



General Assembly

February Session, 2016

Raised Bill No. 5639

LCO No. 3304



Referred to Committee on JUDICIARY

Introduced by:
(JUD)

***AN ACT CONCERNING CONNECTICUT'S LEADERSHIP IN
CORPORATION AND BUSINESS LAW.***

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

104 participating in the action to be taken.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

258 required contents of a plan of merger under subsection (b) of section 88
259 of this act or, a plan of interest exchange under section 93 of this act; or
260 (14) except as provided in section 6 of this act and subsection (b) of
261 section 7 of this act, restrict the rights under this act of a person other
262 than a member or manager.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

687 records.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1052 (1) The name of the company;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1293 (2) Includes words of similar import.

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

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

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

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

1306 (4) The affirmative vote or consent of all of the members is required
1307 to amend the operating agreement or to amend the certificate of
1308 organization.

1309 (c) In a manager-managed limited liability company, the following
1310 rules apply:

1311 (1) Except as expressly provided in sections 1 to 102, inclusive, of
1312 this act, any matter relating to the activities and affairs of the company
1313 is decided exclusively by the manager, or, if there is more than one
1314 manager, by a majority of the managers.

1315 (2) Each manager has equal rights in the management and conduct
1316 of the company's activities and affairs.

1317 (3) The affirmative vote or consent of two-thirds in interest of the
1318 members is required to: (A) Undertake an act outside the ordinary
1319 course of the company's activities and affairs; or (B) approve a
1320 transaction under the Connecticut Entity Transactions Act.

1321 (4) The affirmative vote or consent of all of the members is required

1322 to amend the operating agreement or to amend the certificate of
1323 organization.

1324 (5) A manager may be chosen at any time by the affirmative vote or
1325 consent of a majority in interest of the members and remains a
1326 manager until a successor has been chosen, unless the manager at an
1327 earlier time resigns, is removed, or dies or, in the case of a manager
1328 that is not an individual, terminates. A manager may be removed at
1329 any time by the consent of a majority in interest of the members
1330 without notice or cause.

1331 (6) A person need not be a member to be a manager, but the
1332 dissociation of a member that is also a manager removes the person as
1333 a manager. If a person that is both a manager and a member ceases to
1334 be a manager, that cessation does not by itself dissociate the person as
1335 a member.

1336 (7) A person's ceasing to be a manager does not discharge any debt,
1337 obligation or other liability to the limited liability company or
1338 members which the person incurred while a manager.

1339 (d) An action requiring the vote or consent of members under
1340 sections 1 to 102, inclusive, of this act may be taken without a meeting,
1341 and a member may appoint a proxy or other agent to vote, consent or
1342 otherwise act for the member by signing an appointing record,
1343 personally or by the member's agent.

1344 (e) The dissolution of a limited liability company does not affect the
1345 applicability of this section. However, a person that wrongfully causes
1346 dissolution of the company loses the right to participate in
1347 management as a member and a manager.

1348 (f) A limited liability company shall reimburse a member for an
1349 advance to the company beyond the amount of capital the member
1350 agreed to contribute.

1351 (g) A payment or advance made by a member which gives rise to an
1352 obligation of the limited liability company under subsection (f) of this
1353 section or subsection (a) of section 46 of this act constitutes a loan to
1354 the company.

1355 (h) A member is not entitled to remuneration for services performed
1356 for a member-managed limited liability company, except for
1357 reasonable compensation for services rendered in winding up the
1358 activities of the company.

1359 Sec. 46. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
1360 shall reimburse a member of a member-managed company or the
1361 manager of a manager-managed company for any payment made by
1362 the member or in the course of the member's or manager's activities on
1363 behalf of the company, if the member or manager complied with
1364 sections 45 and 47 of this act in making the payment.

1365 (b) In the ordinary course of its duties and affairs, a limited liability
1366 company may indemnify and hold harmless a person with respect to
1367 any claim or demand against the person and any debt, obligation or
1368 other liability incurred by the person by reason of the person's former
1369 or present capacity as a member, manager or officer if the claim,
1370 demand, debt, obligation or other liability does not arise from the
1371 person's breach of section 43, 45 or 47 of this act.

1372 (c) A limited liability company shall indemnify and hold harmless a
1373 person who was wholly successful, on the merits or otherwise, in the
1374 defense of any proceeding with respect to any claim or demand
1375 against the person by reason of the person's former or present capacity
1376 as a member, manager or officer of the company from and against
1377 reasonable expenses, including attorney's fees and costs incurred by
1378 the person in connection with such claim or demand. As used in this
1379 subsection, "proceeding" means any threatened, pending or completed
1380 action, arbitration, investigation, suit or proceeding, whether civil,
1381 criminal or administrative and whether formal or informal.

1382 (d) In the ordinary course of its activities and affairs, a limited
1383 liability company may advance reasonable expenses, including
1384 attorney's fees and costs, incurred by a person in connection with a
1385 claim or demand against the person by reason of the person's former
1386 or present capacity as a member, manager or officer of the company if
1387 the person promises to repay the company if the person ultimately is
1388 determined not to be entitled to be indemnified under subsection (b) of
1389 this section.

1390 (e) A limited liability company may purchase and maintain
1391 insurance on behalf of a member, manager or officer of the company
1392 against liability asserted against or incurred by the member, manager
1393 or officer in that capacity or arising from that status even if, under
1394 subdivision (7) of subsection (c) of section 5 of this act, the operating
1395 agreement could not eliminate or limit the person's liability to the
1396 company for the conduct giving rise to the liability.

1397 Sec. 47. (NEW) (*Effective July 1, 2017*) (a) A member of a member-
1398 managed limited liability company owes to the company and, subject
1399 to subsection (b) of section 64 of this act, the other members the duties
1400 of loyalty and care set forth in subsections (b) and (c) of this section.

1401 (b) The fiduciary duty of loyalty of a member in a member-managed
1402 limited liability company includes the duties:

1403 (1) To account to the company and to hold as trustee for it any
1404 property, profit or benefit derived by the member: (A) In the conduct
1405 or winding up of the company's activities and affairs; (B) from a use by
1406 the member of the company's property; or (C) from the appropriation
1407 of a company opportunity;

1408 (2) To refrain from dealing with the company in the conduct or
1409 winding up of the company's activities and affairs as or on behalf of a
1410 person having an interest adverse to the company; and

1411 (3) To refrain from competing with the company in the conduct of

1412 the company's activities and affairs before the dissolution of the
1413 company.

1414 (c) (1) A member of a member-managed limited liability company
1415 shall discharge the duties of such member as a member, including
1416 duties as a member of a committee of the members of the limited
1417 liability company: (A) In good faith; (B) with the care an ordinarily
1418 prudent person in a like position would exercise under similar
1419 circumstances; and (C) in a manner the member reasonably believes to
1420 be in the best interests of the limited liability company.

1421 (2) In discharging such duties, the member is entitled to rely on
1422 information, opinions, reports or statements, including financial
1423 statements and other financial data, if prepared or presented by: (A)
1424 One or more officers or employees of the limited liability company
1425 whom the member reasonably believes to be reliable and competent in
1426 the matters presented; (B) legal counsel, public accountants or other
1427 persons as to matters the member reasonably believes are within the
1428 person's professional or expert competence; or (C) a committee of
1429 members of the limited liability company of which the member is not a
1430 member if the member reasonably believes the committee merits
1431 confidence.

1432 (3) In discharging such duties under subsection (a) of this section
1433 and the operating agreement, a member or manager shall not be liable
1434 to the limited liability company or to any other member for actions or
1435 failure to act pursuant to the provisions of the operating agreement,
1436 except that a member is not acting in good faith if the member has
1437 knowledge concerning the matter in question that makes reliance
1438 otherwise permitted by this subsection unwarranted.

1439 (d) A member shall discharge the duties and obligations under
1440 sections 1 to 102, inclusive, of this act or under the operating
1441 agreement and exercise any rights consistently with the implied
1442 contractual obligation of good faith and fair dealing.

1443 (e) A member, other than in the capacity of a manager, does not
1444 violate a duty or obligation under sections 1 to 102, inclusive, of this
1445 act or under the operating agreement solely because the member's
1446 conduct furthers the member's own interest.

1447 (f) A majority in interest of disinterested members of a member-
1448 managed limited liability company or a manager-managed limited
1449 liability company may authorize or ratify, after full disclosure of all
1450 material facts, a specific act or transaction that otherwise would violate
1451 the duty of loyalty.

1452 (g) It is a defense to a claim under subdivision (2) of subsection (b)
1453 of this section and any comparable claim in equity or at common law
1454 that the transaction was fair to the limited liability company.

1455 (h) If, as permitted by subsection (f) of this section, subdivision (5)
1456 of subsection (i) of this section or the operating agreement, a member
1457 enters into a transaction with the limited liability company which
1458 otherwise would be prohibited by subdivision (2) of subsection (b) of
1459 this section, the member's rights and obligations arising from the
1460 transaction are the same as those of a person that is not a member.

1461 (i) In a manager-managed limited liability company, the following
1462 rules apply:

1463 (1) Subsections (a), (b), (c) and (g) of this section apply to the
1464 manager or managers and not the members.

1465 (2) Subsection (d) of this section applies to managers and members.

1466 (3) Subsection (e) of this section applies only to members.

1467 (4) The power to ratify under subsection (f) of this section applies
1468 only to the members.

1469 (5) Subject to subsection (d) of this section, a member does not have
1470 any duty to the company or to any other member solely by reason of

1471 being a member.

1472 Sec. 48. (NEW) (*Effective July 1, 2017*) (a) In a member-managed
1473 limited liability company, the following rules apply:

1474 (1) On reasonable notice, a member may inspect and copy during
1475 regular business hours, at a reasonable location specified by the
1476 company, any record maintained by the company regarding the
1477 company's activities, affairs, financial condition and other
1478 circumstances to the extent the information is material to the member's
1479 rights and duties under the operating agreement or sections 1 to 102,
1480 inclusive, of this act.

1481 (2) The company shall furnish to each member: (A) Without
1482 demand, any information concerning the company's activities, affairs,
1483 financial condition, and other circumstances which the company
1484 knows and is material to the proper exercise of the member's rights
1485 and duties under the operating agreement or sections 1 to 102,
1486 inclusive, of this act, except to the extent the company can establish
1487 that it reasonably believes the member already knows the information;
1488 and (B) on demand, any other information concerning the company's
1489 activities, affairs, financial condition and other circumstances, except to
1490 the extent the demand or information demanded is unreasonable or
1491 otherwise improper under the circumstances.

1492 (3) The duty to furnish information under subdivision (2) of this
1493 subsection also applies to each member to the extent the member
1494 knows any of the information described in said subdivision.

1495 (b) In a manager-managed limited liability company, the following
1496 rules apply:

1497 (1) The informational rights set forth in subsection (a) of this section
1498 and the duty set forth in subdivision (3) of subsection (a) of this section
1499 apply to the managers and not the members.

1500 (2) During regular business hours and at a reasonable location
1501 specified by the company, a member may inspect and copy full
1502 information regarding the activities, affairs, financial condition and
1503 other circumstances of the company as is just and reasonable if: (A)
1504 The member seeks the information for a purpose reasonably related to
1505 the member's interest as a member; (B) the member makes a demand
1506 in a record received by the company, describing with reasonable
1507 particularity the information sought and the purpose for seeking the
1508 information; and (C) the information sought is directly connected to
1509 the member's purpose.

1510 (3) Not later than ten days after receiving a demand pursuant to
1511 subparagraph (B) of subdivision (2) of this subsection, the company
1512 shall in a record inform the member that made the demand of: (A) The
1513 information that the company will provide in response to the demand
1514 and when and where the company will provide the information; and
1515 (B) the company's reasons for declining, if the company declines to
1516 provide any demanded information.

1517 (4) Whenever sections 1 to 102, inclusive, of this act or an operating
1518 agreement provide for a member to give or withhold consent to a
1519 matter, before the consent is given or withheld, the company shall,
1520 without demand, provide the member with all information that is
1521 known to the company and is material to the member's decision.

1522 (c) Subject to subsection (i) of this section, on not less than ten days'
1523 demand made in a record received by a limited liability company, a
1524 person dissociated as a member may have access to information to
1525 which the person was entitled while a member if:

1526 (1) The information pertains to the period during which the person
1527 was a member;

1528 (2) The person seeks the information in good faith; and

1529 (3) The person satisfies the requirements imposed on a member by

1530 subdivision (2) of subsection (b) of this section.

1531 (d) A limited liability company shall respond to a demand made
1532 pursuant to subsection (c) of this section in the manner provided in
1533 subdivision (3) of subsection (b) of this section.

