



General Assembly

**Substitute Bill No. 5259**

February Session, 2016

\* \_\_\_\_\_HB05259APP\_\_\_\_041916\_\_\_\_\_\*

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

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

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

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

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

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

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

15 (4) "Debtor in bankruptcy" means a person that is the subject of: (A)  
16 An order for relief under Title 11 of the United States Code or a

17 comparable order under a successor statute of general application; or  
18 (B) a comparable order under federal, state or foreign law governing  
19 insolvency.

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

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

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

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

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

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

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

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

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

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

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

73 (13) "Majority in interest of the members" means the members  
74 owning more than fifty per cent of the transferable interests of the  
75 limited liability company, excluding any transferable interests not  
76 owned by the members; except that if it is not possible to determine  
77 which members own more than fifty per cent of the transferable

78 interests based on the operating agreement of the limited liability  
79 company, then majority in interest of the members means the members  
80 who would receive more than fifty per cent of the distributions with  
81 respect to the dissolution of the limited liability company at the time of  
82 the vote if there would be such distributions, or if there would not be  
83 such distributions, the "majority in interest of the members" means the  
84 members who at the time of the vote contributed more than fifty per  
85 cent of the unreturned capital contributions made to the limited  
86 liability company since the date of formation of the limited liability  
87 company.

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

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

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

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

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

109 dissociated under section 54 of this act.

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

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

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

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

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

132 (24) "Professional service" means any type of service to the public  
133 that requires members of a profession rendering such service to obtain  
134 a license or other legal authorization as a condition precedent to the  
135 rendition thereof, limited to the professional services rendered by  
136 dentists, natureopaths, chiropractors, physicians and surgeons,  
137 physician assistants, doctors of dentistry, physical therapists,  
138 occupational therapists, podiatrists, optometrists, nurses, nurse-  
139 midwives, veterinarians, pharmacists, architects, professional

140 engineers, or jointly by architects and professional engineers,  
141 landscape architects, real estate brokers, insurance producers, certified  
142 public accountants and public accountants, land surveyors,  
143 psychologists, attorneys-at-law, licensed marital and family therapists,  
144 licensed professional counselors, licensed or certified alcohol and drug  
145 counselors and licensed clinical social workers.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

228 (c) An operating agreement may not: (1) Vary the law applicable  
229 under section 4 of this act; (2) vary a limited liability company's  
230 capacity under subsection (a) of section 9 of this act, to sue and be sued  
231 in its own name; (3) vary any requirement, procedure or other

232 provision of sections 1 to 102, inclusive, of this act pertaining to: (A)  
233 Registered agents; or (B) the Secretary of the State, including  
234 provisions pertaining to records authorized or required to be delivered  
235 to the Secretary of the State for filing under sections 1 to 102, inclusive,  
236 of this act; (4) vary the provisions of section 28 of this act; (5) alter or  
237 eliminate the duty of loyalty or the duty of care, except as provided in  
238 subsection (d) of this section; (6) eliminate the implied contractual  
239 obligation of good faith and fair dealing under subsection (d) of  
240 section 47 of this act, except that the operating agreement may  
241 prescribe the standards, if not manifestly unreasonable, by which the  
242 performance of the obligation is to be measured; (7) relieve or  
243 exonerate a person from liability for conduct involving bad faith,  
244 wilful or intentional misconduct, or knowing violation of law; (8)  
245 unreasonably restrict the duties and rights under section 48 of this act,  
246 except that the operating agreement may impose reasonable  
247 restrictions on the availability and use of information obtained under  
248 said section and may define appropriate remedies, including  
249 liquidated damages, for a breach of any reasonable restriction on use;  
250 (9) vary the causes of dissolution specified in subdivisions (4) and (5)  
251 of subsection (a) of section 56 of this act; (10) vary the requirement to  
252 wind up the company's activities and affairs as specified in subsections  
253 (a) and (e) of section 57 of this act and subdivision (1) of subsection (b)  
254 of section 57 of this act; (11) unreasonably restrict the right of a  
255 member to maintain an action under sections 64 to 69, inclusive, of this  
256 act; (12) vary the provisions of section 68 of this act, except that the  
257 operating agreement may provide that the company may not have a  
258 special litigation committee; (13) vary the required contents of a plan  
259 of merger under subsection (b) of section 88 of this act or, a plan of  
260 interest exchange under section 93 of this act; or (14) except as  
261 provided in section 6 of this act and subsection (b) of section 7 of this  
262 act, restrict the rights under sections 1 to 102, inclusive, of this act of a  
263 person other than a member or manager.

264 (d) Subject to subdivision (7) of subsection (c) of this section,  
265 without limiting other terms that may be included in an operating

266 agreement, the following rules apply: (1) The operating agreement  
267 may: (A) Specify the method by which a specific act or transaction that  
268 would otherwise violate the duty of loyalty may be authorized or  
269 ratified by one or more disinterested persons after full disclosure of all  
270 material facts; and (B) alter the prohibition on making a distribution  
271 under subdivision (2) of subsection (a) of section 43 of this act so that  
272 the prohibition requires only that the company's total assets not be less  
273 than the sum of its total liabilities. (2) To the extent the operating  
274 agreement of a member-managed limited liability company expressly  
275 relieves a member of a responsibility that the member otherwise  
276 would have under sections 1 to 102, inclusive, of this act and imposes  
277 the responsibility on one or more other members, the operating  
278 agreement also may eliminate or limit any fiduciary duty of the  
279 member relieved of the responsibility which would have pertained to  
280 the responsibility. (3) If not manifestly unreasonable, the operating  
281 agreement may: (A) Alter or eliminate the aspects of the duty of  
282 loyalty set forth in subsections (b) and (i) of section 47 of this act; (B)  
283 identify specific types or categories of activities that do not violate the  
284 duty of loyalty; (C) alter the duty of care, but may not authorize  
285 conduct involving bad faith, wilful or intentional misconduct, or  
286 knowing violation of law; and (D) alter or eliminate any other  
287 fiduciary duty.

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

298 Sec. 6. (NEW) (*Effective July 1, 2017*) (a) A limited liability company

299 is bound by and may enforce the operating agreement, whether or not  
300 the company has itself manifested assent to the operating agreement.

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

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

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

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

327 (c) If a record delivered by a limited liability company to the  
328 Secretary of the State for filing becomes effective and contains a  
329 provision that would be ineffective under subsection (c) of section 5 of

330 this act or subdivision (3) of subsection (d) of section 5 of this act if  
331 contained in the operating agreement, the provision is ineffective in  
332 the record.

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

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

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

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

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

349 (b) A limited liability company may be formed under sections 1 to  
350 102, inclusive, of this act for the transaction of any business or the  
351 promotion of any purpose which may be lawfully carried on by a  
352 limited liability company except that of a Connecticut bank as defined  
353 in section 36a-2 of the general statutes.

354 (c) Except as provided in this subsection, a limited liability company  
355 may be formed to render professional services, provided: (1) Each  
356 member of the limited liability company must be licensed or otherwise  
357 authorized by law in this state or any other jurisdiction to render such  
358 professional services; (2) the limited liability company will render only  
359 one specific type of professional services and services ancillary to such

360 professional services and may not engage in any business other than  
361 the rendering of professional services for which it was formed to  
362 render and services ancillary to such professional services; and (3) the  
363 limited liability company may render its professional services in this  
364 state only through its members, managers, employees and agents who  
365 are licensed or otherwise legally authorized to render such  
366 professional services within this state. A limited liability company that  
367 will render professional services by licensed or certified alcohol and  
368 drug counselors may only be formed pursuant to subdivision (2) of  
369 subsection (d) of this section.

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

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

393 may be abbreviated as "Co."

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

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

415 (h) Nothing in sections 1 to 102, inclusive, of this act shall be  
416 construed to authorize a limited liability company formed under said  
417 sections to transact any business except in compliance with any laws of  
418 this state regulating or otherwise applying to the same. The provisions  
419 of sections 1 to 102, inclusive, of this act shall govern all limited  
420 liability companies, except that where by law special provisions are  
421 made in the case of a designated class or classes of limited liability  
422 companies governing the limited liability company procedure thereof  
423 in any respect, limiting or extending the powers thereof, conditioning  
424 action upon the approval of any agency of the state or otherwise  
425 prescribing the conduct of such limited liability companies, such

426 procedure, power, action or conduct shall be governed by such special  
427 provisions whether or not such limited liability companies are formed  
428 under said sections.

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

433 Sec. 10. (NEW) (*Effective July 1, 2017*) (a) Except as provided in  
434 subsection (b) of this section, on and after July 1, 2017, sections 1 to  
435 102, inclusive, of this act govern all limited liability companies.

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

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

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

451 (b) Except as provided in subsection (d) of this section, the name of  
452 a limited liability company, and the name under which a foreign  
453 limited liability company may register to do business in this state, shall  
454 be distinguishable on the records of the Secretary of the State from any:  
455 (1) Name of an existing person whose formation required the filing of  
456 a record by the Secretary of the State and which is not at the time

457 administratively dissolved and which has not at the time filed a  
458 certificate of dissolution with the Secretary of the State; (2) name under  
459 which a person is registered to do business in this state by the filing of  
460 a record by the Secretary of the State; (3) name reserved under section  
461 13 of this act or other law of this state providing for the reservation of a  
462 name by the filing of a record by the Secretary of the State; and (4)  
463 name registered under section 14 of this act or other law of this state  
464 providing for the registration of a name by the filing of a record by the  
465 Secretary of the State.

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

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

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

486 (f) The name of a limited liability company or foreign limited  
487 liability company may not contain language stating or implying that  
488 the limited liability company or the foreign limited liability company is

489 organized for a purpose other than permitted by subsection (b) of  
490 section 9 of this act.

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

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

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

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

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

520 Secretary of the State shall register the name for the applicant's  
521 exclusive use.

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

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

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

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

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

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

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

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

545 (4) Limited liability company;

546 (5) Registered foreign limited liability company;

547 (6) Registered limited liability partnership organized under the laws  
548 of this state;

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

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

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

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

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

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

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

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

563 (5) A limited liability company;

564 (6) A registered foreign limited liability company;

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

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

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

571 (10) A statutory trust that is not organized under the laws of this

572 state and that has procured a certificate of registration to transact  
573 business or conduct its affairs in this state.

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

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

593 (f) The only duties under sections 1 to 102, inclusive, of this act of a  
594 registered agent that has complied with sections 1 to 102, inclusive, of  
595 this act are: (1) To forward to the limited liability company or  
596 registered foreign limited liability company at the address most  
597 recently supplied to the agent by the limited liability company or  
598 registered foreign limited liability company any process, notice or  
599 demand pertaining to the limited liability company or registered  
600 foreign limited liability company that is served on or received by the  
601 agent; (2) if the registered agent resigns, to provide the notice required  
602 by subsection (c) of section 17 of this act to the limited liability  
603 company or registered foreign limited liability company at the address  
604 most recently supplied to the agent by the limited liability company or

605 registered foreign limited liability company; and (3) if the registered  
606 agent changes its name or address, to provide the notice required by  
607 section 18 of this act.

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

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

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

631       Sec. 17. (NEW) (*Effective July 1, 2017*) (a) A registered agent may  
632 resign as an agent for a limited liability company or registered foreign  
633 limited liability company by delivering to the Secretary of the State for  
634 filing a certificate of resignation that states: (1) The name of the limited  
635 liability company or registered foreign limited liability company; (2)  
636 the name of the agent; (3) that the agent resigns from serving as

637 registered agent for the limited liability company or registered foreign  
638 limited liability company; and (4) the address of the limited liability  
639 company or registered foreign limited liability company to which the  
640 agent will send the notice required by subsection (c) of this section.

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

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

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

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

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

668 (b) A registered agent shall, not later than thirty days after such  
669 certificate of change is filed, furnish notice to the represented limited  
670 liability company or registered foreign limited liability company of the  
671 filing by the Secretary of the State of the certificate of change and the  
672 changes made by the certificate.

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

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

694 (c) If a limited liability company or registered foreign limited  
695 liability company ceases to have a registered agent, or if its registered  
696 agent cannot with reasonable diligence be served, the company or  
697 foreign company may be served by registered or certified mail, return  
698 receipt requested, or by similar commercial delivery service, addressed  
699 to the company or foreign company at its principal office. The address  
700 of the principal office shall be as shown on the company's or foreign

701 company's most recent annual report filed by the Secretary of the State.  
702 Service is effected under this subsection on the earliest of: (1) The date  
703 the company or foreign company receives the mail or delivery by the  
704 commercial delivery service; (2) the date shown on the return receipt,  
705 if signed by the company or foreign company; or (3) five days after its  
706 deposit with the United States Postal Service, or with the commercial  
707 delivery service, if correctly addressed and with sufficient postage or  
708 payment.

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

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

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

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

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

726 Sec. 21. (NEW) (*Effective July 1, 2017*) The Connecticut General  
727 Assembly has power to amend or repeal all or part of sections 1 to 102,  
728 inclusive, of this act at any time, and all limited liability companies and  
729 foreign limited liability companies subject to sections 1 to 102,  
730 inclusive, of this act are governed by such amendment or repeal.

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

734 (a) Fees for filing documents and issuing certificates: (1) Filing an  
735 application to reserve a limited liability company name or to cancel a  
736 reserved limited liability company name, sixty dollars; (2) filing a  
737 transfer of reserved limited liability company name, sixty dollars; (3)  
738 filing a certificate of organization, including appointment of registered  
739 agent, one hundred twenty dollars; (4) filing a change of address of  
740 agent certificate or change of agent certificate, fifty dollars; (5) filing a  
741 notice of resignation of registered agent, fifty dollars; (6) filing an  
742 amendment to certificate of organization, one hundred twenty dollars;  
743 (7) filing a restated certificate of organization, one hundred twenty  
744 dollars; (8) filing a certificate of merger, sixty dollars; (9) filing a  
745 certificate of interest exchange, sixty dollars; (10) filing a certificate of  
746 abandonment, fifty dollars; (11) filing a certificate of reinstatement, one  
747 hundred twenty dollars; (12) filing a foreign registration statement by  
748 a foreign limited liability company to transact business in this state,  
749 one hundred twenty dollars; (13) filing an application of foreign  
750 limited liability company for amended foreign registration statement,  
751 one hundred twenty dollars; (14) filing a statement of withdrawal of  
752 foreign limited liability company, one hundred twenty dollars; (15)  
753 filing an annual report, twenty dollars; (16) filing an interim notice of  
754 change of manager or member, twenty dollars; (17) filing a registration  
755 of name or a removal of registration of name, sixty dollars; (18) filing a  
756 statement of correction, one hundred dollars; and (19) filing a transfer  
757 of registration, sixty dollars plus the qualification fee.

758 (b) Miscellaneous charges: (1) At the time of any service of process  
759 on the Secretary of the State as registered agent of a limited liability  
760 company, which amount may be recovered as taxable costs by the  
761 party to the suit or action causing such service to be made if such party  
762 prevails in the suit or action, the plaintiff in the process so served shall  
763 pay fifty dollars; (2) for preparing and furnishing a copy of any

764 document, instrument or paper filed or recorded relating to a limited  
765 liability company: For each copy of each such document thereof  
766 regardless of the number of pages, forty dollars; for affixing his  
767 certification thereto, fifteen dollars; (3) for the issuance of a certification  
768 of legal existence of a domestic limited liability company, fifty dollars;  
769 (4) for the issuance of a certificate of legal existence which certificate  
770 may reflect any and all changes of limited liability company names  
771 and the dates of filing thereof, fifty dollars; (5) for the issuance of a  
772 certificate of legal existence reflecting articles effecting fundamental  
773 changes to certificate of organization and the date or dates of filing  
774 thereof, one hundred dollars; and (6) for other services for which fees  
775 are not provided by the general statutes, the Secretary of the State may  
776 charge such fees as will in the judgment of the Secretary of the State  
777 cover the cost of the services provided.

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

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

787 Sec. 24. (NEW) (*Effective July 1, 2017*) The repeal of sections 34-100 to  
788 34-113, inclusive, 34-119 to 34-124, inclusive, 34-130 to 34-134,  
789 inclusive, 34-140 to 34-144, inclusive, 34-150 to 34-152, inclusive, 34-158  
790 to 34-161, inclusive, 34-167 to 34-173, inclusive, 34-179, 34-180, 34-186,  
791 34-187, 34-193 to 34-198, inclusive, 34-206 to 34-215, inclusive, 34-222 to  
792 34-236, inclusive, 34-241 and 34-242 of the general statutes and section  
793 34-216 of the 2016 supplement to the general statutes by sections 110  
794 and 111 of this act do not affect: (1) The operation of the statute or any  
795 action taken under it before its repeal; (2) any ratification, right,  
796 remedy, privilege, obligation or liability acquired, accrued or incurred

797 under the statute before its repeal; (3) any violation of the statute, or  
798 any penalty, forfeiture or punishment incurred because of the  
799 violation, before its repeal; or (4) any proceeding, reorganization or  
800 dissolution commenced under the statute before its repeal, and the  
801 proceeding, reorganization or dissolution may be completed in  
802 accordance with the statute as if it had not been repealed.

