission may refuse to
authorize the issuance or renewal of a license if any facts exist that would entitle the commission to suspend or revoke an existing license.

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

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

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

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

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

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

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

(a) No person, except as provided in this subsection, shall conduct
or transact business in this state, under any assumed name, or under
any designation, name or style, corporate or otherwise, other than the
real name or names of the person or persons conducting or transacting
such business, unless there has been filed, in the office of the town
clerk in the town in which such business is or is to be conducted or
transacted, a certificate stating the name under which such business is
or is to be conducted or transacted and the full name and post-office
address of each person conducting or transacting such business or, in
the case of a corporation or limited liability company using such an
assumed name, its full name and principal post-office address. Such
certificate shall be executed by all of such persons or, in the case of a
corporation or limited liability company, by an authorized officer
thereof, and acknowledged before an authority qualified to administer
oaths. Each town clerk shall keep an alphabetical index of the names of
all persons filing such certificates and of all names or styles assumed as
provided in this subsection and, for the indexing and filing of each
such certificate, shall receive the statutory filing fee for documents
established in section 7-34a, to be paid by the person filing such
certificate. A copy of any such certificate, certified by the town clerk in
whose office the same has been filed, shall be presumptive evidence, in all courts in this state, of the facts contained in such certificate. The provisions of this subsection shall not prevent the lawful use of a partnership name or designation if such partnership name or designation includes the true surname of at least one of the persons composing such partnership. This subsection shall not apply to: (1) Any limited partnership, as defined in section 34-9, provided such limited partnership (A) has (i) filed a certificate as provided for in section 34-10, or (ii) registered with the Secretary of the State as provided in section 34-38g, and (B) conducts or transacts business under the name stated in the certificate or registered with the Secretary of the State, or (2) any limited liability company, as defined in section [34-101] 2 of this act, provided such limited liability company (A) has (i) filed articles or a certificate of organization as provided for in section 34-120] sections 10 and 25 of this act, or (ii) registered with the Secretary of the State as provided in [section 34-223] sections 14, 71 and 72 of this act, and (B) conducts or transacts business under the name stated in the articles of organization or registered with the Secretary of the State. Any person conducting or transacting business in violation of the provisions of this subsection shall be fined not more than five hundred dollars or imprisoned not more than one year. Failure to comply with the provisions of this subsection shall be deemed to be an unfair or deceptive trade practice under subsection (a) of section 42-110b.

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

(a) Any out-of-state trust company, whether or not owned or controlled by an out-of-state holding company or a foreign banking corporation, as defined in subsection (a) of section 36a-425, may, with the approval of the commissioner, establish and maintain an office in this state to act as a fiduciary or engage in a trust business in this state, provided the laws of the state in which such trust company is
chartered authorize (1) similar companies chartered in this state to act as a fiduciary, and (2) trust banks to establish and maintain such office in such state. Such approved out-of-state trust company shall be deemed to transact business in this state for the purposes of section 33-920, subsection (a) of section 33-1210, [section 34-223] sections 70 and 71 of this act or section 34-429 and shall comply with the applicable requirements of said sections. Application for approval to establish and maintain an office pursuant to this section shall be made on forms prescribed by the commissioner. Such application shall state the minimum equity capital of the out-of-state trust company which shall be at least two million dollars. Such application shall be accompanied by evidence of compliance with the applicable requirements of the regulator in the state in which the out-of-state trust company is chartered for the establishment and maintenance of such office and the bond required under section 36a-434b. The out-of-state trust company shall pay to the commissioner, at the time of making such application, a nonrefundable fee of one thousand five hundred dollars. The commissioner shall approve or disapprove the application within thirty days after the application has been filed with the commissioner. The thirty-day period of review may be extended by the commissioner, in writing, on a determination that the application raises issues that require additional information or additional time for analysis.


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

This act shall take effect as follows and shall amend the following sections:
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### Statement of Legislative Commissioners:

In Section 82(b), "obtains and appropriate order of the Attorney General specifying the disposition of the property" was changed to "provides notice to the Attorney General and obtains an appropriate order of a court of competent jurisdiction specifying the disposition of the property" for accuracy.

**JUD** Joint Favorable Subst.