1534 (e) A limited liability company may charge a person that makes a
1535 demand under this section the reasonable costs of copying, limited to
1536 the costs of labor and material.

1537 (f) A member or person dissociated as a member may exercise rights
1538 under this section through an agent or, in the case of an individual
1539 under legal disability, a legal representative. Any restriction or
1540 condition imposed by the operating agreement or under subsection (i)
1541 of this section applies both to the agent or legal representative and the
1542 member or person dissociated as a member.

1543 (g) Subject to subsection (i) of this section, the rights under this
1544 section do not extend to a person as a transferee.

1545 (h) If a member dies, the provisions of section 52 of this act shall
1546 apply.

1547 (i) In addition to any restriction or condition set forth in the
1548 operating agreement, a limited liability company, as a matter within
1549 the ordinary course of its activities and affairs, may impose reasonable
1550 restrictions and conditions on access to and use of information to be
1551 furnished under this section, including designating information
1552 confidential and imposing nondisclosure and safeguarding obligations
1553 on the recipient. In a dispute concerning the reasonableness of a
1554 restriction under this subsection, the company has the burden of
1555 proving reasonableness.

1556 Sec. 49. (NEW) (*Effective July 1, 2017*) A transferable interest is
1557 personal property.

1558 Sec. 50. (NEW) (*Effective July 1, 2017*) (a) Subject to subsection (f) of

1559 section 51 of this act, a transfer, in whole or in part, of a transferable
1560 interest: (1) Is permissible; (2) does not by itself cause a member's
1561 dissociation or a dissolution and winding up of the limited liability
1562 company's activities and affairs; and (3) subject to section 52 of this act,
1563 does not entitle the transferee to: (A) Participate in the management or
1564 conduct of the company's activities and affairs; or (B) except as
1565 provided in subsection (c) of this section, have access to records or
1566 other information concerning the company's activities and affairs.

1567 (b) A transferee has the right to receive, in accordance with the
1568 transfer, distributions to which the transferor would otherwise be
1569 entitled.

1570 (c) In a dissolution and winding up of a limited liability company, a
1571 transferee is entitled to an account of the company's transactions only
1572 from the date of dissolution.

1573 (d) A transferable interest may be evidenced by a certificate of the
1574 interest issued by the limited liability company in a record, and,
1575 subject to this section, the interest represented by the certificate may be
1576 transferred by a transfer of the certificate.

1577 (e) A limited liability company need not give effect to a transferee's
1578 rights under this section until the company knows or has notice of the
1579 transfer.

1580 (f) A transfer of a transferable interest in violation of a restriction on
1581 transfer contained in the operating agreement is ineffective as to a
1582 person having knowledge or notice of the restriction at the time of
1583 transfer.

1584 (g) Except as provided in subparagraph (B) of subdivision (4) of
1585 section 54 of this act, if a member transfers a transferable interest, the
1586 transferor retains the rights of a member other than the transferable
1587 interest transferred and retains all the duties and obligations of a
1588 member.

1589 (h) If a member transfers a transferable interest to a person that
1590 becomes a member with respect to the transferred interest, the
1591 transferee is liable for the member's obligations under section 41 of this
1592 act and subsection (c) of section 44 of this act known to the transferee
1593 when the transferee becomes a member.

1594 Sec. 51. (NEW) (*Effective July 1, 2017*) (a) On application by a
1595 judgment creditor of a member or transferee, a court may enter a
1596 charging order against the transferable interest of the judgment debtor
1597 for the unsatisfied amount of the judgment. Subject to subsection (e) of
1598 this section, a charging order constitutes a lien on a judgment debtor's
1599 transferable interest and requires the limited liability company to pay
1600 over to the person to which the charging order was issued any
1601 distribution that otherwise would be paid to the judgment debtor. To
1602 the extent that the transferable interest of the judgment debtor is so
1603 charged, the judgment creditor has only the right to receive any
1604 distribution or distributions to which the judgment debtor would
1605 otherwise have been entitled in respect of such transferable interest.

1606 (b) To the extent necessary to effectuate the collection of
1607 distributions pursuant to a charging order in effect under subsection
1608 (a) of this section, the court may: (1) Appoint a receiver of the
1609 distributions subject to the charging order, with the power to make all
1610 inquiries the judgment debtor might have made; and (2) make all other
1611 orders necessary to give effect to the charging order.

1612 (c) The member or transferee whose transferable interest is subject
1613 to a charging order under subsection (a) of this section may extinguish
1614 the charging order by satisfying the judgment and filing a certified
1615 copy of the satisfaction with the court that issued the charging order.

1616 (d) A limited liability company or one or more members whose
1617 transferable interests are not subject to the charging order may pay to
1618 the judgment creditor the full amount due under the judgment and
1619 thereby succeed to the rights of the judgment creditor, including the

1620 charging order.

1621 (e) The entry of a charging order is the exclusive remedy by which a
1622 person seeking to enforce a judgment against a member or transferee
1623 may, in the capacity of judgment creditor, satisfy the judgment from
1624 the judgment debtor's transferable interest. With respect to the
1625 judgment debtor's transferable interest, attachment, garnishment,
1626 foreclosure or other legal or equitable remedies are not available to the
1627 judgment creditor, whether the limited liability company has one
1628 member or more than one member.

1629 (f) Sections 1 to 102, inclusive, of this act do not deprive any
1630 member or transferee of the benefit of any exemption laws applicable
1631 to the transferable interest of the member or transferee.

1632 Sec. 52. (NEW) (*Effective July 1, 2017*) If a member dies, the deceased
1633 member's legal representative may exercise: (1) The rights of a
1634 transferee provided in subsection (c) of section 50 of this act; and (2)
1635 for the purposes of settling the estate, the rights the deceased member
1636 had under section 48 of this act.

1637 Sec. 53. (NEW) (*Effective July 1, 2017*) (a) A person has the power to
1638 dissociate as a member at any time, rightfully or wrongfully, by
1639 withdrawing as a member by express will under subdivision (2) of
1640 section 54 of this act.

1641 (b) A person's dissociation as a member is wrongful only if the
1642 dissociation: (1) Is in breach of an express provision of the operating
1643 agreement; or (2) occurs before the completion of the winding up of
1644 the company and: (A) The person withdraws as a member by express
1645 will; (B) the person is expelled as a member by judicial order under
1646 subdivision (5) of section 54 of this act; (C) the person is dissociated
1647 under subdivision (8) of section 54 of this act; or (D) in the case of a
1648 person that is not a trust other than a business trust, an estate or an
1649 individual, the person is expelled or otherwise dissociated as a
1650 member because it wilfully dissolved or terminated.

1651 (c) A person that wrongfully dissociates as a member is liable to the
1652 limited liability company and, subject to section 64 of this act, to the
1653 other members for damages caused by the dissociation. The liability is
1654 in addition to any debt, obligation or other liability of the member to
1655 the company or the other members.

1656 Sec. 54. (NEW) (*Effective July 1, 2017*) A person is dissociated as a
1657 member when:

1658 (1) The company has notice of the person's express will to withdraw
1659 as a member, but, if the person specified a withdrawal date later than
1660 the date the company had notice, on that later date;

1661 (2) An event set forth in the operating agreement as causing the
1662 person's dissociation occurs;

1663 (3) The person is expelled as a member pursuant to the operating
1664 agreement;

1665 (4) The person is expelled as a member by the unanimous consent of
1666 the other members if: (A) It is unlawful to carry on the company's
1667 activities and affairs with the person as a member; (B) there has been a
1668 transfer of all the person's transferable interest in the company, other
1669 than: (i) A transfer for security purposes; or (ii) a charging order in
1670 effect under section 51 of this act; or (C) the person is an entity and: (i)
1671 The company notifies the person that it will be expelled as a member
1672 because the person has filed a statement of dissolution or the
1673 equivalent, the person has been administratively dissolved, its charter
1674 or its equivalent has been revoked, or the person's right to conduct
1675 business has been suspended by the governing jurisdiction; and (ii) not
1676 later than ninety days after the notification, the statement of
1677 dissolution or the equivalent has not been withdrawn, rescinded or
1678 revoked, or the person's charter or the equivalent or right to conduct
1679 business has not been reinstated;

1680 (5) On application by the company or a member in a direct action

1681 under section 64 of this act, the person is expelled as a member by
1682 judicial order because the person: (A) Has engaged or is engaging in
1683 wrongful conduct that has affected adversely and materially, or will
1684 affect adversely and materially, the company's activities and affairs; (B)
1685 has committed wilfully or persistently, or is committing wilfully or
1686 persistently, a material breach of the operating agreement or a duty or
1687 obligation under section 47 of this act; or (C) has engaged or is
1688 engaging in conduct relating to the company's activities and affairs
1689 which makes it not reasonably practicable to carry on the activities and
1690 affairs with the person as a member;

1691 (6) In the case of an individual: (A) The individual dies; or (B) in a
1692 member-managed limited liability company: (i) A guardian or general
1693 conservator for the individual is appointed; or (ii) a court orders that
1694 the individual has otherwise become incapable of performing the
1695 individual's duties as a member under sections 1 to 102, inclusive, of
1696 this act or the operating agreement;

1697 (7) In a member-managed limited liability company, the person: (A)
1698 Becomes a debtor in bankruptcy; (B) executes an assignment for the
1699 benefit of creditors; or (C) seeks, consents to, or acquiesces in the
1700 appointment of a trustee, receiver or liquidator of the person or of all
1701 or substantially all the person's property;

1702 (8) In the case of a person that is a testamentary or inter vivos trust
1703 or is acting as a member by virtue of being a trustee of such a trust, the
1704 trust's entire transferable interest in the company is distributed;

1705 (9) In the case of a person that is an estate or is acting as a member
1706 by virtue of being a personal representative of an estate, the estate's
1707 entire transferable interest in the company is distributed;

1708 (10) In the case of a person that is not an individual, the existence of
1709 the person terminates;

1710 (11) The company participates in a merger under sections 80 to 97,

1711 inclusive, of this act or the Connecticut Entity Transactions Act and:
1712 (A) The company is not the surviving entity; or (B) otherwise as a
1713 result of the merger, the person ceases to be a member;

1714 (12) The company participates in an interest exchange under
1715 sections 80 to 97, inclusive, of this act or the Connecticut Entity
1716 Transactions Act and, as a result of the interest exchange, the person
1717 ceases to be a member;

1718 (13) The company participates in a conversion under sections 80 to
1719 87, inclusive, of this act or the Connecticut Entity Transactions Act;

1720 (14) The company participates in a domestication under sections 80
1721 to 97, inclusive, of this act or the Connecticut Entity Transactions Act
1722 and, as a result of the domestication, the person ceases to be a member;
1723 or

1724 (15) The company dissolves and completes winding up.

1725 Sec. 55. (NEW) (*Effective July 1, 2017*) (a) If a person is dissociated as
1726 a member: (1) The person's right to participate as a member in the
1727 management and conduct of the company's activities and affairs
1728 terminates; (2) if the company is member-managed, the person's duties
1729 and obligations under section 47 of this act as a member end with
1730 regard to matters arising and events occurring after the person's
1731 dissociation; and (3) subject to section 52 of this act and sections 80 to
1732 87, inclusive, of this act or the Connecticut Entity Transactions Act, any
1733 transferable interest owned by the person in the person's capacity as a
1734 member immediately before dissociation as a member is owned by the
1735 person solely as a transferee.

1736 (b) A person's dissociation as a member does not of itself discharge
1737 the person from any debt, obligation or other liability to the company
1738 or the other members which the person incurred while a member.

1739 Sec. 56. (NEW) (*Effective July 1, 2017*) (a) A limited liability company

1740 is dissolved, and its activities and affairs must be wound up, upon the
1741 occurrence of any of the following:

1742 (1) An event or circumstance that the operating agreement states
1743 causes dissolution;

1744 (2) The consent of a majority in interest of the members;

1745 (3) The passage of ninety consecutive days during which the
1746 company has no members unless before the end of the period: (A)
1747 Consent to admit at least one specified person as a member is given by
1748 transferees owning the rights to receive a majority of distributions as
1749 transferees at the time the consent is to be effective; and (B) at least one
1750 person becomes a member in accordance with the consent;

1751 (4) On application by a member, the entry by the Superior Court for
1752 the judicial district where the principal office of the limited liability
1753 company is located, or if none in this state, where its registered agent is
1754 located, of an order dissolving the company on the grounds that: (A)
1755 The conduct of all or substantially all of the company's activities and
1756 affairs is unlawful; or (B) it is not reasonably practicable to carry on the
1757 company's activities and affairs;

1758 (5) On application by a member, the entry by the Superior Court for
1759 the judicial district where the principal office of the limited liability
1760 company is located, of an order dissolving the company on the
1761 grounds that the managers or those members in control of the
1762 company: (A) Have acted, are acting or will act in a manner that is
1763 illegal or fraudulent; or (B) have acted or are acting in a manner that is
1764 oppressive and was, is, or will be directly harmful to the applicant; or

1765 (6) The preparation and filing of a certificate of dissolution by
1766 forfeiture by the Secretary of the State under subsection (b) or (c) of
1767 section 63 of this act.