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

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

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

828       (d) A limited liability company is formed on the date and at the time

829 of its filing by the Secretary of the State, as provided in section 30 of  
830 this act.

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

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

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

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

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

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

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

857       (3) A record delivered on behalf of a dissolved company that has no

858 member shall be signed by the person winding up the company's  
859 activities and affairs under subsection (c) of section 57 of this act or a  
860 person appointed under subsection (d) of section 57 of this act to wind  
861 up the activities and affairs.

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

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

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

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

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

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

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

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

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

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

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

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

918 (c) An individual who signs a record authorized or required to be

919 filed under sections 1 to 102, inclusive, of this act affirms under penalty  
920 of false statement that the information set forth in the record is  
921 accurate.

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

927 (1) The filing of the record shall be required or permitted by sections  
928 1 to 102, inclusive, of this act.

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

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

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

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

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

947 (c) The Secretary of the State may require that a record delivered in

948 written form be accompanied by an identical or conformed copy.

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

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

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

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

963       (4) If a delayed effective date is specified, but no time is specified, at  
964 12:01 a.m. on the date specified, which may not be more than ninety  
965 days after the date of filing.

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

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

976       (c) On filing by the Secretary of the State of a statement of

977 withdrawal, the action or transaction evidenced by the original record  
978 shall not take effect.

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

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

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

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

999       Sec. 34. (NEW) (*Effective July 1, 2017*) (a) The Secretary of the State  
1000 shall file a record delivered to the Secretary of the State for filing which  
1001 satisfies sections 1 to 102, inclusive, of this act. The duty of the  
1002 Secretary of the State under this section is ministerial.

1003       (b) When the Secretary of the State files a record, the Secretary of the  
1004 State shall record it as filed on the date and at the time of its delivery.  
1005 After filing a record, the Secretary of the State shall deliver to the  
1006 person that submitted the record an acknowledgment of the date and  
1007 time of filing.

1008 (c) If the Secretary of the State refuses to file a record, the Secretary  
1009 of the State shall, not later than fifteen business days after the record is  
1010 delivered: (1) Return the record or notify the person that submitted the  
1011 record of the refusal; and (2) provide a brief explanation of the reason  
1012 for the refusal.

1013 (d) If the Secretary of the State refuses to file a record, the person  
1014 that submitted the record may petition the Superior Court to compel  
1015 filing of the record. The record and the explanation of the Secretary of  
1016 the State of the refusal to file must be attached to the petition. The  
1017 Superior Court may decide the matter in a summary proceeding.

1018 (e) The filing of or refusal to file a record does not create a  
1019 presumption that the information contained in the record is correct or  
1020 incorrect.

1021 (f) Except as provided by section 19 of this act or by law other than  
1022 sections 1 to 102, inclusive, of this act, the Secretary of the State may  
1023 deliver any record to a person by delivering it: (1) In person to the  
1024 person that submitted it; (2) to the principal office of the person; or (3)  
1025 to another address, including an electronic mail address, the person  
1026 provides to the Secretary of the State for delivery.

1027 Sec. 35. (NEW) (*Effective July 1, 2017*) (a) On request of any person,  
1028 the Secretary of the State shall issue a certificate of good standing for a  
1029 limited liability company or a certificate of registration for a registered  
1030 foreign limited liability company.

1031 (b) A certificate issued under subsection (a) of this section must  
1032 state:

1033 (1) The limited liability company's name or the registered foreign  
1034 limited liability company's name used in this state;

1035 (2) In the case of a limited liability company, that: (A) No statement  
1036 of dissolution, statement of administrative dissolution or statement of  
1037 termination has been filed; (B) the records of the Secretary of the State

1038 do not otherwise reflect that the company has been dissolved or  
1039 terminated; (C) the limited liability company has filed all annual  
1040 reports due through the date of the certificate in compliance with  
1041 section 36 of this act; and (D) a proceeding is not pending under  
1042 section 63 of this act; and

1043 (3) In the case of a registered foreign limited liability company, that:  
1044 (A) It is registered to do business in this state; and (B) the registered  
1045 foreign limited liability company has filed all annual reports due  
1046 through the date of the certificate in compliance with section 36 of this  
1047 act.

1048 (c) A certificate issued by the Secretary of the State under subsection  
1049 (a) of this section may be relied upon as conclusive evidence of the  
1050 facts set forth in the certificate.

1051 Sec. 36. (NEW) (*Effective July 1, 2017*) (a) A limited liability company  
1052 or a registered foreign limited liability company shall deliver to the  
1053 Secretary of the State by electronic transmission an annual report that  
1054 states:

1055 (1) The name of the company;

1056 (2) The street address and mailing address of its principal office;

1057 (3) The name, business address and residence address of at least one  
1058 member or manager, except that, if good cause is shown, the Secretary  
1059 of the State may accept a business address in lieu of business and  
1060 residence addresses of such manager or member. For purposes of this  
1061 section, a showing of good cause shall include, but not be limited to, a  
1062 showing that public disclosure of the residence address of the manager  
1063 or member of the limited liability company may expose the personal  
1064 security of such manager or member to significant risk;

1065 (4) An electronic mail address where the Secretary of the State can  
1066 communicate with the company or its filing agent, if the company or  
1067 its filing agent maintains an electronic mail address; and

1068 (5) In the case of a foreign limited liability company, its governing  
1069 jurisdiction and any alternate name adopted under subsection (a) of  
1070 section 75 of this act.

1071 (b) Information in the annual report must be current as of the date  
1072 the report is signed by the limited liability company or registered  
1073 foreign limited liability company.

1074 (c) The first annual report must be filed with the Secretary of the  
1075 State after January first and before April first of the year following the  
1076 calendar year in which the limited liability company was formed or the  
1077 registered foreign limited liability company registered to do business  
1078 in this state. Subsequent annual reports must be filed with the  
1079 Secretary of the State after January first and before April first of each  
1080 calendar year thereafter.

1081 (d) If an annual report does not contain the information required by  
1082 this section, the Secretary of the State promptly shall notify the  
1083 reporting limited liability company or registered foreign limited  
1084 liability company and return the report for correction.

1085 (e) Upon the request of a limited liability company or a registered  
1086 foreign limited liability company, the Secretary of the State may grant  
1087 an exemption from the requirement to file an annual report by  
1088 electronic transmission if the limited liability company or the  
1089 registered foreign limited liability company does not have the  
1090 capability to file by electronic transmission or make payment in an  
1091 authorized manner by electronic means or if other good cause is  
1092 shown. For purposes of this section, electronic transmission shall be  
1093 limited to online filing utilizing the Internet or any newer mode of  
1094 computer-aided, automated filing designated by the Secretary of the  
1095 State for annual report filing.

1096 (f) If the manager or member named in a limited liability company's  
1097 or a registered foreign limited liability company's most current annual  
1098 report pursuant to subsection (c) of this section is replaced for such

1099 purpose by another manager or member after the limited liability  
1100 company has filed such annual report, but not later than thirty days  
1101 preceding the month during which the limited liability company's next  
1102 annual report becomes due, the limited liability company shall file  
1103 with the Secretary of the State an interim notice of change of manager  
1104 or member that sets forth: (1) The name of the limited liability  
1105 company; and (2) the name, title, business address and residence  
1106 address of the new manager or member and the name and title of the  
1107 former manager or member, except that if good cause is shown, the  
1108 Secretary of the State may accept a business address in lieu of the  
1109 business and residence addresses of the new manager or member. Any  
1110 such change of manager or member that occurs within the thirty-day  
1111 period preceding the month during which the limited liability  
1112 company's next annual report becomes due shall be reflected in such  
1113 next annual report.

1114 Sec. 37. (NEW) (*Effective July 1, 2017*) (a) A member is not an agent of  
1115 a limited liability company solely by reason of being a member.

1116 (b) A person's status as a member does not prevent or restrict law  
1117 other than sections 1 to 102, inclusive, of this act from imposing  
1118 liability on a limited liability company because of the person's conduct.

1119 Sec. 38. (NEW) (*Effective July 1, 2017*) (a) A debt, obligation or other  
1120 liability of a limited liability company is solely the debt, obligation or  
1121 other liability of the company. A member or manager is not personally  
1122 liable, directly or indirectly, by way of contribution or otherwise, for a  
1123 debt, obligation or other liability of the company solely by reason of  
1124 being or acting as a member or manager. This subsection applies  
1125 regardless of the dissolution of the company.

1126 (b) The failure of a limited liability company to observe formalities  
1127 relating to the exercise of its powers or management of its activities  
1128 and affairs is not a ground for imposing liability on a member or  
1129 manager of the company for a debt, obligation or other liability of the  
1130 company.

1131 (c) Nothing contained in sections 1 to 102, inclusive, of this act shall  
1132 be interpreted to abolish, repeal, modify, restrict or limit the law in  
1133 effect on July 1, 2017, in this state applicable to the professional  
1134 relationship and liabilities between the person furnishing the  
1135 professional services and the person receiving such professional  
1136 service and to the standards for professional conduct, provided (1) any  
1137 member, manager, agent or employee of a limited liability company  
1138 rendering professional services formed under sections 1 to 102,  
1139 inclusive, of this act shall be personally liable and accountable only for  
1140 negligent or wrongful acts or misconduct committed by such person,  
1141 or by any person under such person's direct supervision and control,  
1142 while rendering professional services on behalf of the limited liability  
1143 company to the person for whom such professional services were  
1144 being rendered; and (2) the personal liability of members of a limited  
1145 liability company rendering professional services formed under  
1146 sections 1 to 102, inclusive, of this act in their capacity as members of  
1147 such limited liability company, shall be not greater in any aspect than  
1148 that of a shareholder who is an employee of a corporation formed  
1149 under chapter 601 of the general statutes. A limited liability company  
1150 rendering professional services shall be liable for up to the full value of  
1151 its property for any negligent or wrongful acts or misconduct  
1152 committed by any of its members, managers, agents or employees  
1153 while they are engaged on behalf of the limited liability company in  
1154 the rendering of professional services.

1155 Sec. 39. (NEW) (*Effective July 1, 2017*) (a) If a limited liability  
1156 company is to have only one member upon formation, the person  
1157 becomes a member as agreed by that person and the organizer of the  
1158 company. That person and the organizer may be, but need not be,  
1159 different persons. If different, the organizer acts on behalf of the initial  
1160 member.

1161 (b) If a limited liability company is to have more than one member  
1162 upon formation, those persons become members as agreed by the  
1163 persons before the formation of the company. The organizer acts on

1164 behalf of the persons in forming the company and may be, but need  
1165 not be, one of the persons.

1166 (c) After formation of a limited liability company, a person becomes  
1167 a member: (1) As provided in the operating agreement; (2) as the result  
1168 of a transaction effective under the Connecticut Entity Transactions  
1169 Act; (3) with the affirmative vote or consent of all of the members; or  
1170 (4) as provided in subdivision (3) of subsection (a) of section 56 of this  
1171 act.

1172 (d) A person may become a member without: (1) Acquiring a  
1173 transferable interest; or (2) making or being obligated to make a  
1174 contribution to the limited liability company.

1175 Sec. 40. (NEW) (*Effective July 1, 2017*) A contribution may consist of  
1176 property transferred to, services performed for, or another benefit  
1177 provided to the limited liability company or an agreement to transfer  
1178 property to, perform services for, or provide another benefit to the  
1179 company.

1180 Sec. 41. (NEW) (*Effective July 1, 2017*) (a) A person's obligation to  
1181 make a contribution to a limited liability company is not excused by  
1182 the person's death, disability or other inability to perform personally.

1183 (b) If a person does not fulfill an obligation to make a contribution  
1184 other than money, the person is obligated at the option of the limited  
1185 liability company to contribute money equal to the value of the part of  
1186 the contribution which has not been made.

1187 (c) The obligation of a person to make a contribution may be  
1188 compromised only by the affirmative vote or consent of all members. If  
1189 a creditor of a limited liability company extends credit or otherwise  
1190 acts in reliance on an obligation described in subsection (a) of this  
1191 section without notice of a compromise under this subsection, the  
1192 creditor may enforce the obligation.

1193 Sec. 42. (NEW) (*Effective July 1, 2017*) (a) Any distributions made by

1194 a limited liability company before its dissolution and the winding up  
1195 of its activities and affairs must be made among members and persons  
1196 dissociated as members in that proportion which reflects contributions  
1197 received by the limited liability company and not returned, except to  
1198 the extent necessary to comply with a transfer effective under section  
1199 50 of this act or charging order in effect under section 51 of this act.

1200 (b) A person has a right to a distribution before the dissolution and  
1201 winding up of a limited liability company only if the company decides  
1202 to make an interim distribution. A person's dissociation does not  
1203 entitle the person to a distribution.

1204 (c) A person does not have a right to demand or receive a  
1205 distribution from a limited liability company in any form other than  
1206 money. Except as provided in subsection (d) of section 62 of this act, a  
1207 limited liability company may distribute an asset in kind only if each  
1208 part of the asset is fungible with each other part and each person  
1209 receives a percentage of the asset equal in value to the person's share of  
1210 distributions.

1211 (d) If a member or transferee becomes entitled to receive a  
1212 distribution, the member or transferee has the status of, and is entitled  
1213 to all remedies available to, a creditor of the limited liability company  
1214 with respect to the distribution. However, the company's obligation to  
1215 make a distribution is subject to offset for any amount owed to the  
1216 company by the member or a person dissociated as a member on  
1217 whose account the distribution is made.

1218 Sec. 43. (NEW) (*Effective July 1, 2017*) (a) A limited liability company  
1219 may not make a distribution, if after the distribution: (1) The company  
1220 would not be able to pay its debts as they become due in the ordinary  
1221 course of the company's activities and affairs; or (2) the company's  
1222 total assets would be less than the sum of its total liabilities plus the  
1223 amount that would be needed, if the company were to be dissolved  
1224 and wound up at the time of the distribution, to satisfy the preferential  
1225 rights upon dissolution and winding up of members and transferees

1226 whose preferential rights are superior to those of persons receiving the  
1227 distribution.

1228 (b) A limited liability company may base a determination that a  
1229 distribution is not prohibited under subsection (a) of this section on: (1)  
1230 Financial statements prepared on the basis of accounting practices and  
1231 principles that are reasonable under the circumstances; or (2) a fair  
1232 valuation or other method that is reasonable under the circumstances.

1233 (c) Except as provided in subsection (e) of this section, the effect of a  
1234 distribution under subsection (a) of this section is measured: (1) In the  
1235 case of a distribution as described in subparagraph (A) of subdivision  
1236 (8) of section 2 of this act, the date money or other property is  
1237 transferred or debt is incurred by the company; or (2) in all other cases,  
1238 as of the date: (A) The distribution is authorized, if the payment occurs  
1239 not later than one hundred twenty days after that date; or (B) the  
1240 payment is made, if the payment occurs more than one hundred days  
1241 after the distribution is authorized.

1242 (d) A limited liability company's indebtedness to a member or  
1243 transferee incurred by reason of a distribution made in accordance  
1244 with this section is at parity with the company's indebtedness to its  
1245 general, unsecured creditors.

1246 (e) A limited liability company's indebtedness, including  
1247 indebtedness issued as a distribution, is not a liability for purposes of  
1248 subsection (a) of this section if the terms of the indebtedness provide  
1249 that payment of principal and interest is made only if and to the extent  
1250 that payment of a distribution could then be made under this section.  
1251 If the indebtedness is issued as a distribution, each payment of  
1252 principal or interest is treated as a distribution, the effect of which is  
1253 measured on the date the payment is made.

1254 (f) In measuring the effect of a distribution under section 62 of this  
1255 act, the liabilities of a dissolved limited liability company do not  
1256 include any claim that has been disposed of under section 59, 60 or 61

1257 of this act.

1258 Sec. 44. (NEW) (*Effective July 1, 2017*) (a) Except as provided in  
1259 subsection (b) of this section, if a member of a member-managed  
1260 limited liability company or manager of a manager-managed limited  
1261 liability company consents to a distribution made in violation of  
1262 section 43 of this act and in consenting to the distribution fails to  
1263 comply with section 47 of this act, the member or manager is  
1264 personally liable to the company for the amount of the distribution  
1265 which exceeds the amount that could have been distributed without  
1266 the violation of section 43 of this act.

1267 (b) To the extent the operating agreement of a member-managed  
1268 limited liability company expressly relieves a member of the authority  
1269 and responsibility to consent to distributions and imposes that  
1270 authority and responsibility on one or more other members, the  
1271 liability set forth in subsection (a) of this section applies to the other  
1272 members and not the member that the operating agreement relieves of  
1273 authority and responsibility.

1274 (c) A person that receives a distribution knowing that the  
1275 distribution violated section 43 of this act is personally liable to the  
1276 limited liability company but only to the extent that the distribution  
1277 received by the person exceeded the amount that could have been  
1278 properly paid under section 43 of this act.

1279 (d) A person against which an action is commenced because the  
1280 person is liable under subsection (a) of this section may implead: (1)  
1281 Any other person that is liable under subsection (a) of this section and  
1282 seek to enforce a right of contribution from the person; and (2) any  
1283 person that received a distribution in violation of subsection (c) of this  
1284 section and seek to enforce a right of contribution from the person in  
1285 the amount the person received in violation of subsection (c) of this  
1286 section.