1768 (b) In a proceeding brought under subdivision (5) of subsection (a)

1769 of this section, the court may order a remedy other than dissolution.

1770 Sec. 57. (NEW) (*Effective July 1, 2017*) (a) A dissolved limited liability
1771 company shall wind up its activities and affairs and, except as
1772 provided in section 58 of this act, the company continues after
1773 dissolution only for the purpose of winding up.

1774 (b) In winding up its activities and affairs, a limited liability
1775 company: (1) Shall: (A) Promptly after the dissolution, deliver to the
1776 Secretary of the State for filing a certificate of dissolution stating the
1777 name of the company and that the company is dissolved; and (B)
1778 discharge the company's debts, obligations and other liabilities, settle
1779 and close the company's activities and affairs, and marshal and
1780 distribute the assets of the company; and (2) may: (A) Preserve the
1781 company activities, affairs and property as a going concern for a
1782 reasonable time; (B) prosecute and defend actions and proceedings,
1783 whether civil, criminal or administrative; (C) transfer the company's
1784 property; (D) settle disputes by mediation or arbitration; and (E)
1785 perform other acts necessary or appropriate to the winding up.

1786 (c) If a dissolved limited liability company has no members, the
1787 legal representative of the last person to have been a member may
1788 wind up the activities and affairs of the company. If the person does
1789 so, the person has the powers of a sole manager under subsection (c) of
1790 section 45 of this act and is deemed to be a manager for the purposes of
1791 subsection (a) of section 38 of this act.

1792 (d) If the legal representative under subsection (c) of this section
1793 declines or fails to wind up the company's activities and affairs, a
1794 person may be appointed to do so by the consent of transferees owning
1795 a majority in interest of the rights to receive distributions as transferees
1796 at the time the consent is to be effective. A person appointed under this
1797 subsection: (1) Has the powers of a sole manager under subsection (c)
1798 of section 45 of this act and is deemed to be a manager for the purposes
1799 of subsection (a) of section 38 of this act; and (2) shall promptly deliver

1800 to the Secretary of the State for filing an amendment to the company's
1801 certificate of organization stating: (A) That the company has no
1802 members; (B) the name and street and mailing addresses of the person;
1803 and (C) that the person has been appointed pursuant to this subsection
1804 to wind up the company.

1805 (e) The Superior Court for the judicial district where the principal
1806 office of the company is located may order judicial supervision of the
1807 winding up of a dissolved limited liability company, including the
1808 appointment of a person to wind up the company's activities and
1809 affairs: (1) On application of a member, if the applicant establishes
1810 good cause; (2) on the application of a transferee, if: (A) The company
1811 does not have any members; (B) the legal representative of the last
1812 person to have been a member declines or fails to wind up the
1813 company's activities; and (C) within a reasonable time following the
1814 dissolution, a person has not been appointed pursuant to subsection (c)
1815 of this section; or (3) in connection with a proceeding under
1816 subdivision (4) or (5) of subsection (a) of section 56 of this act.

1817 Sec. 58. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
1818 may be reinstated as provided in this section at any time after its
1819 dissolution, unless the Superior Court for the judicial district where the
1820 limited liability company is located has entered an order under
1821 subdivision (4) or (5) of subsection (a) of section 56 of this act.

1822 (b) Reinstatement of the dissolved limited liability company under
1823 this section requires:

1824 (1) The written consent of a majority in interest of the members.

1825 (2) If a certificate of dissolution applicable to the limited liability
1826 company has been filed, a certificate of reinstatement conforming, with
1827 such adaptations as are appropriate, to the content requirements of a
1828 limited liability company's certificate of organization shall be executed
1829 and filed with the Secretary of the State in accordance with the
1830 requirements set forth in sections 25 to 36, inclusive, of this act which

1831 pertain to the filing and recording of a record.

1832 (3) A certificate of reinstatement under this section shall be
1833 accompanied by: (A) Payment of all penalties and forfeitures incurred
1834 by the limited liability company and a reinstatement fee as provided
1835 by subdivision (15) of subsection (a) of section 22 of this act, (B) an
1836 annual report for the current year, and (C) an appointment of a
1837 statutory agent for service of process.

1838 (4) If the name of the limited liability company to be reinstated is no
1839 longer available, it shall, simultaneously with reinstatement, be
1840 changed to an available name by amendment to the certificate of
1841 organization.

1842 (5) No action or proceeding, civil or criminal, to which the limited
1843 liability company is a party at the time of reinstatement, shall be
1844 affected by such reinstatement except as the court shall, under the
1845 circumstances, determine.

1846 (c) If a limited liability company is reinstated after its dissolution:

1847 (1) The company resumes carrying on its activities and affairs as if
1848 dissolution had never occurred;

1849 (2) Subject to subdivision (3) of this subsection, any liability
1850 incurred by the company after the dissolution and before the
1851 reinstatement is effective is determined as if dissolution had never
1852 occurred;

1853 (3) The rights of a third party arising out of conduct in reliance on
1854 the dissolution before the third party knew or had notice of the
1855 reinstatement may not be adversely affected; and

1856 (4) Any claim against the limited liability company barred as
1857 provided in section 60 of this act and not otherwise barred shall be
1858 relieved of such bar upon reinstatement of the limited liability
1859 company, and the reinstated limited liability company shall be

1860 estopped to deny its legal existence during such time as its rights and
1861 powers were forfeited.

1862 Sec. 59. (NEW) (*Effective July 1, 2017*) (a) Except as provided in
1863 subsection (d) of this section, a dissolved limited liability company
1864 may give notice of a known claim under subsection (b) of this section,
1865 which has the effect provided in subsection (c) of this section.

1866 (b) A dissolved limited liability company may in a record notify its
1867 known claimants of the dissolution. The notice must: (1) Specify the
1868 information required to be included in a claim; (2) state that a claim
1869 must be in writing and provide a mailing address to which the claim is
1870 to be sent; (3) state the deadline for receipt of a claim, which may not
1871 be less than one hundred twenty days after the date the notice is
1872 received by the claimant; and (4) state that the claim will be barred if
1873 not received by the deadline.

1874 (c) A claim against a dissolved limited liability company is barred if
1875 the requirements of subsection (b) of this section are met and: (1) The
1876 claim is not received by the specified deadline; or (2) if the claim is
1877 timely received but rejected by the company: (A) The company causes
1878 the claimant to receive a notice in a record stating that the claim is
1879 rejected and will be barred unless the claimant commences an action
1880 against the company to enforce the claim not later than ninety days
1881 after the claimant receives the notice; and (B) the claimant does not
1882 commence the required action not later than ninety days after the
1883 complainant receives the notice.

1884 (d) This section does not apply to a claim based on an event
1885 occurring after the effective date of dissolution or a liability that on
1886 that date is contingent.

1887 Sec. 60. (NEW) (*Effective July 1, 2017*) (a) A dissolved limited liability
1888 company may publish notice of its dissolution and request persons
1889 having claims against the company to present them in accordance with
1890 the notice.

1891 (b) A notice under subsection (a) of this section must: (1) Be
1892 published at least once in a newspaper of general circulation in the
1893 county in this state in which the dissolved limited liability company's
1894 principal office is located or, if the principal office is not located in this
1895 state, in the county in which the office of the company's registered
1896 agent is or was last located; (2) describe the information required to be
1897 contained in a claim, state that the claim must be in writing, and
1898 provide a mailing address to which the claim is to be sent; and (3) state
1899 that a claim against the company is barred unless an action to enforce
1900 the claim is commenced not later than three years after publication of
1901 the notice.

1902 (c) If a dissolved limited liability company publishes a notice in
1903 accordance with subsection (b) of this section, the claim of each of the
1904 following claimants is barred unless the claimant commences an action
1905 to enforce the claim against the company not later than three years
1906 after the publication date of the notice: (1) A claimant that did not
1907 receive notice in a record under section 59 of this act; (2) a claimant
1908 whose claim was timely sent to the company but not acted on; and (3)
1909 a claimant whose claim is contingent on, or based on an event
1910 occurring after, the effective date of dissolution.

1911 (d) A claim not barred under this section or section 59 of this act
1912 may be enforced: (1) Against a dissolved limited liability company, to
1913 the extent of its undistributed assets; and (2) except as provided in
1914 section 61 of this act, if assets of the company have been distributed
1915 after dissolution, against a member or transferee to the extent of that
1916 person's proportionate share of the claim or of the company's assets
1917 distributed to the member or transferee after dissolution, whichever is
1918 less, but a person's total liability for all claims under this subdivision
1919 may not exceed the total amount of assets distributed to the person
1920 after dissolution.

1921 Sec. 61. (NEW) (*Effective July 1, 2017*) (a) A dissolved limited liability
1922 company that has published a notice under section 60 of this act may

1923 file an application with the Superior Court in the judicial district where
1924 the dissolved company's principal office is located or, if the principal
1925 office is not located in this state, where the office of its registered agent
1926 is located, for a determination of the amount and form of security to be
1927 provided for payment of claims that are contingent, have not been
1928 made known to the company, or are based on an event occurring after
1929 the effective date of dissolution but which, based on the facts known to
1930 the dissolved company, are reasonably expected to arise after the
1931 effective date of dissolution. Security is not required for any claim that
1932 is or is reasonably anticipated to be barred under subsection (c) of
1933 section 60 of this act.

1934 (b) Not later than ten days after the filing of an application under
1935 subsection (a) of this section, the dissolved limited liability company
1936 shall give notice of the proceeding to each claimant holding a
1937 contingent claim known to the company.

1938 (c) In any proceeding under this section, the court may appoint a
1939 guardian ad litem to represent all claimants whose identities are
1940 unknown. The reasonable fees and expenses of the guardian ad litem,
1941 including all reasonable expert witness fees, must be paid by the
1942 dissolved limited liability company.

1943 (d) A dissolved limited liability company that provides security in
1944 the amount and form ordered by the court under subsection (a) of this
1945 section satisfies the company's obligations with respect to claims that
1946 are contingent, have not been made known to the company or are
1947 based on an event occurring after the effective date of dissolution, and
1948 such claims may not be enforced against a member or transferee that
1949 received assets in liquidation.

1950 Sec. 62. (NEW) (*Effective July 1, 2017*) (a) In winding up its activities
1951 and affairs, a limited liability company shall apply its assets to
1952 discharge its obligations to creditors, including members that are
1953 creditors.

1954 (b) After a limited liability company complies with subsection (a) of
1955 this section, any surplus must be distributed in the following order,
1956 subject to any charging order in effect under section 51 of this act: (1)
1957 To members and persons dissociated as members, an amount equal to
1958 the respective values of the contributions received by the limited
1959 liability company and not returned to each such member and
1960 dissociated member; and (2) to members and dissociated members, in
1961 shares which are proportionate to their respective transferable
1962 interests, except to the extent necessary to comply with any transfer
1963 effective under section 50 of this act.

1964 (c) If a limited liability company does not have sufficient surplus to
1965 comply with subdivision (1) of subsection of this section, any surplus
1966 must be distributed among the owners of transferable interests in
1967 proportion to the value of their respective unreturned contributions.

1968 (d) All distributions made under subsections (b) and (c) of this
1969 section must be paid in money.

1970 Sec. 63. (NEW) (*Effective July 1, 2017*) (a) The Secretary of the State
1971 may effect the dissolution of a limited liability company by forfeiture
1972 as provided in this section.

1973 (b) Whenever it comes to the attention of the Secretary of the State
1974 that a limited liability company is more than one year in default of
1975 filing its annual report as required by section 36 of this act, the
1976 Secretary of the State may notify such limited liability company by
1977 registered or certified mail addressed to such limited liability company
1978 at its principal office as last shown on his records that, under the
1979 provisions of this section, the limited liability company's rights and
1980 powers are prima facie forfeited. Unless the limited liability company
1981 within three months of the mailing of such notice files such annual
1982 report, the Secretary of the State shall prepare and file in his office a
1983 certificate of dissolution by forfeiture stating that the delinquent
1984 limited liability company has been dissolved by forfeiture by reason of

1985 its default.

1986 (c) Whenever it comes to the attention of the Secretary of the State
1987 that a delinquent limited liability company has failed to maintain a
1988 statutory agent for service, the Secretary of the State may notify such
1989 limited liability company by registered or certified mail addressed to
1990 such limited liability company at its principal office as last shown on
1991 his records that, under the provisions of this section, the limited
1992 liability company's rights and powers are prima facie forfeited. Unless
1993 the limited liability company, within three months of the mailing of
1994 such notice, files an appointment of statutory agent for service, the
1995 Secretary of the State shall prepare and file in his office a certificate of
1996 dissolution by forfeiture stating that the delinquent limited liability
1997 company has been dissolved by forfeiture by reason of its default.

1998 (d) Dissolution shall be effective upon the filing by the Secretary of
1999 the State of such certificate of dissolution by forfeiture.

2000 (e) After filing the certificate of dissolution by forfeiture, the
2001 Secretary of the State shall: (1) Mail a certified copy thereof to the
2002 delinquent limited liability company addressed to such limited liability
2003 company at its principal office as last shown on his records; and (2)
2004 cause notice of the filing of such certificate of dissolution by forfeiture
2005 to be posted on the office of the Secretary of the State's Internet web
2006 site for a period of sixty days following the date on which the Secretary
2007 of the State files the certificate of dissolution by forfeiture.

2008 (f) A limited liability company that is dissolved by forfeiture
2009 continues in existence as an entity but may not carry on any activities
2010 except as necessary to wind up its activities and affairs and liquidate
2011 its assets under sections 57, 59, 60, 61 and 62 of this act, or to apply for
2012 reinstatement under section 58 of this act.

2013 (g) The dissolution of a limited liability company by forfeiture does
2014 not terminate the authority of its registered agent.

2015 Sec. 64. (NEW) (*Effective July 1, 2017*) (a) Subject to subsection (b) of
2016 this section, a member may maintain a direct action against another
2017 member, a manager or the limited liability company to enforce the
2018 member's rights and otherwise protect the member's interests,
2019 including rights and interests under the operating agreement or
2020 sections 1 to 102, inclusive, of this act or arising independently of the
2021 membership relationship.

2022 (b) A member maintaining a direct action under this section must
2023 plead and prove an actual or threatened injury that is not solely the
2024 result of an injury suffered or threatened to be suffered by the limited
2025 liability company.

2026 Sec. 65. (NEW) (*Effective July 1, 2017*) A member may maintain a
2027 derivative action to enforce a right of a limited liability company if: (1)
2028 The member first makes a demand on the other members in a member-
2029 managed limited liability company, or the managers of a manager-
2030 managed limited liability company, requesting that they cause the
2031 company to bring an action to enforce the right, and the managers or
2032 other members do not bring the action within ninety days; or (2) a
2033 demand under subdivision (1) of this section would be futile.

2034 Sec. 66. (NEW) (*Effective July 1, 2017*) A derivative action to enforce a
2035 right of a limited liability company may be maintained only by a
2036 person that is a member at the time the action is commenced and: (1)
2037 Was a member when the conduct giving rise to the action occurred; or
2038 (2) whose status as a member devolved on the person by operation of
2039 law or pursuant to the terms of the operating agreement from a person
2040 that was a member at the time of the conduct.

2041 Sec. 67. (NEW) (*Effective July 1, 2017*) In a derivative action, the
2042 complaint must state with particularity: (1) The date and content of
2043 plaintiff's demand and the response by the managers or other
2044 members to the demand; or (2) why the demand should be excused as
2045 futile.

2046 Sec. 68. (NEW) (*Effective July 1, 2017*) (a) If a limited liability
2047 company is named as or made a party in a derivative proceeding, the
2048 company may appoint a special litigation committee to investigate the
2049 claims asserted in the proceeding and determine whether pursuing the
2050 action is in the best interests of the company. If the company appoints
2051 a special litigation committee, on motion by the committee made in the
2052 name of the company, except for good cause shown, the court shall
2053 stay discovery for the time reasonably necessary to permit the
2054 committee to make its investigation. This subsection does not prevent
2055 the court from: (1) Enforcing a person's right to information under
2056 section 48 of this act; or (2) granting extraordinary relief in the form of
2057 a temporary restraining order or preliminary injunction.

2058 (b) A special litigation committee must be composed of one or more
2059 disinterested individuals, who may be members or managers.

2060 (c) A special litigation committee may be appointed: (1) In a
2061 member-managed limited liability company: (A) By the consent of a
2062 majority in interest of the members not named as parties in the
2063 proceeding; or (B) if all members are named as parties in the
2064 proceeding, by a majority in interest of the members named as
2065 defendants; or (2) in a manager-managed limited liability company:
2066 (A) By a majority of the managers not named as parties in the
2067 proceeding; or (B) if all managers are named as parties in the
2068 proceeding, by a majority of the managers named as defendants.

2069 (d) After appropriate investigation, a special litigation committee
2070 may determine that it is in the best interests of the limited liability
2071 company that the proceeding: (1) Continue under the control of the
2072 plaintiff; (2) continue under the control of the committee; (3) be settled
2073 on terms approved by the committee; or (4) be dismissed.

2074 (e) After making a determination under subsection (d) of this
2075 section, a special litigation committee shall file with the court a
2076 statement of its determination and its report supporting its

2077 determination and shall serve each party with a copy of the
2078 determination and report. The court shall determine whether the
2079 members of the committee were disinterested individuals and whether
2080 the committee conducted its investigation and made its
2081 recommendation in good faith, independently, and with reasonable
2082 care, with the committee having the burden of proof. If the court finds
2083 that the members of the committee were disinterested individuals, and
2084 that the committee acted in good faith, independently, and with
2085 reasonable care, the court shall enforce the determination of the
2086 committee. Otherwise, the court shall dissolve the stay of discovery
2087 entered under subsection (a) of this section and allow the action to
2088 continue under the control of the plaintiff.

2089 Sec. 69. (NEW) (*Effective July 1, 2017*) (a) Except as provided in
2090 subsection (b) of this section: (1) Any proceeds or other benefits of a
2091 derivative action, whether by judgment, compromise or settlement,
2092 belong to the limited liability company and not to the plaintiff; and (2)
2093 if the plaintiff receives any proceeds, the plaintiff shall remit them
2094 immediately to the company.

2095 (b) On termination of the derivative proceedings, the court may
2096 order: (1) The limited liability company to pay the plaintiff's expenses
2097 incurred in the proceeding if it finds that the proceeding has resulted
2098 in a substantial benefit to the limited liability company; (2) the plaintiff
2099 to pay any defendant's expenses incurred in defending the proceeding
2100 if it finds that the proceeding was commenced or maintained without
2101 reasonable cause or for an improper purpose; or (3) a party to pay an
2102 opposing party's expenses incurred because of the filing of a pleading,
2103 motion or other paper, if it finds that the pleading, motion or other
2104 paper was not well grounded in fact, after reasonable inquiry, or
2105 warranted by existing law or a good faith argument for the extension,
2106 modification or reversal of existing law and was interposed for an
2107 improper purpose, such as to harass or cause unnecessary delay or
2108 needless increase in the cost of litigation. As used in this subsection,
2109 "expenses" means reasonable expenses of any kind that are incurred in

2110 connection with a matter including, but not limited to, reasonable
2111 counsel fees.

2112 (c) A derivative action on behalf of a limited liability company may
2113 not be voluntarily dismissed or settled without the court's approval.

2114 Sec. 70. (NEW) (*Effective July 1, 2017*) (a) The law of the governing
2115 jurisdiction of a foreign limited liability company governs: (1) The
2116 internal affairs of the company; (2) the liability of a member as member
2117 and a manager as manager for a debt, obligation or other liability of
2118 the company; and (3) the liability of a series of the company.

2119 (b) A foreign limited liability company is not precluded from
2120 registering to transact business in this state because of any difference
2121 between the law of the governing jurisdiction and the law of this state.

2122 (c) Registration of a foreign limited liability company to transact
2123 business in this state does not authorize the foreign company to
2124 engage in any activities or affairs or exercise any power in this state
2125 that a limited liability company may not engage in or exercise in this
2126 state.

2127 Sec. 71. (NEW) (*Effective July 1, 2017*) (a) A foreign limited liability
2128 company may not transact business in this state until it registers with
2129 the Secretary of the State under sections 70 to 79, inclusive, of this act.

2130 (b) A foreign limited liability company transacting business in this
2131 state may not maintain an action or proceeding in this state unless it is
2132 registered to transact business in this state.

2133 (c) The failure of a foreign limited liability company to register to
2134 transact business in this state does not impair the validity of a contract
2135 or act of the company, or preclude it from defending an action or
2136 proceeding in this state.

2137 (d) A limitation on the liability of a member or manager of a foreign
2138 limited liability company is not waived solely because the company

2139 does business in this state without registering to transact business in
2140 this state.

2141 (e) Subsections (a) and (b) of section 70 of this act apply even if a
2142 foreign limited liability company fails to register under sections 70 to
2143 79, inclusive, of this act.

2144 (f) A foreign limited liability company, by transacting business in
2145 this state without a foreign registration statement, appoints the
2146 Secretary of the State as its agent for service of process with respect to
2147 a cause of action arising out of the transaction of business in this state.
2148 Such foreign limited liability company may be served in the manner
2149 provided in subsection (b) of section 119 of this act.

2150 (g) A foreign limited liability company which transacts business in
2151 this state without a valid foreign registration statement shall be liable
2152 to this state, for each year or part thereof during which it transacted
2153 business in this state without such certificate, in an amount equal to:
2154 (1) All fees and taxes which would have been imposed by law upon
2155 such limited liability company had it duly applied for and received
2156 such registration to transact business in this state, and (2) all interest
2157 and penalties imposed by law for failure to pay such fees and taxes. A
2158 foreign limited liability company is further liable to this state, for each
2159 month or part thereof during which it transacted business in this state
2160 without a valid foreign registration statement, in an amount equal to
2161 three hundred dollars, except that a foreign limited liability company
2162 which has registered with the Secretary of the State not later than
2163 ninety days after it has commenced transacting business in this state
2164 shall not be liable for such monthly penalty. Such fees and penalties
2165 may be levied by the Secretary of the State. The Attorney General may
2166 bring proceedings to recover all amounts due this state under the
2167 provisions of this subsection.

2168 (h) The civil penalty set forth in subsection (g) of this section may be
2169 recovered in an action brought by the Attorney General. Upon a

2170 finding by the court that a foreign limited liability company has
2171 transacted business in this state in violation of sections 70 to 79,
2172 inclusive, of this act, the court shall, in addition to imposing a civil
2173 penalty, issue an injunction restraining further transaction of business
2174 by the foreign limited liability company and the further exercise of any
2175 rights and privileges of a limited liability company in this state. The
2176 foreign limited liability company shall be enjoined from transacting
2177 business in this state until all civil penalties, plus any interest and court
2178 costs which the court may assess, have been paid and until the foreign
2179 limited liability company has otherwise complied with the provisions
2180 of said sections.

2181 Sec. 72. (NEW) (*Effective July 1, 2017*) To register to do business in
2182 this state, a foreign limited liability company must deliver a foreign
2183 registration statement to the Secretary of State for filing. The statement
2184 shall set forth:

2185 (1) The name of the company and, if the name does not comply with
2186 section 12 of this act, an alternate name adopted pursuant to
2187 subsection (a) of section 75 of this act;

2188 (2) That the company is a foreign limited liability company;

2189 (3) The name of the company's governing jurisdiction;

2190 (4) The street and mailing addresses of the company's principal
2191 office and, if the law of the governing jurisdiction requires the
2192 company to maintain an office in that jurisdiction, the street and
2193 mailing addresses of the required office;

2194 (5) The name and address of the agent in this state for service of
2195 process on the foreign limited liability company required to be
2196 maintained by subdivision (4) of subsection (b) of section 25 of this act
2197 and an acceptance of such appointment signed by the agent appointed
2198 if other than the Secretary of the State;

2199 (6) The name and respective business and residence addresses of a
2200 manager or a member of the foreign limited liability company, except
2201 that, if good cause is shown, the Secretary of the State may accept a
2202 business address in lieu of business and residence addresses of such
2203 manager or member. For purposes of this subdivision, a showing of
2204 good cause shall include, but not be limited to, a showing that public
2205 disclosure of the residence address of the manager or member of the
2206 foreign limited liability company may expose the personal security of
2207 such manager or member to significant risk; and

2208 (7) The electronic mail address, if any, of the foreign limited liability
2209 company.

2210 Sec. 73. (NEW) (*Effective July 1, 2017*) A registered foreign limited
2211 liability company shall deliver to the Secretary of the State for filing an
2212 amendment to its foreign registration statement if there is a change in:
2213 (1) The name of the company; (2) the company's governing
2214 jurisdiction; (3) an address required by subdivision (4) of section 72 of
2215 this act; or (4) the information required by subdivision (5) of section 72
2216 of this act.