1287 (e) An action under this section is barred unless commenced not

1288 later than two years after the distribution.

1289 Sec. 45. (NEW) (*Effective July 1, 2017*) (a) A limited liability company  
1290 is a member-managed limited liability company unless the operating  
1291 agreement:

1292 (1) Expressly provides that: (A) The company is or will be  
1293 "manager-managed"; (B) the company is or will be "managed by  
1294 managers"; or (C) management of the company is or will be "vested in  
1295 managers"; or

1296 (2) Includes words of similar import.

1297 (b) In a member-managed limited liability company, the following  
1298 rules apply:

1299 (1) Except as expressly provided in sections 1 to 102, inclusive, of  
1300 this act, the management and conduct of the company are vested in the  
1301 members.

1302 (2) Matters in the ordinary course of the activities of the company  
1303 shall be decided by the affirmative vote or consent of a majority in  
1304 interest of the members.

1305 (3) The affirmative vote or consent of two-thirds in interest of the  
1306 members is required to: (A) Undertake an act outside the ordinary  
1307 course of the company's activities and affairs; or (B) approve a  
1308 transaction under the Connecticut Entity Transactions Act.

1309 (4) The affirmative vote or consent of all of the members is required  
1310 to amend the operating agreement or to amend the certificate of  
1311 organization.

1312 (c) In a manager-managed limited liability company, the following  
1313 rules apply:

1314 (1) Except as expressly provided in sections 1 to 102, inclusive, of  
1315 this act, any matter relating to the activities and affairs of the company

1316 is decided exclusively by the manager, or, if there is more than one  
1317 manager, by a majority of the managers.

1318 (2) Each manager has equal rights in the management and conduct  
1319 of the company's activities and affairs.

1320 (3) The affirmative vote or consent of two-thirds in interest of the  
1321 members is required to: (A) Undertake an act outside the ordinary  
1322 course of the company's activities and affairs; or (B) approve a  
1323 transaction under the Connecticut Entity Transactions Act.

1324 (4) The affirmative vote or consent of all of the members is required  
1325 to amend the operating agreement or to amend the certificate of  
1326 organization.

1327 (5) A manager may be chosen at any time by the affirmative vote or  
1328 consent of a majority in interest of the members and remains a  
1329 manager until a successor has been chosen, unless the manager at an  
1330 earlier time resigns, is removed, or dies or, in the case of a manager  
1331 that is not an individual, terminates. A manager may be removed at  
1332 any time by the consent of a majority in interest of the members  
1333 without notice or cause.

1334 (6) A person need not be a member to be a manager, but the  
1335 dissociation of a member that is also a manager removes the person as  
1336 a manager. If a person that is both a manager and a member ceases to  
1337 be a manager, that cessation does not by itself dissociate the person as  
1338 a member.

1339 (7) A person's ceasing to be a manager does not discharge any debt,  
1340 obligation or other liability to the limited liability company or  
1341 members which the person incurred while a manager.

1342 (d) An action requiring the vote or consent of members under  
1343 sections 1 to 102, inclusive, of this act may be taken without a meeting,  
1344 and a member may appoint a proxy or other agent to vote, consent or  
1345 otherwise act for the member by signing an appointing record,

1346 personally or by the member's agent.

1347 (e) The dissolution of a limited liability company does not affect the  
1348 applicability of this section. However, a person that wrongfully causes  
1349 dissolution of the company loses the right to participate in  
1350 management as a member and a manager.

1351 (f) A limited liability company shall reimburse a member for an  
1352 advance to the company beyond the amount of capital the member  
1353 agreed to contribute.

1354 (g) A payment or advance made by a member that gives rise to an  
1355 obligation of the limited liability company under subsection (f) of this  
1356 section or subsection (a) of section 46 of this act constitutes a loan to  
1357 the company.

1358 (h) A member is not entitled to remuneration for services performed  
1359 for a member-managed limited liability company, except for  
1360 reasonable compensation for services rendered in winding up the  
1361 activities of the company.

1362 Sec. 46. (NEW) (*Effective July 1, 2017*) (a) A limited liability company  
1363 shall reimburse a member of a member-managed company or the  
1364 manager of a manager-managed company for any payment made by  
1365 the member or in the course of the member's or manager's activities on  
1366 behalf of the company, if the member or manager complied with  
1367 sections 45 and 47 of this act in making the payment.

1368 (b) In the ordinary course of its duties and affairs, a limited liability  
1369 company may indemnify and hold harmless a person with respect to  
1370 any claim or demand against the person and any debt, obligation or  
1371 other liability incurred by the person by reason of the person's former  
1372 or present capacity as a member, manager or officer if the claim,  
1373 demand, debt, obligation or other liability does not arise from the  
1374 person's breach of section 43, 45 or 47 of this act.

1375 (c) A limited liability company shall indemnify and hold harmless a

1376 person who was wholly successful, on the merits or otherwise, in the  
1377 defense of any proceeding with respect to any claim or demand  
1378 against the person by reason of the person's former or present capacity  
1379 as a member, manager or officer of the company from and against  
1380 reasonable expenses, including attorney's fees and costs incurred by  
1381 the person in connection with such claim or demand. As used in this  
1382 subsection, "proceeding" means any threatened, pending or completed  
1383 action, arbitration, investigation, suit or proceeding, whether civil,  
1384 criminal or administrative and whether formal or informal.

1385 (d) In the ordinary course of its activities and affairs, a limited  
1386 liability company may advance reasonable expenses, including  
1387 attorney's fees and costs, incurred by a person in connection with a  
1388 claim or demand against the person by reason of the person's former  
1389 or present capacity as a member, manager or officer of the company if  
1390 the person promises to repay the company if the person ultimately is  
1391 determined not to be entitled to be indemnified under subsection (b) of  
1392 this section.

1393 (e) A limited liability company may purchase and maintain  
1394 insurance on behalf of a member, manager or officer of the company  
1395 against liability asserted against or incurred by the member, manager  
1396 or officer in that capacity or arising from that status even if, under  
1397 subdivision (7) of subsection (c) of section 5 of this act, the operating  
1398 agreement could not eliminate or limit the person's liability to the  
1399 company for the conduct giving rise to the liability.

1400 Sec. 47. (NEW) (*Effective July 1, 2017*) (a) A member of a member-  
1401 managed limited liability company owes to the company and, subject  
1402 to subsection (b) of section 64 of this act, the other members the duties  
1403 of loyalty and care set forth in subsections (b) and (c) of this section.

1404 (b) The fiduciary duty of loyalty of a member in a member-managed  
1405 limited liability company includes the duties:

1406 (1) To account to the company and to hold as trustee for it any

1407 property, profit or benefit derived by the member: (A) In the conduct  
1408 or winding up of the company's activities and affairs; (B) from a use by  
1409 the member of the company's property; or (C) from the appropriation  
1410 of a company opportunity;

1411 (2) To refrain from dealing with the company in the conduct or  
1412 winding up of the company's activities and affairs as or on behalf of a  
1413 person having an interest adverse to the company; and

1414 (3) To refrain from competing with the company in the conduct of  
1415 the company's activities and affairs before the dissolution of the  
1416 company.

1417 (c) (1) A member of a member-managed limited liability company  
1418 shall discharge the duties of such member as a member, including  
1419 duties as a member of a committee of the members of the limited  
1420 liability company: (A) In good faith; (B) with the care an ordinarily  
1421 prudent person in a like position would exercise under similar  
1422 circumstances; and (C) in a manner the member reasonably believes to  
1423 be in the best interests of the limited liability company.

1424 (2) In discharging such duties, the member is entitled to rely on  
1425 information, opinions, reports or statements, including financial  
1426 statements and other financial data, if prepared or presented by: (A)  
1427 One or more officers or employees of the limited liability company  
1428 whom the member reasonably believes to be reliable and competent in  
1429 the matters presented; (B) legal counsel, public accountants or other  
1430 persons as to matters the member reasonably believes are within the  
1431 person's professional or expert competence; or (C) a committee of  
1432 members of the limited liability company of which the member is not a  
1433 member if the member reasonably believes the committee merits  
1434 confidence.

1435 (3) In discharging such duties under subsection (a) of this section  
1436 and the operating agreement, a member or manager shall not be liable  
1437 to the limited liability company or to any other member for actions or

1438 failure to act pursuant to the provisions of the operating agreement,  
1439 except that a member is not acting in good faith if the member has  
1440 knowledge concerning the matter in question that makes reliance  
1441 otherwise permitted by this subsection unwarranted.

1442 (d) A member shall discharge the duties and obligations under  
1443 sections 1 to 102, inclusive, of this act or under the operating  
1444 agreement and exercise any rights consistently with the implied  
1445 contractual obligation of good faith and fair dealing.

1446 (e) A member, other than in the capacity of a manager, does not  
1447 violate a duty or obligation under sections 1 to 102, inclusive, of this  
1448 act or under the operating agreement solely because the member's  
1449 conduct furthers the member's own interest.

1450 (f) A majority in interest of disinterested members of a member-  
1451 managed limited liability company or a manager-managed limited  
1452 liability company may authorize or ratify, after full disclosure of all  
1453 material facts, a specific act or transaction that otherwise would violate  
1454 the duty of loyalty.

1455 (g) It is a defense to a claim under subdivision (2) of subsection (b)  
1456 of this section and any comparable claim in equity or at common law  
1457 that the transaction was fair to the limited liability company.

1458 (h) If, as permitted by subsection (f) of this section, subdivision (5)  
1459 of subsection (i) of this section or the operating agreement, a member  
1460 enters into a transaction with the limited liability company which  
1461 otherwise would be prohibited by subdivision (2) of subsection (b) of  
1462 this section, the member's rights and obligations arising from the  
1463 transaction are the same as those of a person that is not a member.

1464 (i) In a manager-managed limited liability company, the following  
1465 rules apply:

1466 (1) Subsections (a), (b), (c) and (g) of this section apply to the  
1467 manager or managers and not the members.

1468 (2) Subsection (d) of this section applies to managers and members.

1469 (3) Subsection (e) of this section applies only to members.

1470 (4) The power to ratify under subsection (f) of this section applies  
1471 only to the members.

1472 (5) Subject to subsection (d) of this section, a member does not have  
1473 any duty to the company or to any other member solely by reason of  
1474 being a member.

1475 Sec. 48. (NEW) (*Effective July 1, 2017*) (a) In a member-managed  
1476 limited liability company, the following rules apply:

1477 (1) On reasonable notice, a member may inspect and copy during  
1478 regular business hours, at a reasonable location specified by the  
1479 company, any record maintained by the company regarding the  
1480 company's activities, affairs, financial condition and other  
1481 circumstances to the extent the information is material to the member's  
1482 rights and duties under the operating agreement or sections 1 to 102,  
1483 inclusive, of this act.

1484 (2) The company shall furnish to each member: (A) Without  
1485 demand, any information concerning the company's activities, affairs,  
1486 financial condition, and other circumstances which the company  
1487 knows and is material to the proper exercise of the member's rights  
1488 and duties under the operating agreement or sections 1 to 102,  
1489 inclusive, of this act, except to the extent the company can establish  
1490 that it reasonably believes the member already knows the information;  
1491 and (B) on demand, any other information concerning the company's  
1492 activities, affairs, financial condition and other circumstances, except to  
1493 the extent the demand or information demanded is unreasonable or  
1494 otherwise improper under the circumstances.

1495 (3) The duty to furnish information under subdivision (2) of this  
1496 subsection also applies to each member to the extent the member  
1497 knows any of the information described in said subdivision.

1498 (b) In a manager-managed limited liability company, the following  
1499 rules apply:

1500 (1) The informational rights set forth in subsection (a) of this section  
1501 and the duty set forth in subdivision (3) of subsection (a) of this section  
1502 apply to the managers and not the members.

1503 (2) During regular business hours and at a reasonable location  
1504 specified by the company, a member may inspect and copy full  
1505 information regarding the activities, affairs, financial condition and  
1506 other circumstances of the company as is just and reasonable if: (A)  
1507 The member seeks the information for a purpose reasonably related to  
1508 the member's interest as a member; (B) the member makes a demand  
1509 in a record received by the company, describing with reasonable  
1510 particularity the information sought and the purpose for seeking the  
1511 information; and (C) the information sought is directly connected to  
1512 the member's purpose.

1513 (3) Not later than ten days after receiving a demand pursuant to  
1514 subparagraph (B) of subdivision (2) of this subsection, the company  
1515 shall in a record inform the member that made the demand of: (A) The  
1516 information that the company will provide in response to the demand  
1517 and when and where the company will provide the information; and  
1518 (B) the company's reasons for declining, if the company declines to  
1519 provide any demanded information.

1520 (4) Whenever sections 1 to 102, inclusive, of this act or an operating  
1521 agreement provide for a member to give or withhold consent to a  
1522 matter, before the consent is given or withheld, the company shall,  
1523 without demand, provide the member with all information that is  
1524 known to the company and is material to the member's decision.

1525 (c) Subject to subsection (i) of this section, on not less than ten days'  
1526 demand made in a record received by a limited liability company, a  
1527 person dissociated as a member may have access to information to  
1528 which the person was entitled while a member if:

1529 (1) The information pertains to the period during which the person  
1530 was a member;

1531 (2) The person seeks the information in good faith; and

1532 (3) The person satisfies the requirements imposed on a member by  
1533 subdivision (2) of subsection (b) of this section.

1534 (d) A limited liability company shall respond to a demand made  
1535 pursuant to subsection (c) of this section in the manner provided in  
1536 subdivision (3) of subsection (b) of this section.

1537 (e) A limited liability company may charge a person that makes a  
1538 demand under this section the reasonable costs of copying, limited to  
1539 the costs of labor and material.

1540 (f) A member or person dissociated as a member may exercise rights  
1541 under this section through an agent or, in the case of an individual  
1542 under legal disability, a legal representative. Any restriction or  
1543 condition imposed by the operating agreement or under subsection (i)  
1544 of this section applies both to the agent or legal representative and the  
1545 member or person dissociated as a member.

1546 (g) Subject to subsection (i) of this section, the rights under this  
1547 section do not extend to a person as a transferee.

1548 (h) If a member dies, the provisions of section 52 of this act shall  
1549 apply.

1550 (i) In addition to any restriction or condition set forth in the  
1551 operating agreement, a limited liability company, as a matter within  
1552 the ordinary course of its activities and affairs, may impose reasonable  
1553 restrictions and conditions on access to and use of information to be  
1554 furnished under this section, including designating information  
1555 confidential and imposing nondisclosure and safeguarding obligations  
1556 on the recipient. In a dispute concerning the reasonableness of a  
1557 restriction under this subsection, the company has the burden of

1558 proving reasonableness.

1559 Sec. 49. (NEW) (*Effective July 1, 2017*) A transferable interest is  
1560 personal property.

1561 Sec. 50. (NEW) (*Effective July 1, 2017*) (a) Subject to subsection (f) of  
1562 section 51 of this act, a transfer, in whole or in part, of a transferable  
1563 interest: (1) Is permissible; (2) does not by itself cause a member's  
1564 dissociation or a dissolution and winding up of the limited liability  
1565 company's activities and affairs; and (3) subject to section 52 of this act,  
1566 does not entitle the transferee to: (A) Participate in the management or  
1567 conduct of the company's activities and affairs; or (B) except as  
1568 provided in subsection (c) of this section, have access to records or  
1569 other information concerning the company's activities and affairs.

1570 (b) A transferee has the right to receive, in accordance with the  
1571 transfer, distributions to which the transferor would otherwise be  
1572 entitled.

1573 (c) In a dissolution and winding up of the activities and affairs of a  
1574 limited liability company, a transferee is entitled to an account of the  
1575 company's transactions only from the date of dissolution.

1576 (d) A transferable interest may be evidenced by a certificate of the  
1577 interest issued by the limited liability company in a record, and,  
1578 subject to this section, the interest represented by the certificate may be  
1579 transferred by a transfer of the certificate.

1580 (e) A limited liability company need not give effect to a transferee's  
1581 rights under this section until the company knows or has notice of the  
1582 transfer.

1583 (f) A transfer of a transferable interest in violation of a restriction on  
1584 transfer contained in the operating agreement is ineffective as to a  
1585 person having knowledge or notice of the restriction at the time of  
1586 transfer.

1587 (g) Except as provided in subparagraph (B) of subdivision (4) of  
1588 section 54 of this act, if a member transfers a transferable interest, the  
1589 transferor retains the rights of a member other than the transferable  
1590 interest transferred and retains all the duties and obligations of a  
1591 member.

1592 (h) If a member transfers a transferable interest to a person that  
1593 becomes a member with respect to the transferred interest, the  
1594 transferee is liable for the member's obligations under section 41 of this  
1595 act and subsection (c) of section 44 of this act known to the transferee  
1596 when the transferee becomes a member.

1597 Sec. 51. (NEW) (*Effective July 1, 2017*) (a) On application by a  
1598 judgment creditor of a member or transferee, a court may enter a  
1599 charging order against the transferable interest of the judgment debtor  
1600 for the unsatisfied amount of the judgment. Subject to subsection (e) of  
1601 this section, a charging order constitutes a lien on a judgment debtor's  
1602 transferable interest and requires the limited liability company to pay  
1603 over to the person to which the charging order was issued any  
1604 distribution that otherwise would be paid to the judgment debtor. To  
1605 the extent that the transferable interest of the judgment debtor is so  
1606 charged, the judgment creditor has only the right to receive any  
1607 distribution or distributions to which the judgment debtor would  
1608 otherwise have been entitled in respect of such transferable interest.

1609 (b) To the extent necessary to effectuate the collection of  
1610 distributions pursuant to a charging order in effect under subsection  
1611 (a) of this section, the court may: (1) Appoint a receiver of the  
1612 distributions subject to the charging order, with the power to make all  
1613 inquiries the judgment debtor might have made; and (2) make all other  
1614 orders necessary to give effect to the charging order.

1615 (c) The member or transferee whose transferable interest is subject  
1616 to a charging order under subsection (a) of this section may extinguish  
1617 the charging order by satisfying the judgment and filing a certified  
1618 copy of the satisfaction with the court that issued the charging order.

1619 (d) A limited liability company or one or more members whose  
1620 transferable interests are not subject to the charging order may pay to  
1621 the judgment creditor the full amount due under the judgment and  
1622 thereby succeed to the rights of the judgment creditor, including the  
1623 charging order.

1624 (e) The entry of a charging order is the exclusive remedy by which a  
1625 person seeking to enforce a judgment against a member or transferee  
1626 may, in the capacity of judgment creditor, satisfy the judgment from  
1627 the judgment debtor's transferable interest. With respect to the  
1628 judgment debtor's transferable interest, attachment, garnishment,  
1629 foreclosure or other legal or equitable remedies are not available to the  
1630 judgment creditor, whether the limited liability company has one  
1631 member or more than one member.

1632 (f) Sections 1 to 102, inclusive, of this act do not deprive any  
1633 member or transferee of the benefit of any exemption laws applicable  
1634 to the transferable interest of the member or transferee.

1635 Sec. 52. (NEW) (*Effective July 1, 2017*) If a member dies, the deceased  
1636 member's legal representative may exercise: (1) The rights of a  
1637 transferee provided in subsection (c) of section 50 of this act; and (2)  
1638 for the purposes of settling the estate, the rights the deceased member  
1639 had under section 48 of this act.

1640 Sec. 53. (NEW) (*Effective July 1, 2017*) (a) A person has the power to  
1641 dissociate as a member at any time, rightfully or wrongfully, by  
1642 withdrawing as a member by express will under subdivision (1) of  
1643 section 54 of this act.

1644 (b) A person's dissociation as a member is wrongful only if the  
1645 dissociation: (1) Is in breach of an express provision of the operating  
1646 agreement; or (2) occurs before the completion of the winding up of  
1647 the company and: (A) The person withdraws as a member by express  
1648 will; (B) the person is expelled as a member by judicial order under  
1649 subdivision (5) of section 54 of this act; (C) the person is dissociated

1650 under subdivision (8) of section 54 of this act; or (D) in the case of a  
1651 person that is not a trust other than a business trust, an estate or an  
1652 individual, the person is expelled or otherwise dissociated as a  
1653 member because it wilfully dissolved or terminated.

1654 (c) A person that wrongfully dissociates as a member is liable to the  
1655 limited liability company and, subject to section 64 of this act, to the  
1656 other members for damages caused by the dissociation. The liability is  
1657 in addition to any debt, obligation or other liability of the member to  
1658 the company or the other members.

1659 Sec. 54. (NEW) (*Effective July 1, 2017*) A person is dissociated as a  
1660 member when:

1661 (1) The company has notice of the person's express will to withdraw  
1662 as a member, but, if the person specified a withdrawal date later than  
1663 the date the company had notice, on that later date;

1664 (2) An event set forth in the operating agreement as causing the  
1665 person's dissociation occurs;

1666 (3) The person is expelled as a member pursuant to the operating  
1667 agreement;

1668 (4) The person is expelled as a member by the unanimous consent of  
1669 the other members if: (A) It is unlawful to carry on the company's  
1670 activities and affairs with the person as a member; (B) there has been a  
1671 transfer of all the person's transferable interest in the company, other  
1672 than: (i) A transfer for security purposes; or (ii) a charging order in  
1673 effect under section 51 of this act; or (C) the person is an entity and: (i)  
1674 The company notifies the person that it will be expelled as a member  
1675 because the person has filed a statement of dissolution or the  
1676 equivalent, the person has been administratively dissolved, its charter  
1677 or its equivalent has been revoked, or the person's right to conduct  
1678 business has been suspended by the governing jurisdiction; and (ii) not  
1679 later than ninety days after the notification, the statement of  
1680 dissolution or the equivalent has not been withdrawn, rescinded or

1681 revoked, or the person's charter or the equivalent or right to conduct  
1682 business has not been reinstated;

1683 (5) On application by the company or a member in a direct action  
1684 under section 64 of this act, the person is expelled as a member by  
1685 judicial order because the person: (A) Has engaged or is engaging in  
1686 wrongful conduct that has affected adversely and materially, or will  
1687 affect adversely and materially, the company's activities and affairs; (B)  
1688 has committed wilfully or persistently, or is committing wilfully or  
1689 persistently, a material breach of the operating agreement or a duty or  
1690 obligation under section 47 of this act; or (C) has engaged or is  
1691 engaging in conduct relating to the company's activities and affairs  
1692 which makes it not reasonably practicable to carry on the activities and  
1693 affairs with the person as a member;

1694 (6) In the case of an individual: (A) The individual dies; or (B) in a  
1695 member-managed limited liability company: (i) A guardian or general  
1696 conservator for the individual is appointed; or (ii) a court orders that  
1697 the individual has otherwise become incapable of performing the  
1698 individual's duties as a member under sections 1 to 102, inclusive, of  
1699 this act or the operating agreement;

1700 (7) In a member-managed limited liability company, the person: (A)  
1701 Becomes a debtor in bankruptcy; (B) executes an assignment for the  
1702 benefit of creditors; or (C) seeks, consents to, or acquiesces in the  
1703 appointment of a trustee, receiver or liquidator of the person or of all  
1704 or substantially all the person's property;

1705 (8) In the case of a person that is a testamentary or inter vivos trust  
1706 or is acting as a member by virtue of being a trustee of such a trust, the  
1707 trust's entire transferable interest in the company is distributed;

1708 (9) In the case of a person that is an estate or is acting as a member  
1709 by virtue of being a personal representative of an estate, the estate's  
1710 entire transferable interest in the company is distributed;

1711 (10) In the case of a person that is not an individual, the existence of

1712 the person terminates;

1713 (11) The company participates in a merger under sections 80 to 97,  
1714 inclusive, of this act or the Connecticut Entity Transactions Act and:  
1715 (A) The company is not the surviving entity; or (B) otherwise as a  
1716 result of the merger, the person ceases to be a member;

1717 (12) The company participates in an interest exchange under  
1718 sections 80 to 97, inclusive, of this act or the Connecticut Entity  
1719 Transactions Act and, as a result of the interest exchange, the person  
1720 ceases to be a member;

1721 (13) The company participates in a conversion under sections 80 to  
1722 87, inclusive, of this act or the Connecticut Entity Transactions Act;

1723 (14) The company participates in a domestication under sections 80  
1724 to 97, inclusive, of this act or the Connecticut Entity Transactions Act  
1725 and, as a result of the domestication, the person ceases to be a member;  
1726 or

1727 (15) The company dissolves and completes winding up.

1728 Sec. 55. (NEW) (*Effective July 1, 2017*) (a) If a person is dissociated as  
1729 a member: (1) The person's right to participate as a member in the  
1730 management and conduct of the company's activities and affairs  
1731 terminates; (2) if the company is member-managed, the person's duties  
1732 and obligations under section 47 of this act as a member end with  
1733 regard to matters arising and events occurring after the person's  
1734 dissociation; and (3) subject to section 52 of this act and sections 80 to  
1735 87, inclusive, of this act or the Connecticut Entity Transactions Act, any  
1736 transferable interest owned by the person in the person's capacity as a  
1737 member immediately before dissociation as a member is owned by the  
1738 person solely as a transferee.

1739 (b) A person's dissociation as a member does not of itself discharge  
1740 the person from any debt, obligation or other liability to the company  
1741 or the other members which the person incurred while a member.

1742       Sec. 56. (NEW) (*Effective July 1, 2017*) (a) A limited liability company  
1743 is dissolved, and its activities and affairs must be wound up, upon the  
1744 occurrence of any of the following:

1745       (1) An event or circumstance that the operating agreement states  
1746 causes dissolution;

1747       (2) The consent of a majority in interest of the members;

1748       (3) The passage of ninety consecutive days during which the  
1749 company has no members unless before the end of the period: (A)  
1750 Consent to admit at least one specified person as a member is given by  
1751 transferees owning the rights to receive a majority of distributions as  
1752 transferees at the time the consent is to be effective; and (B) at least one  
1753 person becomes a member in accordance with the consent;

1754       (4) On application by a member, the entry by the Superior Court for  
1755 the judicial district where the principal office of the limited liability  
1756 company is located, or if none in this state, where its registered agent is  
1757 located, of an order dissolving the company on the grounds that: (A)  
1758 The conduct of all or substantially all of the company's activities and  
1759 affairs is unlawful; or (B) it is not reasonably practicable to carry on the  
1760 company's activities and affairs;

1761       (5) On application by a member, the entry by the Superior Court for  
1762 the judicial district where the principal office of the limited liability  
1763 company is located, of an order dissolving the company on the  
1764 grounds that the managers or those members in control of the  
1765 company: (A) Have acted, are acting or will act in a manner that is  
1766 illegal or fraudulent; or (B) have acted or are acting in a manner that is  
1767 oppressive and was, is, or will be directly harmful to the applicant; or

1768       (6) The preparation and filing of a certificate of dissolution by  
1769 forfeiture by the Secretary of the State under subsection (b) or (c) of  
1770 section 63 of this act.

1771       (b) In a proceeding brought under subdivision (5) of subsection (a)

1772 of this section, the court may order a remedy other than dissolution.

1773       Sec. 57. (NEW) (*Effective July 1, 2017*) (a) A dissolved limited liability  
1774 company shall wind up its activities and affairs and, except as  
1775 provided in section 58 of this act, the company continues after  
1776 dissolution only for the purpose of winding up.

1777       (b) In winding up its activities and affairs, a limited liability  
1778 company: (1) Shall: (A) Promptly after the dissolution, deliver to the  
1779 Secretary of the State for filing a certificate of dissolution stating the  
1780 name of the company and that the company is dissolved; and (B)  
1781 discharge the company's debts, obligations and other liabilities, settle  
1782 and close the company's activities and affairs, and marshal and  
1783 distribute the assets of the company; and (2) may: (A) Preserve the  
1784 company activities, affairs and property as a going concern for a  
1785 reasonable time; (B) prosecute and defend actions and proceedings,  
1786 whether civil, criminal or administrative; (C) transfer the company's  
1787 property; (D) settle disputes by mediation or arbitration; and (E)  
1788 perform other acts necessary or appropriate to the winding up.

1789       (c) If a dissolved limited liability company has no members, the  
1790 legal representative of the last person to have been a member may  
1791 wind up the activities and affairs of the company. If the person does  
1792 so, the person has the powers of a sole manager under subsection (c) of  
1793 section 45 of this act and is deemed to be a manager for the purposes of  
1794 subsection (a) of section 38 of this act.

1795       (d) If the legal representative under subsection (c) of this section  
1796 declines or fails to wind up the company's activities and affairs, a  
1797 person may be appointed to do so by the consent of transferees owning  
1798 a majority in interest of the rights to receive distributions as transferees  
1799 at the time the consent is to be effective. A person appointed under this  
1800 subsection: (1) Has the powers of a sole manager under subsection (c)  
1801 of section 45 of this act and is deemed to be a manager for the purposes  
1802 of subsection (a) of section 38 of this act; and (2) shall promptly deliver  
1803 to the Secretary of the State for filing an amendment to the company's

1804 certificate of organization stating: (A) That the company has no  
1805 members; (B) the name and street and mailing addresses of the person;  
1806 and (C) that the person has been appointed pursuant to this subsection  
1807 to wind up the company.

1808 (e) The Superior Court for the judicial district where the principal  
1809 office of the company is located may order judicial supervision of the  
1810 winding up of a dissolved limited liability company, including the  
1811 appointment of a person to wind up the company's activities and  
1812 affairs: (1) On application of a member, if the applicant establishes  
1813 good cause; (2) on the application of a transferee, if: (A) The company  
1814 does not have any members; (B) the legal representative of the last  
1815 person to have been a member declines or fails to wind up the  
1816 company's activities; and (C) within a reasonable time following the  
1817 dissolution, a person has not been appointed pursuant to subsection (c)  
1818 of this section; or (3) in connection with a proceeding under  
1819 subdivision (4) or (5) of subsection (a) of section 56 of this act.

1820 Sec. 58. (NEW) (*Effective July 1, 2017*) (a) A limited liability company  
1821 may be reinstated as provided in this section at any time after its  
1822 dissolution, unless the Superior Court for the judicial district where the  
1823 limited liability company is located has entered an order under  
1824 subdivision (4) or (5) of subsection (a) of section 56 of this act.

1825 (b) Reinstatement of the dissolved limited liability company under  
1826 this section requires:

1827 (1) The written consent of a majority in interest of the members.

1828 (2) If a certificate of dissolution applicable to the limited liability  
1829 company has been filed, a certificate of reinstatement conforming, with  
1830 such adaptations as are appropriate, to the content requirements of a  
1831 limited liability company's certificate of organization shall be executed  
1832 and filed with the Secretary of the State in accordance with the  
1833 requirements set forth in sections 25 to 36, inclusive, of this act which  
1834 pertain to the filing and recording of a record.

1835 (3) A certificate of reinstatement under this section shall be  
1836 accompanied by: (A) Payment of all penalties and forfeitures incurred  
1837 by the limited liability company and a reinstatement fee as provided  
1838 by subdivision (11) of subsection (a) of section 22 of this act, (B) an  
1839 annual report for the current year, and (C) an appointment of a  
1840 registered agent for service of process.

1841 (4) If the name of the limited liability company to be reinstated is no  
1842 longer available, it shall, simultaneously with reinstatement, be  
1843 changed to an available name by amendment to the certificate of  
1844 organization.

1845 (5) No action or proceeding, civil or criminal, to which the limited  
1846 liability company is a party at the time of reinstatement, shall be  
1847 affected by such reinstatement except as the court shall, under the  
1848 circumstances, determine.

1849 (c) If a limited liability company is reinstated after its dissolution:

1850 (1) The company resumes carrying on its activities and affairs as if  
1851 dissolution had never occurred;

1852 (2) Subject to subdivision (3) of this subsection, any liability  
1853 incurred by the company after the dissolution and before the  
1854 reinstatement is effective is determined as if dissolution had never  
1855 occurred;

1856 (3) The rights of a third party arising out of conduct in reliance on  
1857 the dissolution before the third party knew or had notice of the  
1858 reinstatement may not be adversely affected; and

1859 (4) Any claim against the limited liability company barred as  
1860 provided in section 60 of this act and not otherwise barred shall be  
1861 relieved of such bar upon reinstatement of the limited liability  
1862 company, and the reinstated limited liability company shall be  
1863 estopped to deny its legal existence during such time as its rights and  
1864 powers were forfeited.

1865       Sec. 59. (NEW) (*Effective July 1, 2017*) (a) Except as provided in  
1866 subsection (d) of this section, a dissolved limited liability company  
1867 may give notice of a known claim under subsection (b) of this section,  
1868 which has the effect provided in subsection (c) of this section.

1869       (b) A dissolved limited liability company may in a record notify its  
1870 known claimants of the dissolution. The notice must: (1) Specify the  
1871 information required to be included in a claim; (2) state that a claim  
1872 must be in writing and provide a mailing address to which the claim is  
1873 to be sent; (3) state the deadline for receipt of a claim, which may not  
1874 be less than one hundred twenty days after the date the notice is  
1875 received by the claimant; and (4) state that the claim will be barred if  
1876 not received by the deadline.

1877       (c) A claim against a dissolved limited liability company is barred if  
1878 the requirements of subsection (b) of this section are met and: (1) The  
1879 claim is not received by the specified deadline; or (2) if the claim is  
1880 timely received but rejected by the company: (A) The company causes  
1881 the claimant to receive a notice in a record stating that the claim is  
1882 rejected and will be barred unless the claimant commences an action  
1883 against the company to enforce the claim not later than ninety days  
1884 after the claimant receives the notice; and (B) the claimant does not  
1885 commence the required action not later than ninety days after the  
1886 complainant receives the notice.

1887       (d) This section does not apply to a claim based on an event  
1888 occurring after the effective date of dissolution or a liability that on  
1889 that date is contingent.

1890       Sec. 60. (NEW) (*Effective July 1, 2017*) (a) A dissolved limited liability  
1891 company may publish notice of its dissolution and request persons  
1892 having claims against the company to present them in accordance with  
1893 the notice.