2217 Sec. 74. (NEW) (*Effective July 1, 2017*) (a) Activities of a foreign
2218 limited liability company which do not constitute transacting business
2219 in this state under sections 70 to 79, inclusive, of this act include:

2220 (1) Maintaining, defending, mediating, arbitrating, or settling an
2221 action or proceeding;

2222 (2) Carrying on any activity concerning its internal affairs, including
2223 holding meetings of its members or managers;

2224 (3) Maintaining accounts in financial institutions;

2225 (4) Maintaining offices or agencies for the transfer, exchange and
2226 registration of the securities of the company, or maintaining trustees or
2227 depositories with respect to those securities;

- 2228 (5) Selling through independent contractors;
- 2229 (6) Soliciting or obtaining orders by any means if the orders require
2230 acceptance outside this state before they become contracts;
- 2231 (7) Creating or acquiring indebtedness, mortgages or security
2232 interests in property;
- 2233 (8) Securing or collecting debts, or enforcing mortgages or security
2234 interests in property securing the debts, and foreclosing on, holding,
2235 protecting or maintaining any such property;
- 2236 (9) Conducting an isolated transaction that is not in the course of
2237 similar transactions;
- 2238 (10) Owning, without more, property;
- 2239 (11) Voting securities or other equity ownership interests owned by
2240 the foreign limited liability company; and
- 2241 (12) Transacting business in interstate commerce.
- 2242 (b) A person does not transact business in this state solely because
2243 such person: (1) Owns a controlling interest in a corporation or foreign
2244 corporation that is transacting business in this state; (2) is a limited
2245 partner of a limited partnership or foreign limited partnership that is
2246 transacting business in this state; or (3) is a member or manager of a
2247 limited liability company or foreign limited liability company that is
2248 transacting business in this state.
- 2249 (c) This section does not apply in determining the contacts or
2250 activities that may subject a foreign limited liability company to service
2251 of process, taxation or regulation under law of this state other than
2252 sections 1 to 102, inclusive, of this act.
- 2253 Sec. 75. (NEW) (*Effective July 1, 2017*) (a) A foreign limited liability
2254 company whose name does not comply with section 12 of this act may

2255 not register to transact business in this state until it adopts, for the
2256 purpose of transacting business in this state, an alternate name that
2257 complies with said section. A registered foreign limited liability
2258 company that registers under an alternate name under this subsection
2259 need not comply with chapter 620 of the general statutes. After
2260 registering to transact business in this state with an alternate name, a
2261 registered foreign limited liability company shall transact business in
2262 this state under: (1) The alternate name; (2) the company's name, with
2263 the addition of its governing jurisdiction; or (3) an assumed or
2264 fictitious name that the company is authorized to use under chapter
2265 620 of the general statutes.

2266 (b) If a registered foreign limited liability company changes its name
2267 to one that does not comply with section 12 of this act, it may not
2268 transact business in this state until it complies with subsection (a) of
2269 this section by amending its registration to adopt an alternate name
2270 that complies with said section.

2271 Sec. 76. (NEW) (*Effective July 1, 2017*) (a) When a registered foreign
2272 limited liability company has merged into a foreign entity that is not
2273 registered to transact business in this state or has converted to a
2274 foreign entity required to register with the Secretary of the State to
2275 transact business in this state, the foreign entity shall deliver to the
2276 Secretary of the State for filing an application for transfer of
2277 registration. The application must state:

2278 (1) The name of the registered foreign limited liability company
2279 before the merger or conversion;

2280 (2) That before the merger or conversion the registration pertained
2281 to a foreign limited liability company;

2282 (3) The name of the applicant foreign entity into which the foreign
2283 limited liability company has merged or to which it has been
2284 converted, and, if the name does not comply with section 12 of this act,
2285 an alternate name adopted pursuant to subsection (a) of section 75 of

2286 this act;

2287 (4) The type of entity of the applicant foreign entity and its
2288 governing jurisdiction;

2289 (5) The street and mailing addresses of the principal office of the
2290 applicant foreign entity and, if the law of the entity's governing
2291 jurisdiction requires the entity to maintain an office in that jurisdiction,
2292 the street and mailing addresses of that office;

2293 (6) The name and street and mailing addresses of the applicant
2294 foreign entity's registered agent in this state;

2295 (7) The name and respective business and residence addresses of a
2296 manager or a member of the foreign limited liability company, except
2297 that, if good cause is shown, the Secretary of the State may accept a
2298 business address in lieu of business and residence addresses of such
2299 manager or member. For purposes of this subdivision, a showing of
2300 good cause shall include, but not be limited to, a showing that public
2301 disclosure of the residence address of the manager or member of the
2302 foreign limited liability company may expose the personal security of
2303 such manager or member to significant risk; and

2304 (8) The electronic mail address, if any, of the foreign limited liability
2305 company.

2306 (b) When an application for transfer of registration takes effect, the
2307 registration of the foreign limited liability company to transact
2308 business in this state is transferred without interruption to the foreign
2309 entity into which the foreign company has merged or to which it has
2310 been converted.

2311 Sec. 77. (NEW) (*Effective July 1, 2017*) (a) The foreign registration
2312 statement of a foreign limited liability company to transact business in
2313 this state may be revoked by the Secretary of the State upon the
2314 conditions provided in this section when: (1) The foreign limited

2315 liability company has failed to file its annual report with the Secretary
2316 of the State; (2) a wilful misrepresentation has been made of any
2317 material matter in any application, report, affidavit or other document,
2318 submitted by such foreign limited liability company pursuant to
2319 sections 70 to 79, inclusive, of this act; (3) the foreign limited liability
2320 company is exceeding the authority conferred upon it by said sections;
2321 or (4) the foreign limited liability company is without an agent upon
2322 whom process may be served in this state for sixty days or more.

2323 (b) On the happening of an event set out in subdivision (1), (2), (3)
2324 or (4) of subsection (a) of this section, the Secretary of the State shall
2325 give not less than twenty days' written notice to the foreign limited
2326 liability company that the Secretary intends to revoke the foreign
2327 registration statement of such foreign limited liability company for one
2328 of said causes, specifying the same. Such notice shall be given by
2329 registered or certified mail addressed to the foreign limited liability
2330 company at its address as last shown on the records of the Secretary of
2331 the State. If, before expiration of the time set forth in the notice, the
2332 foreign limited liability company establishes to the satisfaction of the
2333 Secretary of the State that the stated cause for the revocation of its
2334 foreign registration statement did not exist at the time the notice was
2335 mailed or, if it did exist at said time, has been cured, the Secretary of
2336 the State shall take no further action. Otherwise, on the expiration of
2337 the time set forth in the notice, the Secretary shall revoke the foreign
2338 registration statement of such foreign limited liability company to
2339 transact business in this state.

2340 (c) Upon revoking the foreign registration statement of any foreign
2341 limited liability company, the Secretary of the State shall file a
2342 certificate of revocation in his office and shall: (1) Mail a copy thereof
2343 to such foreign limited liability company at its address as last shown
2344 on the Secretary's records; and (2) cause notice of the filing of such
2345 certificate of revocation to be posted on the office of the Secretary of
2346 the State's Internet web site for a period of sixty days following the
2347 date on which the Secretary of the State files the certificate of

2348 revocation. The filing of such certificate of revocation shall cause the
2349 authority of a foreign limited liability company to transact business in
2350 this state to cease. Notwithstanding the filing of the certificate of
2351 revocation, the appointment by a foreign limited liability company of
2352 an attorney upon whom process may be served shall continue in force
2353 as long as any liability remains outstanding against the foreign limited
2354 liability company in this state.

2355 Sec. 78. (NEW) (*Effective July 1, 2017*) (a) A registered foreign limited
2356 liability company may withdraw its registration by delivering a
2357 statement of withdrawal to the Secretary of the State for filing. The
2358 statement of withdrawal must state: (1) The name of the company and
2359 its governing jurisdiction; (2) that the company is not transacting
2360 business in this state and that it withdraws its registration to transact
2361 business in this state; (3) that the company revokes the authority of its
2362 registered agent to accept service on its behalf in this state; (4) that the
2363 company surrenders its authority to transact business in this state; and
2364 (5) an address to which service of process may be made under
2365 subsection (b) of this section.

2366 (b) After the withdrawal of the registration of a foreign limited
2367 liability company, service of process in any action or proceeding based
2368 on a cause of action arising during the time the company was
2369 registered to transact business in this state may be made pursuant to
2370 section 19 of this act.

2371 Sec. 79. (NEW) (*Effective July 1, 2017*) The Attorney General may
2372 maintain an action to enjoin a foreign limited liability company from
2373 transacting business in this state in violation of this section and
2374 sections 70 to 78, inclusive, of this act.

2375 Sec. 80. (NEW) (*Effective July 1, 2017*) As used in this section and
2376 sections 81 to 97, inclusive, of this act:

2377 (1) "Interest exchange" means a transaction authorized by sections
2378 93 to 97, inclusive, of this act.

2379 (2) "Merger" means a transaction in which two or more merging
2380 limited liability companies and foreign limited liability companies are
2381 combined into a surviving limited liability company pursuant to a
2382 filing with the Secretary of the State pursuant to section 90 of this act.

2383 (3) "Merging limited liability company" means a limited liability
2384 company or foreign limited liability company that is party to a merger.

2385 (4) "Organic law" means, with respect to a limited liability company,
2386 the provisions of sections 1 to 102, inclusive, of this act as in effect in
2387 this state from time to time, and with respect to a foreign limited
2388 liability company, the law of the governing jurisdiction governing the
2389 internal affairs of a foreign limited liability company.

2390 (5) "Organizational documents" means the certificate of organization
2391 and operating agreement of a limited liability company or a foreign
2392 limited liability company, or comparable records of a foreign limited
2393 liability company as provided in its organic law.

2394 (6) "Plan" means a plan of merger or interest exchange.

2395 (7) "Protected agreement" means: (A) A record evidencing
2396 indebtedness and any related agreement in effect on or after July 1,
2397 2017; (B) an agreement that is binding on a limited liability company or
2398 foreign limited liability company on or after July 1, 2017; (C) the
2399 organizational documents of a limited liability company in effect on or
2400 after July 1, 2017; or (D) an agreement that is binding on any of the
2401 members or managers of a limited liability company or foreign limited
2402 liability company on or after July 1, 2017.

2403 (8) "Surviving limited liability company" means a limited liability
2404 company or foreign limited liability company into which one or more
2405 other limited liability companies and foreign limited liability
2406 companies are merged whether the surviving limited liability
2407 company preexisted the merger or was created by the merger.

2408 Sec. 81. (NEW) (*Effective July 1, 2017*) (a) Unless displaced by the
2409 particular provisions of sections 80 to 97, inclusive, of this act, the
2410 principles of law and equity shall supplement said sections.

2411 (b) Sections 80 to 97, inclusive, of this act shall not authorize any
2412 action prohibited by law or affect the application or requirements of
2413 law other than said sections.

2414 Sec. 82. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
2415 or foreign limited liability company that is required to give notice to,
2416 or obtain the approval of, a governmental agency or officer of this state
2417 to be a party to a merger must give the notice or obtain the approval to
2418 be a party to an interest exchange.

2419 (b) Property held for a charitable purpose under the law of this state
2420 by a limited liability company or foreign limited liability company
2421 immediately before a transaction under sections 80 to 97, inclusive, of
2422 this act becomes effective may not, as a result of the transaction, be
2423 diverted from the objects for which it was donated, granted, devised or
2424 otherwise transferred unless, to the extent required by or pursuant to
2425 the law of this state concerning cy pres or other law dealing with
2426 nondiversion of charitable assets, the limited liability company or
2427 foreign limited liability company obtains an appropriate order of the
2428 Attorney General specifying the disposition of the property.

2429 (c) A bequest, devise, gift, grant or promise contained in a will or
2430 other instrument of donation, subscription or conveyance that is made
2431 to a merging limited liability company that is not the surviving limited
2432 liability company and that takes effect or remains payable after the
2433 merger inures to the surviving limited liability company. A trust
2434 obligation that would govern property if transferred to the merging
2435 limited liability company that does not survive the merger applies to
2436 property that is transferred to the surviving limited liability company
2437 under this section.

2438 Sec. 83. (NEW) (*Effective July 1, 2017*) A filing under sections 80 to 97,

2439 inclusive, of this act signed by a limited liability company becomes
2440 part of the organizational documents of the limited liability company.