1894       (b) A notice under subsection (a) of this section must: (1) Be  
1895 published at least once in a newspaper of general circulation in the

1896 county in this state in which the dissolved limited liability company's  
1897 principal office is located or, if the principal office is not located in this  
1898 state, in the county in which the office of the company's registered  
1899 agent is or was last located; (2) describe the information required to be  
1900 contained in a claim, state that the claim must be in writing, and  
1901 provide a mailing address to which the claim is to be sent; and (3) state  
1902 that a claim against the company is barred unless an action to enforce  
1903 the claim is commenced not later than three years after publication of  
1904 the notice.

1905 (c) If a dissolved limited liability company publishes a notice in  
1906 accordance with subsection (b) of this section, the claim of each of the  
1907 following claimants is barred unless the claimant commences an action  
1908 to enforce the claim against the company not later than three years  
1909 after the publication date of the notice: (1) A claimant that did not  
1910 receive notice in a record under section 59 of this act; (2) a claimant  
1911 whose claim was timely sent to the company but not acted on; and (3)  
1912 a claimant whose claim is contingent on, or based on an event  
1913 occurring after, the effective date of dissolution.

1914 (d) A claim not barred under this section or section 59 of this act  
1915 may be enforced: (1) Against a dissolved limited liability company, to  
1916 the extent of its undistributed assets; and (2) except as provided in  
1917 section 61 of this act, if assets of the company have been distributed  
1918 after dissolution, against a member or transferee to the extent of that  
1919 person's proportionate share of the claim or of the company's assets  
1920 distributed to the member or transferee after dissolution, whichever is  
1921 less, but a person's total liability for all claims under this subdivision  
1922 may not exceed the total amount of assets distributed to the person  
1923 after dissolution.

1924 Sec. 61. (NEW) (*Effective July 1, 2017*) (a) A dissolved limited liability  
1925 company that has published a notice under section 60 of this act may  
1926 file an application with the Superior Court in the judicial district where  
1927 the dissolved company's principal office is located or, if the principal  
1928 office is not located in this state, where the office of its registered agent

1929 is located, for a determination of the amount and form of security to be  
1930 provided for payment of claims that are contingent, have not been  
1931 made known to the company, or are based on an event occurring after  
1932 the effective date of dissolution but which, based on the facts known to  
1933 the dissolved company, are reasonably expected to arise after the  
1934 effective date of dissolution. Security is not required for any claim that  
1935 is or is reasonably anticipated to be barred under subsection (c) of  
1936 section 60 of this act.

1937 (b) Not later than ten days after the filing of an application under  
1938 subsection (a) of this section, the dissolved limited liability company  
1939 shall give notice of the proceeding to each claimant holding a  
1940 contingent claim known to the company.

1941 (c) In any proceeding under this section, the court may appoint a  
1942 guardian ad litem to represent all claimants whose identities are  
1943 unknown. The reasonable fees and expenses of the guardian ad litem,  
1944 including all reasonable expert witness fees, must be paid by the  
1945 dissolved limited liability company.

1946 (d) A dissolved limited liability company that provides security in  
1947 the amount and form ordered by the court under subsection (a) of this  
1948 section satisfies the company's obligations with respect to claims that  
1949 are contingent, have not been made known to the company or are  
1950 based on an event occurring after the effective date of dissolution, and  
1951 such claims may not be enforced against a member or transferee that  
1952 received assets in liquidation.

1953 Sec. 62. (NEW) (*Effective July 1, 2017*) (a) In winding up its activities  
1954 and affairs, a limited liability company shall apply its assets to  
1955 discharge its obligations to creditors, including members that are  
1956 creditors.

1957 (b) After a limited liability company complies with subsection (a) of  
1958 this section, any surplus must be distributed in the following order,  
1959 subject to any charging order in effect under section 51 of this act: (1)

1960 To members and persons dissociated as members, an amount equal to  
1961 the respective values of the contributions received by the limited  
1962 liability company and not returned to each such member and  
1963 dissociated member; and (2) to members and dissociated members, in  
1964 shares which are proportionate to their respective transferable  
1965 interests, except to the extent necessary to comply with any transfer  
1966 effective under section 50 of this act.

1967 (c) If a limited liability company does not have sufficient surplus to  
1968 comply with subdivision (1) of subsection (b) of this section, any  
1969 surplus must be distributed among the owners of transferable interests  
1970 in proportion to the value of their respective unreturned contributions.

1971 (d) All distributions made under subsections (b) and (c) of this  
1972 section must be paid in money.

1973 Sec. 63. (NEW) (*Effective July 1, 2017*) (a) The Secretary of the State  
1974 may effect the dissolution of a limited liability company by forfeiture  
1975 as provided in this section.

1976 (b) Whenever it comes to the attention of the Secretary of the State  
1977 that a limited liability company is more than one year in default of  
1978 filing its annual report as required by section 36 of this act, the  
1979 Secretary of the State may notify such limited liability company by  
1980 registered or certified mail addressed to such limited liability company  
1981 at its principal office as last shown on his records that, under the  
1982 provisions of this section, the limited liability company's rights and  
1983 powers are prima facie forfeited. Unless the limited liability company  
1984 within three months of the mailing of such notice files such annual  
1985 report, the Secretary of the State shall prepare and file in his office a  
1986 certificate of dissolution by forfeiture stating that the delinquent  
1987 limited liability company has been dissolved by forfeiture by reason of  
1988 its default.

1989 (c) Whenever it comes to the attention of the Secretary of the State  
1990 that a delinquent limited liability company has failed to maintain a

1991 registered agent for service, the Secretary of the State may notify such  
1992 limited liability company by registered or certified mail addressed to  
1993 such limited liability company at its principal office as last shown on  
1994 his records that, under the provisions of this section, the limited  
1995 liability company's rights and powers are prima facie forfeited. Unless  
1996 the limited liability company, within three months of the mailing of  
1997 such notice, files an appointment of a registered agent for service, the  
1998 Secretary of the State shall prepare and file in his office a certificate of  
1999 dissolution by forfeiture stating that the delinquent limited liability  
2000 company has been dissolved by forfeiture by reason of its default.

2001 (d) Dissolution shall be effective upon the filing by the Secretary of  
2002 the State of such certificate of dissolution by forfeiture.

2003 (e) After filing the certificate of dissolution by forfeiture, the  
2004 Secretary of the State shall: (1) Mail a certified copy thereof to the  
2005 delinquent limited liability company addressed to such limited liability  
2006 company at its principal office as last shown on his records; and (2)  
2007 cause notice of the filing of such certificate of dissolution by forfeiture  
2008 to be posted on the office of the Secretary of the State's Internet web  
2009 site for a period of sixty days following the date on which the Secretary  
2010 of the State files the certificate of dissolution by forfeiture.

2011 (f) A limited liability company that is dissolved by forfeiture  
2012 continues in existence as an entity but may not carry on any activities  
2013 except as necessary to wind up its activities and affairs and liquidate  
2014 its assets under sections 57, 59, 60, 61 and 62 of this act, or to apply for  
2015 reinstatement under section 58 of this act.

2016 (g) The dissolution of a limited liability company by forfeiture does  
2017 not terminate the authority of its registered agent.

2018 Sec. 64. (NEW) (*Effective July 1, 2017*) (a) Subject to subsection (b) of  
2019 this section, a member may maintain a direct action against another  
2020 member, a manager or the limited liability company to enforce the  
2021 member's rights and otherwise protect the member's interests,

2022 including rights and interests under the operating agreement or  
2023 sections 1 to 102, inclusive, of this act or arising independently of the  
2024 membership relationship.

2025 (b) A member maintaining a direct action under this section must  
2026 plead and prove an actual or threatened injury that is not solely the  
2027 result of an injury suffered or threatened to be suffered by the limited  
2028 liability company.

2029 Sec. 65. (NEW) (*Effective July 1, 2017*) A member may maintain a  
2030 derivative action to enforce a right of a limited liability company if: (1)  
2031 The member first makes a demand on the other members in a member-  
2032 managed limited liability company, or the managers of a manager-  
2033 managed limited liability company, requesting that they cause the  
2034 company to bring an action to enforce the right, and the managers or  
2035 other members do not bring the action within ninety days; or (2) a  
2036 demand under subdivision (1) of this section would be futile.

2037 Sec. 66. (NEW) (*Effective July 1, 2017*) A derivative action to enforce a  
2038 right of a limited liability company may be maintained only by a  
2039 person that is a member at the time the action is commenced and: (1)  
2040 Was a member when the conduct giving rise to the action occurred; or  
2041 (2) whose status as a member devolved on the person by operation of  
2042 law or pursuant to the terms of the operating agreement from a person  
2043 that was a member at the time of the conduct.

2044 Sec. 67. (NEW) (*Effective July 1, 2017*) In a derivative action, the  
2045 complaint must state with particularity: (1) The date and content of  
2046 plaintiff's demand and the response by the managers or other  
2047 members to the demand; or (2) why the demand should be excused as  
2048 futile.

2049 Sec. 68. (NEW) (*Effective July 1, 2017*) (a) If a limited liability  
2050 company is named as or made a party in a derivative proceeding, the  
2051 company may appoint a special litigation committee to investigate the  
2052 claims asserted in the proceeding and determine whether pursuing the

2053 action is in the best interests of the company. If the company appoints  
2054 a special litigation committee, on motion by the committee made in the  
2055 name of the company, except for good cause shown, the court shall  
2056 stay discovery for the time reasonably necessary to permit the  
2057 committee to make its investigation. This subsection does not prevent  
2058 the court from: (1) Enforcing a person's right to information under  
2059 section 48 of this act; or (2) granting extraordinary relief in the form of  
2060 a temporary restraining order or preliminary injunction.

2061 (b) A special litigation committee must be composed of one or more  
2062 disinterested individuals, who may be members or managers.

2063 (c) A special litigation committee may be appointed: (1) In a  
2064 member-managed limited liability company: (A) By the consent of a  
2065 majority in interest of the members not named as parties in the  
2066 proceeding; or (B) if all members are named as parties in the  
2067 proceeding, by a majority in interest of the members named as  
2068 defendants; or (2) in a manager-managed limited liability company:  
2069 (A) By a majority of the managers not named as parties in the  
2070 proceeding; or (B) if all managers are named as parties in the  
2071 proceeding, by a majority of the managers named as defendants.

2072 (d) After appropriate investigation, a special litigation committee  
2073 may determine that it is in the best interests of the limited liability  
2074 company that the proceeding: (1) Continue under the control of the  
2075 plaintiff; (2) continue under the control of the committee; (3) be settled  
2076 on terms approved by the committee; or (4) be dismissed.

2077 (e) After making a determination under subsection (d) of this  
2078 section, a special litigation committee shall file with the court a  
2079 statement of its determination and its report supporting its  
2080 determination and shall serve each party with a copy of the  
2081 determination and report. The court shall determine whether the  
2082 members of the committee were disinterested individuals and whether  
2083 the committee conducted its investigation and made its  
2084 recommendation in good faith, independently, and with reasonable

2085 care, with the committee having the burden of proof. If the court finds  
2086 that the members of the committee were disinterested individuals, and  
2087 that the committee acted in good faith, independently, and with  
2088 reasonable care, the court shall enforce the determination of the  
2089 committee. Otherwise, the court shall dissolve the stay of discovery  
2090 entered under subsection (a) of this section and allow the action to  
2091 continue under the control of the plaintiff.

2092 Sec. 69. (NEW) (*Effective July 1, 2017*) (a) Except as provided in  
2093 subsection (b) of this section: (1) Any proceeds or other benefits of a  
2094 derivative action, whether by judgment, compromise or settlement,  
2095 belong to the limited liability company and not to the plaintiff; and (2)  
2096 if the plaintiff receives any proceeds, the plaintiff shall remit them  
2097 immediately to the company.

2098 (b) On termination of the derivative proceedings, the court may  
2099 order: (1) The limited liability company to pay the plaintiff's expenses  
2100 incurred in the proceeding if it finds that the proceeding has resulted  
2101 in a substantial benefit to the limited liability company; (2) the plaintiff  
2102 to pay any defendant's expenses incurred in defending the proceeding  
2103 if it finds that the proceeding was commenced or maintained without  
2104 reasonable cause or for an improper purpose; or (3) a party to pay an  
2105 opposing party's expenses incurred because of the filing of a pleading,  
2106 motion or other paper, if it finds that the pleading, motion or other  
2107 paper was not well grounded in fact, after reasonable inquiry, or  
2108 warranted by existing law or a good faith argument for the extension,  
2109 modification or reversal of existing law and was interposed for an  
2110 improper purpose, such as to harass or cause unnecessary delay or  
2111 needless increase in the cost of litigation. As used in this subsection,  
2112 "expenses" means reasonable expenses of any kind that are incurred in  
2113 connection with a matter including, but not limited to, reasonable  
2114 counsel fees.

2115 (c) A derivative action on behalf of a limited liability company may  
2116 not be voluntarily dismissed or settled without the court's approval.

2117       Sec. 70. (NEW) (*Effective July 1, 2017*) (a) The law of the governing  
2118 jurisdiction of a foreign limited liability company governs: (1) The  
2119 internal affairs of the company; (2) the liability of a member as member  
2120 and a manager as manager for a debt, obligation or other liability of  
2121 the company; and (3) the liability of a series of the company.

2122       (b) A foreign limited liability company is not precluded from  
2123 registering to transact business in this state because of any difference  
2124 between the law of the governing jurisdiction and the law of this state.

2125       (c) Registration of a foreign limited liability company to transact  
2126 business in this state does not authorize the foreign company to  
2127 engage in any activities or affairs or exercise any power in this state  
2128 that a limited liability company may not engage in or exercise in this  
2129 state.

2130       Sec. 71. (NEW) (*Effective July 1, 2017*) (a) A foreign limited liability  
2131 company may not transact business in this state until it registers with  
2132 the Secretary of the State under sections 70 to 79, inclusive, of this act.

2133       (b) A foreign limited liability company transacting business in this  
2134 state may not maintain an action or proceeding in this state unless it is  
2135 registered to transact business in this state.

2136       (c) The failure of a foreign limited liability company to register to  
2137 transact business in this state does not impair the validity of a contract  
2138 or act of the company, or preclude it from defending an action or  
2139 proceeding in this state.

2140       (d) A limitation on the liability of a member or manager of a foreign  
2141 limited liability company is not waived solely because the company  
2142 does business in this state without registering to transact business in  
2143 this state.

2144       (e) Subsections (a) and (b) of section 70 of this act apply even if a  
2145 foreign limited liability company fails to register under sections 70 to  
2146 79, inclusive, of this act.

2147 (f) A foreign limited liability company, by transacting business in  
2148 this state without a foreign registration statement, appoints the  
2149 Secretary of the State as its agent for service of process with respect to  
2150 a cause of action arising out of the transaction of business in this state.  
2151 Such foreign limited liability company may be served in the manner  
2152 provided in subsection (b) of section 19 of this act.

2153 (g) A foreign limited liability company which transacts business in  
2154 this state without a valid foreign registration statement shall be liable  
2155 to this state, for each year or part thereof during which it transacted  
2156 business in this state without such certificate, in an amount equal to:  
2157 (1) All fees and taxes which would have been imposed by law upon  
2158 such limited liability company had it duly applied for and received  
2159 such registration to transact business in this state, and (2) all interest  
2160 and penalties imposed by law for failure to pay such fees and taxes. A  
2161 foreign limited liability company is further liable to this state, for each  
2162 month or part thereof during which it transacted business in this state  
2163 without a valid foreign registration statement, in an amount equal to  
2164 three hundred dollars, except that a foreign limited liability company  
2165 which has registered with the Secretary of the State not later than  
2166 ninety days after it has commenced transacting business in this state  
2167 shall not be liable for such monthly penalty. Such fees and penalties  
2168 may be levied by the Secretary of the State. The Attorney General may  
2169 bring proceedings to recover all amounts due this state under the  
2170 provisions of this subsection.

2171 (h) The civil penalty set forth in subsection (g) of this section may be  
2172 recovered in an action brought by the Attorney General. Upon a  
2173 finding by the court that a foreign limited liability company has  
2174 transacted business in this state in violation of sections 70 to 79,  
2175 inclusive, of this act, the court shall, in addition to imposing a civil  
2176 penalty, issue an injunction restraining further transaction of business  
2177 by the foreign limited liability company and the further exercise of any  
2178 rights and privileges of a limited liability company in this state. The  
2179 foreign limited liability company shall be enjoined from transacting

2180 business in this state until all civil penalties, plus any interest and court  
2181 costs which the court may assess, have been paid and until the foreign  
2182 limited liability company has otherwise complied with the provisions  
2183 of said sections.