2441 Sec. 84. (NEW) (*Effective July 1, 2017*) (a) The fact that a transaction
2442 under sections 80 to 97, inclusive, of this act produces a certain result
2443 does not preclude the same result from being accomplished in any
2444 other manner permitted by law.

2445 (b) Sections 80 to 97, inclusive, of this act do not preclude a limited
2446 liability company from being merged, converted or domesticated
2447 under law other than said sections.

2448 Sec. 85. (NEW) (*Effective July 1, 2017*) A plan may refer to facts
2449 ascertainable outside the plan, provided the manner in which the facts
2450 shall operate upon the plan is specified in the plan. The facts may
2451 include the occurrence of an event or a determination or action by a
2452 person, whether or not the event, determination or action is within the
2453 control of a party to the transaction.

2454 Sec. 86. (NEW) (*Effective July 1, 2017*) (a) Subject to subsection (b) of
2455 this section, nothing in sections 1 to 102, inclusive, of this act shall be
2456 construed to grant by law appraisal rights to a member of a merging
2457 limited liability company pursuant to a merger under sections 88 to 91,
2458 inclusive, of this act or an acquired limited liability company pursuant
2459 to sections 92 to 97, inclusive, of this act in connection with the
2460 transaction.

2461 (b) A member of a merging limited liability company pursuant to a
2462 merger under sections 88 to 91, inclusive, of this act, or an acquired
2463 limited liability company pursuant to sections 92 to 97, inclusive, of
2464 this act, is entitled to contractual appraisal rights in connection with
2465 the transaction to the extent provided in: (1) The limited liability
2466 company's organizational documents; or (2) the plan.

2467 Sec. 87. (NEW) (*Effective July 1, 2017*) Sections 80 to 97, inclusive, of
2468 this act shall not be used to effect a transaction that is a merger or

2469 interest exchange governed by sections 1 to 102, inclusive, of this act
2470 involving a limited liability company organized to render professional
2471 services unless the transaction involves another limited liability
2472 company or foreign limited liability company organized to render the
2473 same professional service permitted to be performed by a limited
2474 liability company pursuant to subsection (c) of section 9 of this act, or
2475 to render two or more professional services permitted to be performed
2476 by a limited liability company pursuant to subsection (d) of section 9 of
2477 this act.

2478 Sec. 88. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
2479 may merge with one or more other merging limited liability companies
2480 into a surviving limited liability company pursuant to this section and
2481 sections 89 to 91, inclusive, of this act, and a plan of merger, if: (1) The
2482 organic law of each of the other merging limited liability companies
2483 authorizes the merger; (2) the merger is not prohibited by the law of
2484 the governing jurisdiction of the other merging limited liability
2485 companies or by any federal law; and (3) each of the other merging
2486 limited liability companies complies with its organic law in effecting
2487 the merger.

2488 (b) A plan of merger must be in a record and must include: (1) The
2489 name and form of each merging limited liability company; (2) the
2490 name and form of the surviving limited liability company and, if the
2491 surviving organization is to be created by the merger, a statement to
2492 that effect; (3) the terms and conditions of the merger, including the
2493 manner and basis for converting the transferable interests in each
2494 merging limited liability company into any combination of money,
2495 transferable interests in the surviving limited liability company, and
2496 other consideration; (4) if the surviving limited liability company is to
2497 be created by the merger, the surviving limited liability company's
2498 organizational documents that are proposed to be in a record; and (5) if
2499 the surviving limited liability company is not to be created by the
2500 merger, any amendments to be made by the merger to the surviving
2501 limited liability company's organizational documents that are, or are

2502 proposed to be, in a record.

2503 Sec. 89. (NEW) (*Effective July 1, 2017*) (a) Unless otherwise provided
2504 in the certificate of organization or operating agreement of the limited
2505 liability company, a plan of merger must be consented to by two-thirds
2506 in interest of the members of the limited liability company.

2507 (b) Subject to any contractual rights, after a merger is approved, and
2508 at any time before articles of merger are delivered to the Secretary of
2509 the State for filing under section 90 of this act, a merging limited
2510 liability company may amend the plan or abandon the merger: (1) As
2511 provided in the plan; or (2) except as otherwise prohibited in the plan,
2512 with the same consent as was required to approve the plan.

2513 Sec. 90. (NEW) (*Effective July 1, 2017*) (a) After each merging limited
2514 liability company has approved a merger, a certificate of merger must
2515 be signed on behalf of each merging limited liability company, as
2516 provided in subsection (a) of section 27 of this act.

2517 (b) A certificate of merger under this section must include:

2518 (1) The name of each merging limited liability company and its
2519 governing jurisdiction;

2520 (2) The name of the surviving limited liability company, its
2521 governing jurisdiction, and, if the surviving limited liability company
2522 is created by the merger, a statement to that effect;

2523 (3) The date the merger is effective under the organic law of the
2524 surviving limited liability company;

2525 (4) If the surviving limited liability company is to be created by the
2526 merger and is a limited liability company, the surviving limited
2527 liability company's certificate of organization, as an attachment;

2528 (5) If the surviving limited liability company preexists the merger,
2529 any amendments provided for in the plan of merger for the

2530 organizational document that created the surviving limited liability
2531 company that are in a public record;

2532 (6) A statement as to each merging limited liability company that
2533 the merger was approved as required by the merging limited liability
2534 company's organic law;

2535 (7) If the surviving limited liability company is a foreign limited
2536 liability company not authorized to transact business in this state, the
2537 street and mailing addresses of an office that the Secretary of the State
2538 may use for the purposes of subsection (b) of section 91 of this act;

2539 (8) If the certificate of merger is not to be effective upon filing, the
2540 date and time when it shall become effective; and

2541 (9) Any additional information required by the organic law of any
2542 merging limited liability company.

2543 (c) In addition to the requirements of subsection (b) of this section,
2544 the certificate of merger may contain any other provision not
2545 prohibited by law.

2546 (d) Each merging limited liability company shall deliver the
2547 certificate of merger for filing in the office of the Secretary of the State.

2548 (e) A merger becomes effective when the certificate of merger is
2549 effective under section 31 of this act.

2550 Sec. 91. (NEW) (*Effective July 1, 2017*) (a) When a merger becomes
2551 effective:

2552 (1) The surviving limited liability company continues or comes into
2553 existence;

2554 (2) Each merging limited liability company that merges into the
2555 surviving limited liability company ceases to exist as a separate entity;

2556 (3) All property owned by each merging limited liability company

2557 that ceases to exist vests in the surviving limited liability company;

2558 (4) All debts, obligations or other liabilities of each merging limited
2559 liability company that ceases to exist continue as debts, obligations or
2560 other liabilities of the surviving limited liability company;

2561 (5) An action or proceeding pending by or against any merging
2562 limited liability company that ceases to exist may be continued as if the
2563 merger had not occurred;

2564 (6) Except as prohibited by other law, all of the rights, privileges,
2565 immunities, powers and purposes of each merging limited liability
2566 company that ceases to exist vest in the surviving limited liability
2567 company;

2568 (7) Except as otherwise provided in the plan of merger, the terms
2569 and conditions of the plan of merger take effect; and

2570 (8) Except as otherwise agreed, if a merging limited liability
2571 company ceases to exist, the merger does not dissolve the limited
2572 liability company for the purposes of sections 56 to 63, inclusive, of this
2573 act;

2574 (9) If the surviving limited liability company is created by the
2575 merger, the certificate of organization becomes effective; and

2576 (10) If the surviving limited liability company preexisted the
2577 merger, any amendments provided for in the articles of merger for the
2578 organizational document that created the limited liability company
2579 become effective.

2580 (b) A surviving limited liability company that is a foreign limited
2581 liability company consents to the jurisdiction of the courts of this state
2582 for the enforcement of any debt, obligation or other liability owed by a
2583 merging limited liability company if before the merger the merging
2584 limited liability company was subject to suit in this state on the debt,
2585 obligation or other liability. A surviving limited liability company that

2586 is a foreign limited liability company and not authorized to transact
2587 business in this state appoints the Secretary of the State as its agent for
2588 service of process for the purposes of enforcing a debt, obligation, or
2589 other liability under this subsection. Service on the Secretary of the
2590 State under this subsection must be made in the same manner and has
2591 the same consequences as in subsections (c) and (d) of section 19 of this
2592 act.

2593 (c) The transferable interests in a limited liability company that are
2594 to be converted under the terms of the plan of merger are so converted,
2595 and the former holders thereof are entitled only to the rights provided
2596 in the plan of merger and to any appraisal rights they have under
2597 section 86 of this act and the merging limited liability company's
2598 organic law.

2599 Sec. 92. (NEW) (*Effective July 1, 2017*) (a) By complying with the
2600 provisions of this section and sections 93 to 97, inclusive, of this act: (1)
2601 A limited liability company may acquire all of one or more classes or
2602 series of transferable interests of another limited liability company or a
2603 foreign limited liability company in exchange for interests, securities,
2604 obligations, money, other property, rights to acquire interests or
2605 securities, or any combination of the foregoing; or (2) all of one or more
2606 classes or series of transferable interests of a limited liability company
2607 may be acquired by another limited liability company or a foreign
2608 limited liability company in exchange for interests, securities,
2609 obligations, money, other property, rights to acquire interests or
2610 securities, or any combination of the foregoing.

2611 (b) By complying with the provisions with this section and sections
2612 93 to 97, inclusive, of this act, a foreign limited liability company may
2613 be the acquiring or acquired limited liability company in an interest
2614 exchange under this section and sections 93 to 97, inclusive, of this act,
2615 if the interest exchange is authorized by the organic law of the foreign
2616 limited liability company.

2617 (c) If a protected agreement contains a provision that applies to a
2618 merger of a domestic limited liability company but does not refer to an
2619 interest exchange, the provision applies to an interest exchange in
2620 which the domestic limited liability company is the acquired entity as
2621 if the interest exchange were a merger until the provision is amended
2622 after July 1, 2017.

2623 Sec. 93. (NEW) (*Effective July 1, 2017*) (a) A limited liability company
2624 may be the acquired limited liability company in an interest exchange
2625 under sections 92 to 97, inclusive, of this act, by approving a plan of
2626 interest exchange. The plan must be in a record and contain: (1) The
2627 name of the acquired limited liability company; (2) the name and the
2628 governing jurisdiction of the acquiring limited liability company or
2629 foreign limited liability company; (3) the manner of converting the
2630 transferable interests in the acquired limited liability company into
2631 interests, securities, obligations, money, other property, rights to
2632 acquire interests or securities, or any combination of the foregoing; (4)
2633 any proposed amendments to the certificate of organization or
2634 operating agreement that are, or are proposed to be, in a record of the
2635 acquired limited liability company; (5) the other terms and conditions
2636 of the interest exchange; and (6) any other provision required by the
2637 law of this state or the organizational documents of the acquired
2638 limited liability company.

2639 (b) In addition to the requirements of subsection (a) of this section, a
2640 plan of interest exchange may contain any other provision not
2641 prohibited by law.

2642 Sec. 94. (NEW) (*Effective July 1, 2017*) (a) Unless otherwise provided
2643 in the certificate of organization or operating agreement of the limited
2644 liability agreement, a plan of interest exchange is not effective unless it
2645 has been approved by two-thirds in interest of the members of an
2646 acquired limited liability company entitled to vote on or consent to any
2647 matter.

2648 (b) An interest exchange involving a foreign limited liability
2649 company is not effective unless it is approved by the foreign limited
2650 liability company in accordance with the organic law of the foreign
2651 limited liability company.

2652 (c) Except as otherwise provided in its organic law or organizational
2653 documents, the members of the acquiring limited liability company or
2654 foreign limited liability company are not required to approve the
2655 interest exchange.

2656 Sec. 95. (NEW) (*Effective July 1, 2017*) (a) A plan of interest exchange
2657 may be amended only with the consent of each party to the plan,
2658 except as otherwise provided in the plan.

2659 (b) An acquired limited liability company may approve an
2660 amendment of a plan of interest exchange: (1) In the same manner as
2661 the plan was approved, if the plan does not provide for the manner in
2662 which it may be amended; or (2) by the managers or members of the
2663 limited liability company in the manner provided in the plan, but a
2664 member that was entitled to vote on or consent to approval of the
2665 interest exchange is entitled to vote on or consent to any amendment of
2666 the plan that will change: (A) The amount or kind of interests,
2667 securities, obligations, money, other property, rights to acquire
2668 interests or securities, or any combination of the foregoing, to be
2669 received by any of the members of the acquired limited liability
2670 company under the plan; (B) the certificate of organization or
2671 operating agreement of the acquired company that will be in effect
2672 immediately after the interest exchange becomes effective, except for
2673 changes that do not require approval of the members of the acquired
2674 limited liability company under sections 1 to 102, inclusive, of this act
2675 or the operating agreement; or (C) any other terms or conditions of the
2676 plan, if the change would adversely affect the member in any material
2677 respect.