2184       Sec. 72. (NEW) (*Effective July 1, 2017*) To register to do business in  
2185 this state, a foreign limited liability company must deliver a foreign  
2186 registration statement to the Secretary of the State for filing. The  
2187 statement shall set forth:

2188       (1) The name of the company and, if the name does not comply with  
2189 section 12 of this act, an alternate name adopted pursuant to  
2190 subsection (a) of section 75 of this act;

2191       (2) That the company is a foreign limited liability company;

2192       (3) The name of the company's governing jurisdiction;

2193       (4) The street and mailing addresses of the company's principal  
2194 office and, if the law of the governing jurisdiction requires the  
2195 company to maintain an office in that jurisdiction, the street and  
2196 mailing addresses of the required office;

2197       (5) The name and address of the agent in this state for service of  
2198 process on the foreign limited liability company required to be  
2199 maintained by subdivision (4) of subsection (b) of section 25 of this act  
2200 and an acceptance of such appointment signed by the agent appointed  
2201 if other than the Secretary of the State;

2202       (6) The name and respective business and residence addresses of a  
2203 manager or a member of the foreign limited liability company, except  
2204 that, if good cause is shown, the Secretary of the State may accept a  
2205 business address in lieu of business and residence addresses of such  
2206 manager or member. For purposes of this subdivision, a showing of  
2207 good cause shall include, but not be limited to, a showing that public  
2208 disclosure of the residence address of the manager or member of the  
2209 foreign limited liability company may expose the personal security of

2210 such manager or member to significant risk; and

2211 (7) The electronic mail address, if any, of the foreign limited liability  
2212 company.

2213 Sec. 73. (NEW) (*Effective July 1, 2017*) A registered foreign limited  
2214 liability company shall deliver to the Secretary of the State for filing an  
2215 amendment to its foreign registration statement if there is a change in:  
2216 (1) The name of the company; (2) the company's governing  
2217 jurisdiction; (3) an address required by subdivision (4) of section 72 of  
2218 this act; or (4) the information required by subdivision (5) of section 72  
2219 of this act.

2220 Sec. 74. (NEW) (*Effective July 1, 2017*) (a) Activities of a foreign  
2221 limited liability company which do not constitute transacting business  
2222 in this state under sections 70 to 79, inclusive, of this act include:

2223 (1) Maintaining, defending, mediating, arbitrating, or settling an  
2224 action or proceeding;

2225 (2) Carrying on any activity concerning its internal affairs, including  
2226 holding meetings of its members or managers;

2227 (3) Maintaining accounts in financial institutions;

2228 (4) Maintaining offices or agencies for the transfer, exchange and  
2229 registration of the securities of the company, or maintaining trustees or  
2230 depositories with respect to those securities;

2231 (5) Selling through independent contractors;

2232 (6) Soliciting or obtaining orders by any means if the orders require  
2233 acceptance outside this state before they become contracts;

2234 (7) Creating or acquiring indebtedness, mortgages or security  
2235 interests in property;

2236 (8) Securing or collecting debts, or enforcing mortgages or security

2237 interests in property securing the debts, and foreclosing on, holding,  
2238 protecting or maintaining any such property;

2239 (9) Conducting an isolated transaction that is not in the course of  
2240 similar transactions;

2241 (10) Owning, without more, property;

2242 (11) Voting securities or other equity ownership interests owned by  
2243 the foreign limited liability company; and

2244 (12) Transacting business in interstate commerce.

2245 (b) A person does not transact business in this state solely because  
2246 such person: (1) Owns a controlling interest in a corporation or foreign  
2247 corporation that is transacting business in this state; (2) is a limited  
2248 partner of a limited partnership or foreign limited partnership that is  
2249 transacting business in this state; or (3) is a member or manager of a  
2250 limited liability company or foreign limited liability company that is  
2251 transacting business in this state.

2252 (c) This section does not apply in determining the contacts or  
2253 activities that may subject a foreign limited liability company to service  
2254 of process, taxation or regulation under law of this state other than  
2255 sections 1 to 102, inclusive, of this act.

2256 Sec. 75. (NEW) (*Effective July 1, 2017*) (a) A foreign limited liability  
2257 company whose name does not comply with section 12 of this act may  
2258 not register to transact business in this state until it adopts, for the  
2259 purpose of transacting business in this state, an alternate name that  
2260 complies with said section. A registered foreign limited liability  
2261 company that registers under an alternate name under this subsection  
2262 need not comply with chapter 620 of the general statutes. After  
2263 registering to transact business in this state with an alternate name, a  
2264 registered foreign limited liability company shall transact business in  
2265 this state under: (1) The alternate name; (2) the company's name, with  
2266 the addition of its governing jurisdiction; or (3) an assumed or

2267 fictitious name that the company is authorized to use under chapter  
2268 620 of the general statutes.

2269 (b) If a registered foreign limited liability company changes its name  
2270 to one that does not comply with section 12 of this act, it may not  
2271 transact business in this state until it complies with subsection (a) of  
2272 this section by amending its registration to adopt an alternate name  
2273 that complies with said section.

2274 Sec. 76. (NEW) (*Effective July 1, 2017*) (a) When a registered foreign  
2275 limited liability company has merged into a foreign entity that is not  
2276 registered to transact business in this state or has converted to a  
2277 foreign entity required to register with the Secretary of the State to  
2278 transact business in this state, the foreign entity shall deliver to the  
2279 Secretary of the State for filing an application for transfer of  
2280 registration. The application must state:

2281 (1) The name of the registered foreign limited liability company  
2282 before the merger or conversion;

2283 (2) That before the merger or conversion the registration pertained  
2284 to a foreign limited liability company;

2285 (3) The name of the applicant foreign entity into which the foreign  
2286 limited liability company has merged or to which it has been  
2287 converted, and, if the name does not comply with section 12 of this act,  
2288 an alternate name adopted pursuant to subsection (a) of section 75 of  
2289 this act;

2290 (4) The type of entity of the applicant foreign entity and its  
2291 governing jurisdiction;

2292 (5) The street and mailing addresses of the principal office of the  
2293 applicant foreign entity and, if the law of the entity's governing  
2294 jurisdiction requires the entity to maintain an office in that jurisdiction,  
2295 the street and mailing addresses of that office;

2296 (6) The name and street and mailing addresses of the applicant  
2297 foreign entity's registered agent in this state;

2298 (7) The name and respective business and residence addresses of a  
2299 manager or a member of the foreign limited liability company, except  
2300 that, if good cause is shown, the Secretary of the State may accept a  
2301 business address in lieu of business and residence addresses of such  
2302 manager or member. For purposes of this subdivision, a showing of  
2303 good cause shall include, but not be limited to, a showing that public  
2304 disclosure of the residence address of the manager or member of the  
2305 foreign limited liability company may expose the personal security of  
2306 such manager or member to significant risk; and

2307 (8) The electronic mail address, if any, of the foreign limited liability  
2308 company.

2309 (b) When an application for transfer of registration takes effect, the  
2310 registration of the foreign limited liability company to transact  
2311 business in this state is transferred without interruption to the foreign  
2312 entity into which the foreign company has merged or to which it has  
2313 been converted.

2314 Sec. 77. (NEW) (*Effective July 1, 2017*) (a) The foreign registration  
2315 statement of a foreign limited liability company to transact business in  
2316 this state may be revoked by the Secretary of the State upon the  
2317 conditions provided in this section when: (1) The foreign limited  
2318 liability company has failed to file its annual report with the Secretary  
2319 of the State; (2) a wilful misrepresentation has been made of any  
2320 material matter in any application, report, affidavit or other document,  
2321 submitted by such foreign limited liability company pursuant to  
2322 sections 70 to 79, inclusive, of this act; (3) the foreign limited liability  
2323 company is exceeding the authority conferred upon it by said sections;  
2324 or (4) the foreign limited liability company is without an agent upon  
2325 whom process may be served in this state for sixty days or more.

2326 (b) On the happening of an event set forth in subdivision (1), (2), (3)

2327 or (4) of subsection (a) of this section, the Secretary of the State shall  
2328 give not less than twenty days' written notice to the foreign limited  
2329 liability company that the Secretary intends to revoke the foreign  
2330 registration statement of such foreign limited liability company for one  
2331 of said causes, specifying the same. Such notice shall be given by  
2332 registered or certified mail addressed to the foreign limited liability  
2333 company at its address as last shown on the records of the Secretary of  
2334 the State. If, before expiration of the time set forth in the notice, the  
2335 foreign limited liability company establishes to the satisfaction of the  
2336 Secretary of the State that the stated cause for the revocation of its  
2337 foreign registration statement did not exist at the time the notice was  
2338 mailed or, if it did exist at said time, has been cured, the Secretary of  
2339 the State shall take no further action. Otherwise, on the expiration of  
2340 the time set forth in the notice, the Secretary shall revoke the foreign  
2341 registration statement of such foreign limited liability company to  
2342 transact business in this state.

2343 (c) Upon revoking the foreign registration statement of any foreign  
2344 limited liability company, the Secretary of the State shall file a  
2345 certificate of revocation in his office and shall: (1) Mail a copy thereof  
2346 to such foreign limited liability company at its address as last shown  
2347 on the Secretary's records; and (2) cause notice of the filing of such  
2348 certificate of revocation to be posted on the office of the Secretary of  
2349 the State's Internet web site for a period of sixty days following the  
2350 date on which the Secretary of the State files the certificate of  
2351 revocation. The filing of such certificate of revocation shall cause the  
2352 authority of a foreign limited liability company to transact business in  
2353 this state to cease. Notwithstanding the filing of the certificate of  
2354 revocation, the appointment by a foreign limited liability company of  
2355 an attorney upon whom process may be served shall continue in force  
2356 as long as any liability remains outstanding against the foreign limited  
2357 liability company in this state.

2358 Sec. 78. (NEW) (*Effective July 1, 2017*) (a) A registered foreign limited  
2359 liability company may withdraw its registration by delivering a

2360 statement of withdrawal to the Secretary of the State for filing. The  
2361 statement of withdrawal must state: (1) The name of the company and  
2362 its governing jurisdiction; (2) that the company is not transacting  
2363 business in this state and that it withdraws its registration to transact  
2364 business in this state; (3) that the company revokes the authority of its  
2365 registered agent to accept service on its behalf in this state; (4) that the  
2366 company surrenders its authority to transact business in this state; and  
2367 (5) an address to which service of process may be made under  
2368 subsection (b) of this section.

2369 (b) After the withdrawal of the registration of a foreign limited  
2370 liability company, service of process in any action or proceeding based  
2371 on a cause of action arising during the time the company was  
2372 registered to transact business in this state may be made pursuant to  
2373 section 19 of this act.

2374 Sec. 79. (NEW) (*Effective July 1, 2017*) The Attorney General may  
2375 maintain an action to enjoin a foreign limited liability company from  
2376 transacting business in this state in violation of sections 70 to 78,  
2377 inclusive, of this act.

2378 Sec. 80. (NEW) (*Effective July 1, 2017*) As used in this section and  
2379 sections 81 to 97, inclusive, of this act:

2380 (1) "Interest exchange" means a transaction authorized by sections  
2381 93 to 97, inclusive, of this act.

2382 (2) "Merger" means a transaction in which two or more merging  
2383 limited liability companies and foreign limited liability companies are  
2384 combined into a surviving limited liability company pursuant to a  
2385 filing with the Secretary of the State pursuant to section 90 of this act.

2386 (3) "Merging limited liability company" means a limited liability  
2387 company or foreign limited liability company that is party to a merger.

2388 (4) "Organic law" means, with respect to a limited liability company,  
2389 the provisions of sections 1 to 102, inclusive, of this act as in effect in

2390 this state from time to time, and with respect to a foreign limited  
2391 liability company, the law of the governing jurisdiction governing the  
2392 internal affairs of a foreign limited liability company.

2393 (5) "Organizational documents" means the certificate of organization  
2394 and operating agreement of a limited liability company or a foreign  
2395 limited liability company, or comparable records of a foreign limited  
2396 liability company as provided in its organic law.

2397 (6) "Plan" means a plan of merger or interest exchange.

2398 (7) "Protected agreement" means: (A) A record evidencing  
2399 indebtedness and any related agreement in effect on or after July 1,  
2400 2017; (B) an agreement that is binding on a limited liability company or  
2401 foreign limited liability company on or after July 1, 2017; (C) the  
2402 organizational documents of a limited liability company in effect on or  
2403 after July 1, 2017; or (D) an agreement that is binding on any of the  
2404 members or managers of a limited liability company or foreign limited  
2405 liability company on or after July 1, 2017.

2406 (8) "Surviving limited liability company" means a limited liability  
2407 company or foreign limited liability company into which one or more  
2408 other limited liability companies and foreign limited liability  
2409 companies are merged whether the surviving limited liability  
2410 company preexisted the merger or was created by the merger.

2411 Sec. 81. (NEW) (*Effective July 1, 2017*) (a) Unless displaced by the  
2412 particular provisions of sections 80 to 97, inclusive, of this act, the  
2413 principles of law and equity shall supplement said sections.

2414 (b) Sections 80 to 97, inclusive, of this act shall not authorize any  
2415 action prohibited by law or affect the application or requirements of  
2416 law other than said sections.

2417 Sec. 82. (NEW) (*Effective July 1, 2017*) (a) A limited liability company  
2418 or foreign limited liability company that is required to give notice to,  
2419 or obtain the approval of, a governmental agency or officer of this state

2420 to be a party to a merger must give the notice or obtain the approval to  
2421 be a party to an interest exchange.

2422 (b) Property held for a charitable purpose under the law of this state  
2423 by a limited liability company or foreign limited liability company  
2424 immediately before a transaction under sections 80 to 97, inclusive, of  
2425 this act becomes effective may not, as a result of the transaction, be  
2426 diverted from the objects for which it was donated, granted, devised or  
2427 otherwise transferred unless, to the extent required by or pursuant to  
2428 the law of this state concerning cy pres or other law dealing with  
2429 nondiversion of charitable assets, the limited liability company or  
2430 foreign limited liability company provides notice to the Attorney  
2431 General and obtains an appropriate order of a court competent  
2432 jurisdiction specifying the disposition of the property.

2433 (c) A bequest, devise, gift, grant or promise contained in a will or  
2434 other instrument of donation, subscription or conveyance that is made  
2435 to a merging limited liability company that is not the surviving limited  
2436 liability company and that takes effect or remains payable after the  
2437 merger inures to the surviving limited liability company. A trust  
2438 obligation that would govern property if transferred to the merging  
2439 limited liability company that does not survive the merger applies to  
2440 property that is transferred to the surviving limited liability company  
2441 under this section.

2442 Sec. 83. (NEW) (*Effective July 1, 2017*) A filing under sections 80 to 97,  
2443 inclusive, of this act signed by a limited liability company becomes  
2444 part of the organizational documents of the limited liability company.

2445 Sec. 84. (NEW) (*Effective July 1, 2017*) (a) The fact that a transaction  
2446 under sections 80 to 97, inclusive, of this act produces a certain result  
2447 does not preclude the same result from being accomplished in any  
2448 other manner permitted by law.

2449 (b) Sections 80 to 97, inclusive, of this act do not preclude a limited  
2450 liability company from being merged, converted or domesticated

2451 under law other than said sections.

2452 Sec. 85. (NEW) (*Effective July 1, 2017*) A plan may refer to facts  
2453 ascertainable outside the plan, provided the manner in which the facts  
2454 shall operate upon the plan is specified in the plan. The facts may  
2455 include the occurrence of an event or a determination or action by a  
2456 person, whether or not the event, determination or action is within the  
2457 control of a party to the transaction.

2458 Sec. 86. (NEW) (*Effective July 1, 2017*) (a) Subject to subsection (b) of  
2459 this section, nothing in sections 1 to 102, inclusive, of this act shall be  
2460 construed to grant by law appraisal rights to a member of a merging  
2461 limited liability company pursuant to a merger under sections 88 to 91,  
2462 inclusive, of this act or an acquired limited liability company pursuant  
2463 to sections 92 to 97, inclusive, of this act in connection with the  
2464 transaction.

2465 (b) A member of a merging limited liability company pursuant to a  
2466 merger under sections 88 to 91, inclusive, of this act, or an acquired  
2467 limited liability company pursuant to sections 92 to 97, inclusive, of  
2468 this act, is entitled to contractual appraisal rights in connection with  
2469 the transaction to the extent provided in: (1) The limited liability  
2470 company's organizational documents; or (2) the plan.

2471 Sec. 87. (NEW) (*Effective July 1, 2017*) Sections 80 to 97, inclusive, of  
2472 this act shall not be used to effect a transaction that is a merger or  
2473 interest exchange governed by sections 1 to 102, inclusive, of this act  
2474 involving a limited liability company organized to render professional  
2475 services unless the transaction involves another limited liability  
2476 company or foreign limited liability company organized to render the  
2477 same professional service permitted to be performed by a limited  
2478 liability company pursuant to subsection (c) of section 9 of this act, or  
2479 to render two or more professional services permitted to be performed  
2480 by a limited liability company pursuant to subsection (d) of section 9 of  
2481 this act.

2482       Sec. 88. (NEW) (*Effective July 1, 2017*) (a) A limited liability company  
2483 may merge with one or more other merging limited liability companies  
2484 into a surviving limited liability company pursuant to this section and  
2485 sections 89 to 91, inclusive, of this act, and a plan of merger, if: (1) The  
2486 organic law of each of the other merging limited liability companies  
2487 authorizes the merger; (2) the merger is not prohibited by the law of  
2488 the governing jurisdiction of the other merging limited liability  
2489 companies or by any federal law; and (3) each of the other merging  
2490 limited liability companies complies with its organic law in effecting  
2491 the merger.