2678 (c) After a plan of interest exchange has been approved and before a

2679 certificate of interest exchange becomes effective, the plan may be
2680 abandoned as provided in the plan. Unless prohibited by the plan, an
2681 acquired limited liability company may abandon the plan in the same
2682 manner as the plan was approved.

2683 (d) If a plan of interest exchange is abandoned after a certificate of
2684 interest exchange has been delivered to the Secretary of the State for
2685 filing and before the certificate becomes effective, a certificate of
2686 abandonment, signed by the acquired limited liability company, must
2687 be delivered to the Secretary of the State for filing before the certificate
2688 of interest exchange becomes effective. The certificate of abandonment
2689 takes effect on filing, and the interest exchange is abandoned and does
2690 not become effective. The certificate of abandonment must contain (1)
2691 The name of the acquired limited liability company; (2) the date on
2692 which the certificate of interest exchange was delivered to the
2693 Secretary of the State for filing; and (3) a statement that the interest
2694 exchange has been abandoned in accordance with this section.

2695 Sec. 96. (NEW) (*Effective July 1, 2017*) (a) A certificate of interest
2696 exchange must be signed by an acquired limited liability company and
2697 delivered to the Secretary of the State for filing.

2698 (b) A certificate of interest exchange must contain: (1) The name of
2699 the acquired limited liability company; (2) the name and governing
2700 jurisdiction of the acquiring limited liability company or foreign
2701 limited liability company; (3) a statement that the plan of interest
2702 exchange was approved by the acquired limited liability company in
2703 accordance with sections 92 to 97, inclusive, of this act; (4) if the
2704 certificate of interest exchange is not to be effective upon filing, the
2705 date and time when it shall become effective; and (5) any amendments
2706 to the acquired limited liability company's certificate of organization
2707 approved as part of the plan of interest exchange.

2708 (c) In addition to the requirements of subsection (b) of this section, a
2709 certificate of interest exchange may contain any other provision not

2710 prohibited by law.

2711 (d) A plan of interest exchange that is signed by an acquired limited
2712 liability company and meets all the requirements of subsection (b) of
2713 this section may be delivered to the Secretary of the State for filing
2714 instead of a certificate of interest exchange and on filing has the same
2715 effect. If a plan of interest exchange is filed as provided in this
2716 subsection, references in sections 80 to 97, inclusive, of this act, to a
2717 certificate of interest exchange refer to the plan of interest exchange
2718 filed under this subsection.

2719 (e) An interest exchange becomes effective when the certificate of
2720 interest exchange is effective under section 31 of this act.

2721 Sec. 97. (NEW) (*Effective July 1, 2017*) (a) When an interest exchange
2722 in which the acquired entity is a limited liability company becomes
2723 effective: (1) The transferable interests in a limited liability company
2724 that are the subject of the interest exchange cease to exist or are
2725 converted or exchanged, and the members holding those transferable
2726 interests are entitled only to the rights provided to them under the
2727 plan of interest exchange and to any appraisal rights they have under
2728 section 86 of this act; (2) the acquiring limited liability company or
2729 foreign limited liability company becomes the member of the
2730 transferable interests in the acquired limited liability company set forth
2731 in the plan of interest exchange to be acquired by the acquiring limited
2732 liability company or foreign limited liability company; (3) the
2733 certificate of organization of the acquired limited liability company is
2734 amended as provided in the certificate of interest exchange; and (4) the
2735 provisions of the operating agreement of the acquired limited liability
2736 company that are to be in a record, if any, are amended to the extent
2737 provided in the plan of interest exchange.

2738 (b) Except as otherwise provided in the operating agreement of an
2739 acquired limited liability company, the interest exchange does not give
2740 rise to any rights that a member, manager or third party would

2741 otherwise have upon a dissolution, liquidation or winding up of the
2742 acquired limited liability company.

2743 (c) The transferable interests in a limited liability company that are
2744 to be exchanged under the terms of the plan of interest exchange are so
2745 exchanged, and the former holders thereof are entitled only to the
2746 rights provided in the plan of interest exchange and to any appraisal
2747 rights they have under section 86 of this act and the acquired limited
2748 liability company's organic law.

2749 Sec. 98. (NEW) (*Effective July 1, 2017*) In applying and construing the
2750 provisions of the Connecticut Uniform Limited Liability Company Act,
2751 consideration must be given to the need to promote uniformity of the
2752 law with respect to its subject matter among states that enact it.

2753 Sec. 99. (NEW) (*Effective July 1, 2017*) Sections 1 to 102, inclusive, of
2754 this act modify, limit and supersede the Electronic Signatures in Global
2755 and National Commerce Act, 15 USC Section 7001 et seq., but do not
2756 modify, limit or supersede Section 101(c) of said act, 15 USC Section
2757 7001(c), or authorize electronic delivery of any of the notices described
2758 in Section 103(b) of said act, 15 USC Section 7003(b).

2759 Sec. 100. (NEW) (*Effective July 1, 2017*) Sections 1 to 102, inclusive, of
2760 this act do not affect an action commenced, proceeding brought or
2761 right accrued before July 1, 2017.

2762 Sec. 101. (NEW) (*Effective July 1, 2017*) If any provision of sections 1
2763 to 102, inclusive, of this act or its application to any person or
2764 circumstance is held invalid, the invalidity does not affect other
2765 provisions or applications of sections 1 to 102, inclusive, of this act
2766 which can be given effect without the invalid provision or application,
2767 and to this end the provisions of said sections are severable.

2768 Sec. 102. (NEW) (*Effective July 1, 2017*) (a) It is the policy of this
2769 section and sections 1 to 101, inclusive, of this act to give maximum
2770 effect to the principle of freedom of contract and to enforceability of

2771 limited liability company agreements.

2772 (b) Unless displaced by particular provisions of this section and
2773 sections 1 to 101, inclusive, of this act, the principles of law and equity
2774 supplement said sections.

2775 (c) Rules that statutes in derogation of the common law are to be
2776 strictly construed shall have no application under this section and
2777 sections 1 to 101, inclusive, of this act.

2778 (d) Neither this section, sections 1 to 101, inclusive, of this act nor
2779 any amendments to said sections shall be construed to impair the
2780 obligations of any contract existing on, or affect any action or
2781 proceedings begun or right accrued before July 1, 2017, or the effective
2782 date of such amendment.

2783 Sec. 103. Subsection (b) of section 20-312 of the general statutes is
2784 repealed and the following is substituted in lieu thereof (*Effective July*
2785 *1, 2017*):

2786 (b) The practice of or the offer to practice real estate brokerage
2787 business in this state by individual licensed real estate brokers or real
2788 estate salespersons as a corporation, limited liability company or
2789 partnership, a material part of the business of which includes real
2790 estate brokerage, is permitted, provided (1) the personnel of such
2791 corporation, limited liability company or partnership who engage in
2792 the real estate brokerage business as real estate brokers or real estate
2793 salespersons, and the real estate brokers whose ownership, control,
2794 membership or partnership interest is credited toward the
2795 requirements of subdivision (3) of this subsection, are licensed or
2796 exempt from licensure under this chapter, (2) the corporation, limited
2797 liability company or partnership has been issued a real estate broker
2798 license by the commission as provided in this section and has paid the
2799 license or renewal fee required for a real estate broker's license as set
2800 forth in section 20-314, and (3) except for a publicly traded corporation
2801 (A) with respect to a corporation other than a nonstock corporation,

2802 one or more real estate brokers own or control fifty-one per cent or
2803 more of the total issued shares of the corporation, (B) with respect to a
2804 nonstock corporation, one or more real estate brokers constitute at
2805 least fifty-one per cent of the members of the nonstock corporation, (C)
2806 with respect to a limited liability company, one or more real estate
2807 brokers own or control at least fifty-one per cent of the interest in the
2808 limited liability company, as defined in section [34-101] 2 of this act, or
2809 (D) with respect to a partnership, one or more real estate brokers'
2810 partnership interest, as defined in section 34-301, constitutes at least
2811 fifty-one per cent of the total partnership interest. No such corporation,
2812 limited liability company or partnership shall be relieved of
2813 responsibility for the conduct or acts of its agents, employees or
2814 officers by reason of its compliance with this section, nor shall any
2815 individual practicing real estate brokerage be relieved of responsibility
2816 for real estate services performed by reason of the individual's
2817 employment or relationship with such corporation, limited liability
2818 company or partnership. The Real Estate Commission may refuse to
2819 authorize the issuance or renewal of a license if any facts exist that
2820 would entitle the commission to suspend or revoke an existing license.

2821 Sec. 104. Subsection (e) of section 34-327 of the general statutes is
2822 repealed and the following is substituted in lieu thereof (*Effective July*
2823 *1, 2017*):

2824 (e) A registered limited liability partnership that consists of partners
2825 who render professional service, as defined in section [34-101] 2 of this
2826 act, shall continuously maintain professional liability insurance in an
2827 amount not less than two hundred fifty thousand dollars.

2828 Sec. 105. Subsection (b) of section 34-406 of the general statutes is
2829 repealed and the following is substituted in lieu thereof (*Effective July*
2830 *1, 2017*):

2831 (b) The name of a registered limited liability partnership or foreign
2832 registered limited liability partnership shall be such as to distinguish it

2833 upon the records of the Secretary of the State from: (1) The name of
2834 any registered limited liability partnership, limited partnership,
2835 limited liability company or corporation existing under the laws of this
2836 state; (2) the name of any foreign registered limited liability
2837 partnership, foreign limited partnership, foreign limited liability
2838 company or foreign corporation authorized to transact business in this
2839 state; (3) any name reserved under section 34-407 or reserved or
2840 registered under section 33-656, 33-657, 33-1045, 33-1046, 33-1047, 34-13
2841 [] or 34-13a or [34-103] section 13 or 14 of this act; or (4) the name of
2842 any other entity whose name is carried upon the records of the
2843 Secretary of the State as organized or authorized to transact business
2844 or conduct affairs in this state.

2845 Sec. 106. Subsection (a) of section 34-506 of the general statutes is
2846 repealed and the following is substituted in lieu thereof (*Effective July*
2847 *1, 2017*):

2848 (a) The name of each statutory trust as set forth in its certificate of
2849 trust shall be such as to distinguish it upon the records of the office of
2850 the Secretary of the State from: (1) The name of any corporation,
2851 limited partnership, limited liability company, limited liability
2852 partnership or statutory trust existing under the laws of this state; (2)
2853 the name of any foreign corporation, limited partnership, limited
2854 liability company, limited liability partnership or statutory trust
2855 authorized to transact business in this state; or (3) any name reserved
2856 under subsection (d) of this section or under section 33-656, 33-657, 34-
2857 13, 34-13a, [34-102, 34-103,] 34-406, as amended by this act, or 34-407 or
2858 section 13 of this act.

2859 Sec. 107. Subsection (a) of section 35-1 of the general statutes is
2860 repealed and the following is substituted in lieu thereof (*Effective July*
2861 *1, 2017*):

2862 (a) No person, except as provided in this subsection, shall conduct
2863 or transact business in this state, under any assumed name, or under

2864 any designation, name or style, corporate or otherwise, other than the
2865 real name or names of the person or persons conducting or transacting
2866 such business, unless there has been filed, in the office of the town
2867 clerk in the town in which such business is or is to be conducted or
2868 transacted, a certificate stating the name under which such business is
2869 or is to be conducted or transacted and the full name and post-office
2870 address of each person conducting or transacting such business or, in
2871 the case of a corporation or limited liability company using such an
2872 assumed name, its full name and principal post-office address. Such
2873 certificate shall be executed by all of such persons or, in the case of a
2874 corporation or limited liability company, by an authorized officer
2875 thereof, and acknowledged before an authority qualified to administer
2876 oaths. Each town clerk shall keep an alphabetical index of the names of
2877 all persons filing such certificates and of all names or styles assumed as
2878 provided in this subsection and, for the indexing and filing of each
2879 such certificate, shall receive the statutory filing fee for documents
2880 established in section 7-34a, to be paid by the person filing such
2881 certificate. A copy of any such certificate, certified by the town clerk in
2882 whose office the same has been filed, shall be presumptive evidence, in
2883 all courts in this state, of the facts contained in such certificate. The
2884 provisions of this subsection shall not prevent the lawful use of a
2885 partnership name or designation if such partnership name or
2886 designation includes the true surname of at least one of the persons
2887 composing such partnership. This subsection shall not apply to: (1)
2888 Any limited partnership, as defined in section 34-9, provided such
2889 limited partnership (A) has (i) filed a certificate as provided for in
2890 section 34-10, or (ii) registered with the Secretary of the State as
2891 provided in section 34-38g, and (B) conducts or transacts business
2892 under the name stated in the certificate or registered with the Secretary
2893 of the State, or (2) any limited liability company, as defined in section
2894 [34-101] 2 of this act, provided such limited liability company (A) has
2895 (i) filed articles or a certificate of organization as provided for in
2896 [section 34-120] sections 10 and 25 of this act, or (ii) registered with the
2897 Secretary of the State as provided in [section 34-223] sections 14, 71 and

2898 72 of this act, and (B) conducts or transacts business under the name
2899 stated in the articles of organization or registered with the Secretary of
2900 the State. Any person conducting or transacting business in violation
2901 of the provisions of this subsection shall be fined not more than five
2902 hundred dollars or imprisoned not more than one year. Failure to
2903 comply with the provisions of this subsection shall be deemed to be an
2904 unfair or deceptive trade practice under subsection (a) of section 42-
2905 110b.