2492       (b) A plan of merger must be in a record and must include: (1) The  
2493 name and form of each merging limited liability company; (2) the  
2494 name and form of the surviving limited liability company and, if the  
2495 surviving organization is to be created by the merger, a statement to  
2496 that effect; (3) the terms and conditions of the merger, including the  
2497 manner and basis for converting the transferable interests in each  
2498 merging limited liability company into any combination of money,  
2499 transferable interests in the surviving limited liability company, and  
2500 other consideration; (4) if the surviving limited liability company is to  
2501 be created by the merger, the surviving limited liability company's  
2502 organizational documents that are proposed to be in a record; and (5) if  
2503 the surviving limited liability company is not to be created by the  
2504 merger, any amendments to be made by the merger to the surviving  
2505 limited liability company's organizational documents that are, or are  
2506 proposed to be, in a record.

2507       Sec. 89. (NEW) (*Effective July 1, 2017*) (a) Unless otherwise provided  
2508 in the certificate of organization or operating agreement of the limited  
2509 liability company, a plan of merger must be consented to by two-thirds  
2510 in interest of the members of the limited liability company.

2511       (b) Subject to any contractual rights, after a merger is approved, and  
2512 at any time before articles of merger are delivered to the Secretary of  
2513 the State for filing under section 90 of this act, a merging limited  
2514 liability company may amend the plan or abandon the merger: (1) As

2515 provided in the plan; or (2) except as otherwise prohibited in the plan,  
2516 with the same consent as was required to approve the plan.

2517 Sec. 90. (NEW) (*Effective July 1, 2017*) (a) After each merging limited  
2518 liability company has approved a merger, a certificate of merger must  
2519 be signed on behalf of each merging limited liability company, as  
2520 provided in subsection (a) of section 27 of this act.

2521 (b) A certificate of merger under this section must include:

2522 (1) The name of each merging limited liability company and its  
2523 governing jurisdiction;

2524 (2) The name of the surviving limited liability company, its  
2525 governing jurisdiction, and, if the surviving limited liability company  
2526 is created by the merger, a statement to that effect;

2527 (3) The date the merger is effective under the organic law of the  
2528 surviving limited liability company;

2529 (4) If the surviving limited liability company is to be created by the  
2530 merger and is a limited liability company, the surviving limited  
2531 liability company's certificate of organization, as an attachment;

2532 (5) If the surviving limited liability company preexists the merger,  
2533 any amendments provided for in the plan of merger for the  
2534 organizational document that created the surviving limited liability  
2535 company that are in a public record;

2536 (6) A statement as to each merging limited liability company that  
2537 the merger was approved as required by the merging limited liability  
2538 company's organic law;

2539 (7) If the surviving limited liability company is a foreign limited  
2540 liability company not authorized to transact business in this state, the  
2541 street and mailing addresses of an office that the Secretary of the State  
2542 may use for the purposes of subsection (b) of section 91 of this act;

2543 (8) If the certificate of merger is not to be effective upon filing, the  
2544 date and time when it shall become effective; and

2545 (9) Any additional information required by the organic law of any  
2546 merging limited liability company.

2547 (c) In addition to the requirements of subsection (b) of this section,  
2548 the certificate of merger may contain any other provision not  
2549 prohibited by law.

2550 (d) Each merging limited liability company shall deliver the  
2551 certificate of merger for filing in the office of the Secretary of the State.

2552 (e) A merger becomes effective when the certificate of merger is  
2553 effective under section 31 of this act.

2554 Sec. 91. (NEW) (*Effective July 1, 2017*) (a) When a merger becomes  
2555 effective:

2556 (1) The surviving limited liability company continues or comes into  
2557 existence;

2558 (2) Each merging limited liability company that merges into the  
2559 surviving limited liability company ceases to exist as a separate entity;

2560 (3) All property owned by each merging limited liability company  
2561 that ceases to exist vests in the surviving limited liability company;

2562 (4) All debts, obligations or other liabilities of each merging limited  
2563 liability company that ceases to exist continue as debts, obligations or  
2564 other liabilities of the surviving limited liability company;

2565 (5) An action or proceeding pending by or against any merging  
2566 limited liability company that ceases to exist may be continued as if the  
2567 merger had not occurred;

2568 (6) Except as prohibited by other law, all of the rights, privileges,  
2569 immunities, powers and purposes of each merging limited liability

2570 company that ceases to exist vest in the surviving limited liability  
2571 company;

2572 (7) Except as otherwise provided in the plan of merger, the terms  
2573 and conditions of the plan of merger take effect;

2574 (8) Except as otherwise agreed, if a merging limited liability  
2575 company ceases to exist, the merger does not dissolve the limited  
2576 liability company for the purposes of sections 56 to 63, inclusive, of this  
2577 act;

2578 (9) If the surviving limited liability company is created by the  
2579 merger, the certificate of organization becomes effective; and

2580 (10) If the surviving limited liability company preexisted the  
2581 merger, any amendments provided for in the articles of merger for the  
2582 organizational document that created the limited liability company  
2583 become effective.

2584 (b) A surviving limited liability company that is a foreign limited  
2585 liability company consents to the jurisdiction of the courts of this state  
2586 for the enforcement of any debt, obligation or other liability owed by a  
2587 merging limited liability company if before the merger the merging  
2588 limited liability company was subject to suit in this state on the debt,  
2589 obligation or other liability. A surviving limited liability company that  
2590 is a foreign limited liability company and not authorized to transact  
2591 business in this state appoints the Secretary of the State as its agent for  
2592 service of process for the purposes of enforcing a debt, obligation, or  
2593 other liability under this subsection. Service on the Secretary of the  
2594 State under this subsection must be made in the same manner and has  
2595 the same consequences as in subsections (c) and (d) of section 19 of this  
2596 act.

2597 (c) The transferable interests in a limited liability company that are  
2598 to be converted under the terms of the plan of merger are so converted,  
2599 and the former holders thereof are entitled only to the rights provided  
2600 in the plan of merger and to any appraisal rights they have under

2601 section 86 of this act and the merging limited liability company's  
2602 organic law.

2603       Sec. 92. (NEW) (*Effective July 1, 2017*) (a) By complying with the  
2604 provisions of this section and sections 93 to 97, inclusive, of this act: (1)  
2605 A limited liability company may acquire all of one or more classes or  
2606 series of transferable interests of another limited liability company or a  
2607 foreign limited liability company in exchange for interests, securities,  
2608 obligations, money, other property, rights to acquire interests or  
2609 securities, or any combination of the foregoing; or (2) all of one or more  
2610 classes or series of transferable interests of a limited liability company  
2611 may be acquired by another limited liability company or a foreign  
2612 limited liability company in exchange for interests, securities,  
2613 obligations, money, other property, rights to acquire interests or  
2614 securities, or any combination of the foregoing.

2615       (b) By complying with the provisions with this section and sections  
2616 93 to 97, inclusive, of this act, a foreign limited liability company may  
2617 be the acquiring or acquired limited liability company in an interest  
2618 exchange under this section and sections 93 to 97, inclusive, of this act,  
2619 if the interest exchange is authorized by the organic law of the foreign  
2620 limited liability company.

2621       (c) If a protected agreement contains a provision that applies to a  
2622 merger of a domestic limited liability company but does not refer to an  
2623 interest exchange, the provision applies to an interest exchange in  
2624 which the domestic limited liability company is the acquired entity as  
2625 if the interest exchange were a merger until the provision is amended  
2626 after July 1, 2017.

2627       Sec. 93. (NEW) (*Effective July 1, 2017*) (a) A limited liability company  
2628 may be the acquired limited liability company in an interest exchange  
2629 under sections 92 to 97, inclusive, of this act, by approving a plan of  
2630 interest exchange. The plan must be in a record and contain: (1) The  
2631 name of the acquired limited liability company; (2) the name and the  
2632 governing jurisdiction of the acquiring limited liability company or

2633 foreign limited liability company; (3) the manner of converting the  
2634 transferable interests in the acquired limited liability company into  
2635 interests, securities, obligations, money, other property, rights to  
2636 acquire interests or securities, or any combination of the foregoing; (4)  
2637 any proposed amendments to the certificate of organization or  
2638 operating agreement that are, or are proposed to be, in a record of the  
2639 acquired limited liability company; (5) the other terms and conditions  
2640 of the interest exchange; and (6) any other provision required by the  
2641 law of this state or the organizational documents of the acquired  
2642 limited liability company.

2643 (b) In addition to the requirements of subsection (a) of this section, a  
2644 plan of interest exchange may contain any other provision not  
2645 prohibited by law.

2646 Sec. 94. (NEW) (*Effective July 1, 2017*) (a) Unless otherwise provided  
2647 in the certificate of organization or operating agreement of the limited  
2648 liability agreement, a plan of interest exchange is not effective unless it  
2649 has been approved by two-thirds in interest of the members of an  
2650 acquired limited liability company entitled to vote on or consent to any  
2651 matter.

2652 (b) An interest exchange involving a foreign limited liability  
2653 company is not effective unless it is approved by the foreign limited  
2654 liability company in accordance with the organic law of the foreign  
2655 limited liability company.

2656 (c) Except as otherwise provided in its organic law or organizational  
2657 documents, the members of the acquiring limited liability company or  
2658 foreign limited liability company are not required to approve the  
2659 interest exchange.

2660 Sec. 95. (NEW) (*Effective July 1, 2017*) (a) A plan of interest exchange  
2661 may be amended only with the consent of each party to the plan,  
2662 except as otherwise provided in the plan.

2663 (b) An acquired limited liability company may approve an

2664 amendment of a plan of interest exchange: (1) In the same manner as  
2665 the plan was approved, if the plan does not provide for the manner in  
2666 which it may be amended; or (2) by the managers or members of the  
2667 limited liability company in the manner provided in the plan, but a  
2668 member that was entitled to vote on or consent to approval of the  
2669 interest exchange is entitled to vote on or consent to any amendment of  
2670 the plan that will change: (A) The amount or kind of interests,  
2671 securities, obligations, money, other property, rights to acquire  
2672 interests or securities, or any combination of the foregoing, to be  
2673 received by any of the members of the acquired limited liability  
2674 company under the plan; (B) the certificate of organization or  
2675 operating agreement of the acquired company that will be in effect  
2676 immediately after the interest exchange becomes effective, except for  
2677 changes that do not require approval of the members of the acquired  
2678 limited liability company under sections 1 to 102, inclusive, of this act  
2679 or the operating agreement; or (C) any other terms or conditions of the  
2680 plan, if the change would adversely affect the member in any material  
2681 respect.

2682 (c) After a plan of interest exchange has been approved and before a  
2683 certificate of interest exchange becomes effective, the plan may be  
2684 abandoned as provided in the plan. Unless prohibited by the plan, an  
2685 acquired limited liability company may abandon the plan in the same  
2686 manner as the plan was approved.

2687 (d) If a plan of interest exchange is abandoned after a certificate of  
2688 interest exchange has been delivered to the Secretary of the State for  
2689 filing and before the certificate of interest exchange becomes effective,  
2690 a certificate of abandonment, signed by the acquired limited liability  
2691 company, must be delivered to the Secretary of the State for filing  
2692 before the certificate of interest exchange becomes effective. The  
2693 certificate of abandonment takes effect on filing, and the interest  
2694 exchange is abandoned and does not become effective. The certificate  
2695 of abandonment must contain: (1) The name of the acquired limited  
2696 liability company; (2) the date on which the certificate of interest

2697 exchange was delivered to the Secretary of the State for filing; and (3) a  
2698 statement that the interest exchange has been abandoned in  
2699 accordance with this section.

2700       Sec. 96. (NEW) (*Effective July 1, 2017*) (a) A certificate of interest  
2701 exchange must be signed by an acquired limited liability company and  
2702 delivered to the Secretary of the State for filing.

2703       (b) A certificate of interest exchange must contain: (1) The name of  
2704 the acquired limited liability company; (2) the name and governing  
2705 jurisdiction of the acquiring limited liability company or foreign  
2706 limited liability company; (3) a statement that the plan of interest  
2707 exchange was approved by the acquired limited liability company in  
2708 accordance with sections 92 to 97, inclusive, of this act; (4) if the  
2709 certificate of interest exchange is not to be effective upon filing, the  
2710 date and time when it shall become effective; and (5) any amendments  
2711 to the acquired limited liability company's certificate of organization  
2712 approved as part of the plan of interest exchange.

2713       (c) In addition to the requirements of subsection (b) of this section, a  
2714 certificate of interest exchange may contain any other provision not  
2715 prohibited by law.

2716       (d) A plan of interest exchange that is signed by an acquired limited  
2717 liability company and meets all the requirements of subsection (b) of  
2718 this section may be delivered to the Secretary of the State for filing  
2719 instead of a certificate of interest exchange and on filing has the same  
2720 effect. If a plan of interest exchange is filed as provided in this  
2721 subsection, references in sections 80 to 97, inclusive, of this act, to a  
2722 certificate of interest exchange refer to the plan of interest exchange  
2723 filed under this subsection.

2724       (e) An interest exchange becomes effective when the certificate of  
2725 interest exchange is effective under section 31 of this act.

2726       Sec. 97. (NEW) (*Effective July 1, 2017*) (a) When an interest exchange  
2727 in which the acquired entity is a limited liability company becomes

2728 effective: (1) The transferable interests in a limited liability company  
2729 that are the subject of the interest exchange cease to exist or are  
2730 converted or exchanged, and the members holding those transferable  
2731 interests are entitled only to the rights provided to them under the  
2732 plan of interest exchange and to any appraisal rights they have under  
2733 section 86 of this act; (2) the acquiring limited liability company or  
2734 foreign limited liability company becomes the holder of the  
2735 transferable interests in the acquired limited liability company set forth  
2736 in the plan of interest exchange to be acquired by the acquiring limited  
2737 liability company or foreign limited liability company; (3) the  
2738 certificate of organization of the acquired limited liability company is  
2739 amended as provided in the certificate of interest exchange; and (4) the  
2740 provisions of the operating agreement of the acquired limited liability  
2741 company that are to be in a record, if any, are amended to the extent  
2742 provided in the plan of interest exchange.

2743 (b) Except as otherwise provided in the operating agreement of an  
2744 acquired limited liability company, the interest exchange does not give  
2745 rise to any rights that a member, manager or third party would  
2746 otherwise have upon a dissolution, liquidation or winding up of the  
2747 acquired limited liability company.

2748 (c) The transferable interests in a limited liability company that are  
2749 to be exchanged under the terms of the plan of interest exchange are so  
2750 exchanged, and the former holders thereof are entitled only to the  
2751 rights provided in the plan of interest exchange and to any appraisal  
2752 rights they have under section 86 of this act and the acquired limited  
2753 liability company's organic law.

2754 Sec. 98. (NEW) (*Effective July 1, 2017*) In applying and construing the  
2755 provisions of the Connecticut Uniform Limited Liability Company Act,  
2756 consideration must be given to the need to promote uniformity of the  
2757 law with respect to its subject matter among states that enact it.

2758 Sec. 99. (NEW) (*Effective July 1, 2017*) Sections 1 to 102, inclusive, of  
2759 this act modify, limit and supersede the Electronic Signatures in Global

2760 and National Commerce Act, 15 USC Section 7001 et seq., but do not  
2761 modify, limit or supersede Section 101(c) of said act, 15 USC Section  
2762 7001(c), or authorize electronic delivery of any of the notices described  
2763 in Section 103(b) of said act, 15 USC Section 7003(b).

2764 Sec. 100. (NEW) (*Effective July 1, 2017*) Sections 1 to 102, inclusive, of  
2765 this act do not affect an action commenced, proceeding brought or  
2766 right accrued before July 1, 2017.

2767 Sec. 101. (NEW) (*Effective July 1, 2017*) If any provision of sections 1  
2768 to 102, inclusive, of this act or its application to any person or  
2769 circumstance is held invalid, the invalidity does not affect other  
2770 provisions or applications of sections 1 to 102, inclusive, of this act  
2771 which can be given effect without the invalid provision or application,  
2772 and to this end the provisions of said sections are severable.

2773 Sec. 102. (NEW) (*Effective July 1, 2017*) (a) It is the policy of this  
2774 section and sections 1 to 101, inclusive, of this act to give maximum  
2775 effect to the principle of freedom of contract and to enforceability of  
2776 limited liability company agreements.

2777 (b) Unless displaced by particular provisions of this section and  
2778 sections 1 to 101, inclusive, of this act, the principles of law and equity  
2779 supplement said sections.

2780 (c) Rules that statutes in derogation of the common law are to be  
2781 strictly construed shall have no application under this section and  
2782 sections 1 to 101, inclusive, of this act.

2783 (d) Neither this section, sections 1 to 101, inclusive, of this act nor  
2784 any amendments to said sections shall be construed to impair the  
2785 obligations of any contract existing on, or affect any action or  
2786 proceedings begun or right accrued before July 1, 2017, or the effective  
2787 date of such amendment.

2788 Sec. 103. Subsection (b) of section 20-312 of the general statutes is  
2789 repealed and the following is substituted in lieu thereof (*Effective July*

2790 1, 2017):

2791 (b) The practice of or the offer to practice real estate brokerage  
2792 business in this state by individual licensed real estate brokers or real  
2793 estate salespersons as a corporation, limited liability company or  
2794 partnership, a material part of the business of which includes real  
2795 estate brokerage, is permitted, provided (1) the personnel of such  
2796 corporation, limited liability company or partnership who engage in  
2797 the real estate brokerage business as real estate brokers or real estate  
2798 salespersons, and the real estate brokers whose ownership, control,  
2799 membership or partnership interest is credited toward the  
2800 requirements of subdivision (3) of this subsection, are licensed or  
2801 exempt from licensure under this chapter, (2) the corporation, limited  
2802 liability company or partnership has been issued a real estate broker  
2803 license by the commission as provided in this section and has paid the  
2804 license or renewal fee required for a real estate broker's license as set  
2805 forth in section 20-314, and (3) except for a publicly traded corporation  
2806 (A) with respect to a corporation other than a nonstock corporation,  
2807 one or more real estate brokers own or control fifty-one per cent or  
2808 more of the total issued shares of the corporation, (B) with respect to a  
2809 nonstock corporation, one or more real estate brokers constitute at  
2810 least fifty-one per cent of the members of the nonstock corporation, (C)  
2811 with respect to a limited liability company, one or more real estate  
2812 brokers own or control at least fifty-one per cent of the interest in the  
2813 limited liability company, as defined in section [34-101] section 2 of  
2814 this act, or (D) with respect to a partnership, one or more real estate  
2815 brokers' partnership interest, as defined in section 34-301, constitutes at  
2816 least fifty-one per cent of the total partnership interest. No such  
2817 corporation, limited liability company or partnership shall be relieved  
2818 of responsibility for the conduct or acts of its agents, employees or  
2819 officers by reason of its compliance with this section, nor shall any  
2820 individual practicing real estate brokerage be relieved of responsibility  
2821 for real estate services performed by reason of the individual's  
2822 employment or relationship with such corporation, limited liability  
2823 company or partnership. The Real Estate Commission may refuse to

2824 authorize the issuance or renewal of a license if any facts exist that  
2825 would entitle the commission to suspend or revoke an existing license.

2826 Sec. 104. Subsection (e) of section 34-327 of the general statutes is  
2827 repealed and the following is substituted in lieu thereof (*Effective July*  
2828 *1, 2017*):

2829 (e) A registered limited liability partnership that consists of partners  
2830 who render professional service, as defined in section [34-101] section  
2831 2 of this act, shall continuously maintain professional liability  
2832 insurance in an amount not less than two hundred fifty thousand  
2833 dollars.

2834 Sec. 105. Subsection (b) of section 34-406 of the general statutes is  
2835 repealed and the following is substituted in lieu thereof (*Effective July*  
2836 *1, 2017*):

2837 (b) The name of a registered limited liability partnership or foreign  
2838 registered limited liability partnership shall be such as to distinguish it  
2839 upon the records of the Secretary of the State from: (1) The name of  
2840 any registered limited liability partnership, limited partnership,  
2841 limited liability company or corporation existing under the laws of this  
2842 state; (2) the name of any foreign registered limited liability  
2843 partnership, foreign limited partnership, foreign limited liability  
2844 company or foreign corporation authorized to transact business in this  
2845 state; (3) any name reserved under section 34-407 or reserved or  
2846 registered under section 33-656, 33-657, 33-1045, 33-1046, 33-1047, 34-  
2847 13, 34-13a or [34-103] section 13 or 14 of this act; or (4) the name of any  
2848 other entity whose name is carried upon the records of the Secretary of  
2849 the State as organized or authorized to transact business or conduct  
2850 affairs in this state.

2851 Sec. 106. Subsection (a) of section 34-506 of the general statutes is  
2852 repealed and the following is substituted in lieu thereof (*Effective July*  
2853 *1, 2017*):

2854 (a) The name of each statutory trust as set forth in its certificate of

2855 trust shall be such as to distinguish it upon the records of the office of  
2856 the Secretary of the State from: (1) The name of any corporation,  
2857 limited partnership, limited liability company, limited liability  
2858 partnership or statutory trust existing under the laws of this state; (2)  
2859 the name of any foreign corporation, limited partnership, limited  
2860 liability company, limited liability partnership or statutory trust  
2861 authorized to transact business in this state; or (3) any name reserved  
2862 under subsection (d) of this section or under section 33-656, 33-657, 34-  
2863 13, 34-13a, [34-102, 34-103] section 13 of this act, 34-406, as amended by  
2864 this act, or 34-407.

2865 Sec. 107. Subsection (a) of section 35-1 of the general statutes is  
2866 repealed and the following is substituted in lieu thereof (*Effective July*  
2867 *1, 2017*):

2868 (a) No person, except as provided in this subsection, shall conduct  
2869 or transact business in this state, under any assumed name, or under  
2870 any designation, name or style, corporate or otherwise, other than the  
2871 real name or names of the person or persons conducting or transacting  
2872 such business, unless there has been filed, in the office of the town  
2873 clerk in the town in which such business is or is to be conducted or  
2874 transacted, a certificate stating the name under which such business is  
2875 or is to be conducted or transacted and the full name and post-office  
2876 address of each person conducting or transacting such business or, in  
2877 the case of a corporation or limited liability company using such an  
2878 assumed name, its full name and principal post-office address. Such  
2879 certificate shall be executed by all of such persons or, in the case of a  
2880 corporation or limited liability company, by an authorized officer  
2881 thereof, and acknowledged before an authority qualified to administer  
2882 oaths. Each town clerk shall keep an alphabetical index of the names of  
2883 all persons filing such certificates and of all names or styles assumed as  
2884 provided in this subsection and, for the indexing and filing of each  
2885 such certificate, shall receive the statutory filing fee for documents  
2886 established in section 7-34a, to be paid by the person filing such  
2887 certificate. A copy of any such certificate, certified by the town clerk in

2888 whose office the same has been filed, shall be presumptive evidence, in  
2889 all courts in this state, of the facts contained in such certificate. The  
2890 provisions of this subsection shall not prevent the lawful use of a  
2891 partnership name or designation if such partnership name or  
2892 designation includes the true surname of at least one of the persons  
2893 composing such partnership. This subsection shall not apply to: (1)  
2894 Any limited partnership, as defined in section 34-9, provided such  
2895 limited partnership (A) has (i) filed a certificate as provided for in  
2896 section 34-10, or (ii) registered with the Secretary of the State as  
2897 provided in section 34-38g, and (B) conducts or transacts business  
2898 under the name stated in the certificate or registered with the Secretary  
2899 of the State, or (2) any limited liability company, as defined in section  
2900 [34-101] 2 of this act, provided such limited liability company (A) has  
2901 (i) filed articles or a certificate of organization as provided for in  
2902 [section 34-120] sections 10 and 25 of this act, or (ii) registered with the  
2903 Secretary of the State as provided in [section 34-223] sections 14, 71 and  
2904 72 of this act, and (B) conducts or transacts business under the name  
2905 stated in the articles of organization or registered with the Secretary of  
2906 the State. Any person conducting or transacting business in violation  
2907 of the provisions of this subsection shall be fined not more than five  
2908 hundred dollars or imprisoned not more than one year. Failure to  
2909 comply with the provisions of this subsection shall be deemed to be an  
2910 unfair or deceptive trade practice under subsection (a) of section 42-  
2911 110b.

2912 Sec. 108. Subsection (a) of section 36a-434a of the general statutes is  
2913 repealed and the following is substituted in lieu thereof (*Effective July*  
2914 *1, 2017*):

2915 (a) Any out-of-state trust company, whether or not owned or  
2916 controlled by an out-of-state holding company or a foreign banking  
2917 corporation, as defined in subsection (a) of section 36a-425, may, with  
2918 the approval of the commissioner, establish and maintain an office in  
2919 this state to act as a fiduciary or engage in a trust business in this state,  
2920 provided the laws of the state in which such trust company is

2921 chartered authorize (1) similar companies chartered in this state to act  
2922 as a fiduciary, and (2) trust banks to establish and maintain such office  
2923 in such state. Such approved out-of-state trust company shall be  
2924 deemed to transact business in this state for the purposes of section 33-  
2925 920, subsection (a) of section 33-1210, [section 34-223] sections 70 and  
2926 71 of this act or section 34-429 and shall comply with the applicable  
2927 requirements of said sections. Application for approval to establish  
2928 and maintain an office pursuant to this section shall be made on forms  
2929 prescribed by the commissioner. Such application shall state the  
2930 minimum equity capital of the out-of-state trust company which shall  
2931 be at least two million dollars. Such application shall be accompanied  
2932 by evidence of compliance with the applicable requirements of the  
2933 regulator in the state in which the out-of-state trust company is  
2934 chartered for the establishment and maintenance of such office and the  
2935 bond required under section 36a-434b. The out-of-state trust company  
2936 shall pay to the commissioner, at the time of making such application,  
2937 a nonrefundable fee of one thousand five hundred dollars. The  
2938 commissioner shall approve or disapprove the application within  
2939 thirty days after the application has been filed with the commissioner.  
2940 The thirty-day period of review may be extended by the commissioner,  
2941 in writing, on a determination that the application raises issues that  
2942 require additional information or additional time for analysis.

2943       Sec. 109. (NEW) (*Effective July 1, 2017*) If any reprogramming of or  
2944 upgrade to the office of the Secretary of the State's CONCORD  
2945 commercial records database, or any additional or upgraded software  
2946 for such database, is necessitated by any provision of sections 1 to 102,  
2947 inclusive, of this act, the office of the Secretary of the State shall make  
2948 or procure such reprogramming, upgrade or additional or upgraded  
2949 software only within available appropriations.

2950       Sec. 110. Sections 34-100 to 34-113, inclusive, 34-119 to 34-124,  
2951 inclusive, 34-130 to 34-134, inclusive, 34-140 to 34-144, inclusive, 34-150  
2952 to 34-152, inclusive, 34-158 to 34-161, inclusive, 34-167 to 34-173,  
2953 inclusive, 34-179, 34-180, 34-186, 34-187, 34-193 to 34-198, inclusive, 34-

2954 206 to 34-216, inclusive, 34-222 to 34-236, inclusive, 34-241 and 34-242  
 2955 of the general statutes are repealed. (*Effective July 1, 2017*)

2956 Sec. 111. Section 34-216 of the 2016 supplement to the general  
 2957 statutes is repealed. (*Effective July 1, 2017*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2017</i>	New section
Sec. 2	<i>July 1, 2017</i>	New section
Sec. 3	<i>July 1, 2017</i>	New section
Sec. 4	<i>July 1, 2017</i>	New section
Sec. 5	<i>July 1, 2017</i>	New section
Sec. 6	<i>July 1, 2017</i>	New section
Sec. 7	<i>July 1, 2017</i>	New section
Sec. 8	<i>July 1, 2017</i>	New section
Sec. 9	<i>July 1, 2017</i>	New section
Sec. 10	<i>July 1, 2017</i>	New section
Sec. 11	<i>July 1, 2017</i>	New section
Sec. 12	<i>July 1, 2017</i>	New section
Sec. 13	<i>July 1, 2017</i>	New section
Sec. 14	<i>July 1, 2017</i>	New section
Sec. 15	<i>July 1, 2017</i>	New section
Sec. 16	<i>July 1, 2017</i>	New section
Sec. 17	<i>July 1, 2017</i>	New section
Sec. 18	<i>July 1, 2017</i>	New section
Sec. 19	<i>July 1, 2017</i>	New section
Sec. 20	<i>July 1, 2017</i>	New section
Sec. 21	<i>July 1, 2017</i>	New section
Sec. 22	<i>July 1, 2017</i>	New section
Sec. 23	<i>July 1, 2017</i>	New section
Sec. 24	<i>July 1, 2017</i>	New section
Sec. 25	<i>July 1, 2017</i>	New section
Sec. 26	<i>July 1, 2017</i>	New section
Sec. 27	<i>July 1, 2017</i>	New section
Sec. 28	<i>July 1, 2017</i>	New section
Sec. 29	<i>July 1, 2017</i>	New section
Sec. 30	<i>July 1, 2017</i>	New section
Sec. 31	<i>July 1, 2017</i>	New section

Sec. 32	<i>July 1, 2017</i>	New section
Sec. 33	<i>July 1, 2017</i>	New section
Sec. 34	<i>July 1, 2017</i>	New section
Sec. 35	<i>July 1, 2017</i>	New section
Sec. 36	<i>July 1, 2017</i>	New section
Sec. 37	<i>July 1, 2017</i>	New section
Sec. 38	<i>July 1, 2017</i>	New section
Sec. 39	<i>July 1, 2017</i>	New section
Sec. 40	<i>July 1, 2017</i>	New section
Sec. 41	<i>July 1, 2017</i>	New section
Sec. 42	<i>July 1, 2017</i>	New section
Sec. 43	<i>July 1, 2017</i>	New section
Sec. 44	<i>July 1, 2017</i>	New section
Sec. 45	<i>July 1, 2017</i>	New section
Sec. 46	<i>July 1, 2017</i>	New section
Sec. 47	<i>July 1, 2017</i>	New section
Sec. 48	<i>July 1, 2017</i>	New section
Sec. 49	<i>July 1, 2017</i>	New section
Sec. 50	<i>July 1, 2017</i>	New section
Sec. 51	<i>July 1, 2017</i>	New section
Sec. 52	<i>July 1, 2017</i>	New section
Sec. 53	<i>July 1, 2017</i>	New section
Sec. 54	<i>July 1, 2017</i>	New section
Sec. 55	<i>July 1, 2017</i>	New section
Sec. 56	<i>July 1, 2017</i>	New section
Sec. 57	<i>July 1, 2017</i>	New section
Sec. 58	<i>July 1, 2017</i>	New section
Sec. 59	<i>July 1, 2017</i>	New section
Sec. 60	<i>July 1, 2017</i>	New section
Sec. 61	<i>July 1, 2017</i>	New section
Sec. 62	<i>July 1, 2017</i>	New section
Sec. 63	<i>July 1, 2017</i>	New section
Sec. 64	<i>July 1, 2017</i>	New section
Sec. 65	<i>July 1, 2017</i>	New section
Sec. 66	<i>July 1, 2017</i>	New section
Sec. 67	<i>July 1, 2017</i>	New section
Sec. 68	<i>July 1, 2017</i>	New section
Sec. 69	<i>July 1, 2017</i>	New section
Sec. 70	<i>July 1, 2017</i>	New section
Sec. 71	<i>July 1, 2017</i>	New section

Sec. 72	<i>July 1, 2017</i>	New section
Sec. 73	<i>July 1, 2017</i>	New section
Sec. 74	<i>July 1, 2017</i>	New section
Sec. 75	<i>July 1, 2017</i>	New section
Sec. 76	<i>July 1, 2017</i>	New section
Sec. 77	<i>July 1, 2017</i>	New section
Sec. 78	<i>July 1, 2017</i>	New section
Sec. 79	<i>July 1, 2017</i>	New section
Sec. 80	<i>July 1, 2017</i>	New section
Sec. 81	<i>July 1, 2017</i>	New section
Sec. 82	<i>July 1, 2017</i>	New section
Sec. 83	<i>July 1, 2017</i>	New section
Sec. 84	<i>July 1, 2017</i>	New section
Sec. 85	<i>July 1, 2017</i>	New section
Sec. 86	<i>July 1, 2017</i>	New section
Sec. 87	<i>July 1, 2017</i>	New section
Sec. 88	<i>July 1, 2017</i>	New section
Sec. 89	<i>July 1, 2017</i>	New section
Sec. 90	<i>July 1, 2017</i>	New section
Sec. 91	<i>July 1, 2017</i>	New section
Sec. 92	<i>July 1, 2017</i>	New section
Sec. 93	<i>July 1, 2017</i>	New section
Sec. 94	<i>July 1, 2017</i>	New section
Sec. 95	<i>July 1, 2017</i>	New section
Sec. 96	<i>July 1, 2017</i>	New section
Sec. 97	<i>July 1, 2017</i>	New section
Sec. 98	<i>July 1, 2017</i>	New section
Sec. 99	<i>July 1, 2017</i>	New section
Sec. 100	<i>July 1, 2017</i>	New section
Sec. 101	<i>July 1, 2017</i>	New section
Sec. 102	<i>July 1, 2017</i>	New section
Sec. 103	<i>July 1, 2017</i>	20-312(b)
Sec. 104	<i>July 1, 2017</i>	34-327(e)
Sec. 105	<i>July 1, 2017</i>	34-406(b)
Sec. 106	<i>July 1, 2017</i>	34-506(a)
Sec. 107	<i>July 1, 2017</i>	35-1(a)
Sec. 108	<i>July 1, 2017</i>	36a-434a(a)
Sec. 109	<i>July 1, 2017</i>	New section
Sec. 110	<i>July 1, 2017</i>	Repealer section
Sec. 111	<i>July 1, 2017</i>	Repealer section

**APP**      *Joint Favorable Subst.*