2906 Sec. 108. Subsection (a) of section 36a-434a of the general statutes is
2907 repealed and the following is substituted in lieu thereof (*Effective July*
2908 *1, 2017*):

2909 (a) Any out-of-state trust company, whether or not owned or
2910 controlled by an out-of-state holding company or a foreign banking
2911 corporation, as defined in subsection (a) of section 36a-425, may, with
2912 the approval of the commissioner, establish and maintain an office in
2913 this state to act as a fiduciary or engage in a trust business in this state,
2914 provided the laws of the state in which such trust company is
2915 chartered authorize (1) similar companies chartered in this state to act
2916 as a fiduciary, and (2) trust banks to establish and maintain such office
2917 in such state. Such approved out-of-state trust company shall be
2918 deemed to transact business in this state for the purposes of section 33-
2919 920, subsection (a) of section 33-1210, [section 34-223] sections 70 and
2920 71 of this act or section 34-429 and shall comply with the applicable
2921 requirements of said sections. Application for approval to establish
2922 and maintain an office pursuant to this section shall be made on forms
2923 prescribed by the commissioner. Such application shall state the
2924 minimum equity capital of the out-of-state trust company which shall
2925 be at least two million dollars. Such application shall be accompanied
2926 by evidence of compliance with the applicable requirements of the
2927 regulator in the state in which the out-of-state trust company is
2928 chartered for the establishment and maintenance of such office and the
2929 bond required under section 36a-434b. The out-of-state trust company
2930 shall pay to the commissioner, at the time of making such application,

2931 a nonrefundable fee of one thousand five hundred dollars. The
2932 commissioner shall approve or disapprove the application within
2933 thirty days after the application has been filed with the commissioner.
2934 The thirty-day period of review may be extended by the commissioner,
2935 in writing, on a determination that the application raises issues that
2936 require additional information or additional time for analysis.

2937 Sec. 109. Section 33-756 of the general statutes is repealed and the
2938 following is substituted in lieu thereof (*Effective October 1, 2016*):

2939 (a) A director shall discharge his duties as a director, including his
2940 duties as a member of a committee: (1) In good faith; [(2) with the care
2941 an ordinarily prudent person in a like position would exercise under
2942 similar circumstances; and (3)] and (2) in a manner he reasonably
2943 believes to be in the best interests of the corporation.

2944 [(b) In discharging his duties a director is entitled to rely on
2945 information, opinions, reports or statements, including financial
2946 statements and other financial data, if prepared or presented by: (1)
2947 One or more officers or employees of the corporation whom the
2948 director reasonably believes to be reliable and competent in the
2949 matters presented; (2) legal counsel, public accountants or other
2950 persons as to matters the director reasonably believes are within the
2951 person's professional or expert competence; or (3) a committee of the
2952 board of directors of which he is not a member if the director
2953 reasonably believes the committee merits confidence.

2954 (c) A director is not acting in good faith if he has knowledge
2955 concerning the matter in question that makes reliance otherwise
2956 permitted by subsection (b) of this section unwarranted.

2957 (d) For purposes of sections 33-817, 33-830, 33-831, 33-841 and 33-
2958 844, a director of a corporation which has a class of voting stock
2959 registered pursuant to Section 12 of the Securities Exchange Act of
2960 1934, as the same has been or hereafter may be amended from time to
2961 time, in addition to complying with the provisions of subsections (a) to

2962 (c), inclusive, of this section, may consider, in determining what he
2963 reasonably believes to be in the best interests of the corporation, (1) the
2964 long-term as well as the short-term interests of the corporation, (2) the
2965 interests of the shareholders, long-term as well as short-term,
2966 including the possibility that those interests may be best served by the
2967 continued independence of the corporation, (3) the interests of the
2968 corporation's employees, customers, creditors and suppliers, and (4)
2969 community and societal considerations including those of any
2970 community in which any office or other facility of the corporation is
2971 located. A director may also in his discretion consider any other factors
2972 he reasonably considers appropriate in determining what he
2973 reasonably believes to be in the best interests of the corporation.

2974 (e) A director is not liable for any action taken as a director, or any
2975 failure to take any action, if he performed the duties of his office in
2976 compliance with this section.]

2977 (b) The members of the board of directors or a committee of the
2978 board, when becoming informed in connection with their decision-
2979 making function or devoting attention to their oversight function, shall
2980 discharge their duties with the care that a person in a like position
2981 would reasonably believe appropriate under similar circumstances.

2982 (c) In discharging board or committee duties, a director shall
2983 disclose, or cause to be disclosed, to the other board or committee
2984 members information not already known by them but known by the
2985 director to be material to the discharge of their decision-making or
2986 oversight functions, except that disclosure is not required to the extent
2987 that the director reasonably believes that doing so would violate a
2988 duty imposed under law, a legally enforceable obligation of
2989 confidentiality or a professional ethics rule.

2990 (d) In discharging board or committee duties, a director who does
2991 not have knowledge that makes reliance unwarranted is entitled to
2992 rely on the performance by any of the persons specified in subdivision

2993 (1) or (3) of subsection (f) of this section to whom the board may have
2994 delegated, formally or informally by course of conduct, the authority
2995 or duty to perform one or more of the board's functions that are
2996 delegable under applicable law.

2997 (e) In discharging board or committee duties, a director who does
2998 not have knowledge that makes reliance unwarranted is entitled to
2999 rely on information, opinions, reports or statements, including
3000 financial statements and other financial data, prepared or presented by
3001 any of the persons specified in subsection (f) of this section.

3002 (f) In accordance with subsection (d) or (e) of this section, a director
3003 is entitled to rely on:

3004 (1) One or more officers or employees of the corporation whom the
3005 director reasonably believes to be reliable and competent in the
3006 functions performed or the information, opinions, reports or
3007 statements provided;

3008 (2) Legal counsel, public accountants or other persons retained by
3009 the corporation as to matters involving skills or expertise the director
3010 reasonably believes are matters (A) within the particular person's
3011 professional or expert competence, or (B) as to which the particular
3012 person merits confidence; or

3013 (3) A committee of the board of directors of which the director is not
3014 a member if the director reasonably believes the committee merits
3015 confidence.

3016 [(f)] (g) A director is not liable under this section for any act or
3017 omission in the course of performing the duties of a director under
3018 subsection (a) of section 33-1358, as amended by this act, if the director
3019 performed such duties in compliance with this section and section 33-
3020 1358, as amended by this act.

3021 Sec. 110. (NEW) *(Effective October 1, 2016)* (a) A director shall not be

3022 liable to the corporation or its shareholders for any decision to take or
3023 not to take action, or any failure to take any action, as a director, unless
3024 the party asserting liability in a proceeding establishes that:

3025 (1) No defense interposed by the director based on (A) any
3026 provision in the articles of incorporation, or (B) the protection afforded
3027 by section 33-782 of the general statutes, for action taken in compliance
3028 with section 33-783 of the general statutes or section 33-784 of the
3029 general statutes, or (C) the protection afforded by section 33-785 of the
3030 general statutes precludes liability; and

3031 (2) The challenged conduct consisted or was the result of (A) action
3032 not in good faith; (B) a decision (i) which the director did not
3033 reasonably believe to be in the best interests of the corporation, or (ii)
3034 as to which the director was not informed to an extent the director
3035 reasonably believed appropriate in the circumstances; (C) a lack of
3036 objectivity due to the director's familial, financial or business
3037 relationship with, or a lack of independence due to the director's
3038 domination or control by, another person having a material interest in
3039 the challenged conduct (i) which relationship or which domination or
3040 control could reasonably be expected to have affected the director's
3041 judgment respecting the challenged conduct in a manner adverse to
3042 the corporation, and (ii) after a reasonable expectation to such effect
3043 has been established, the director shall not have established that the
3044 challenged conduct was reasonably believed by the director to be in
3045 the best interests of the corporation; (D) a sustained failure of the
3046 director to devote attention to ongoing oversight of the business and
3047 affairs of the corporation, or a failure to devote timely attention, by
3048 making, or causing to be made, appropriate inquiry, when particular
3049 facts and circumstances of significant concern materialize that would
3050 alert a reasonably attentive director to the need therefore; or (E) receipt
3051 of a financial benefit to which the director was not entitled or any other
3052 breach of the director's duties to deal fairly with the corporation and
3053 its shareholders that is actionable under applicable law.

3054 (b) The party seeking to hold the director liable:

3055 (1) For money damages, shall also have the burden of establishing
3056 that (A) harm to the corporation or its shareholders has been suffered,
3057 and (B) the harm suffered was proximately caused by the director's
3058 challenged conduct;

3059 (2) For other money payment under a legal remedy, such as
3060 compensation for the unauthorized use of corporate assets, shall also
3061 have whatever persuasion burden may be called for to establish that
3062 the payment sought is appropriate in the circumstances; or

3063 (3) For other money payment under an equitable remedy, such as
3064 profit recovery by or disgorgement to the corporation, shall also have
3065 whatever persuasion burden may be called for to establish that the
3066 equitable remedy sought is appropriate in the circumstances.

3067 (c) Nothing contained in this section shall (1) in any instance where
3068 fairness is at issue, such as consideration of the fairness of a transaction
3069 to the corporation under subdivision (3) of subsection (b) of section 33-
3070 782 of the general statutes, alter the burden of proving the fact or lack
3071 of fairness otherwise applicable, (2) alter the fact or lack of liability of a
3072 director under sections 33-600 to 33-998, inclusive, of the general
3073 statutes, such as the provisions governing the consequences of an
3074 unlawful distribution under section 33-757 of the general statutes or a
3075 transactional interest under section 33-782 of the general statutes, or (3)
3076 affect any rights to which the corporation or a shareholder may be
3077 entitled under another statute of this state or the United States.

3078 Sec. 111. Section 33-1358 of the general statutes is repealed and the
3079 following is substituted in lieu thereof (*Effective October 1, 2016*):

3080 (a) In discharging the duties of their respective positions and
3081 considering the best interests of the benefit corporation, the board of
3082 directors, any committee of the board and the individual directors of
3083 the benefit corporation:

3084 (1) Shall consider the effects of any corporate action or inaction
3085 upon:

3086 (A) The shareholders of the benefit corporation;

3087 (B) The employees and workforce of the benefit corporation, its
3088 subsidiaries and its suppliers;

3089 (C) The interests of the customers of the benefit corporation as
3090 beneficiaries of the general public benefit purpose and any specific
3091 public benefit purpose of the benefit corporation;

3092 (D) Community and societal factors, including those of each
3093 community in which offices or facilities of the benefit corporation, its
3094 subsidiaries or its suppliers are located;

3095 (E) The local and global environment;

3096 (F) The short-term and long-term interests of the benefit
3097 corporation, including benefits that may accrue to the benefit
3098 corporation from such corporation's long-term plans and the
3099 possibility that such interests may be best served by the continued
3100 independence of the benefit corporation; and

3101 (G) The ability of the benefit corporation to accomplish its general
3102 public benefit purpose and any specific public benefit purpose;

3103 (2) May consider [(A) in the circumstances described in subsection
3104 (d) of section 33-756, the interests referred to in said subsection, and
3105 (B)] other pertinent factors or the interests of any other group that the
3106 board of directors, any committee of the board and the directors of the
3107 benefit corporation deem appropriate; and

3108 (3) Need not give priority to the interests of a particular person or
3109 group referred to in subdivision (1) or (2) of this subsection over the
3110 interests of any other person or group unless the certificate of
3111 incorporation for such benefit corporation states an intention to give

3112 priority to certain interests related to the accomplishment of the
3113 corporation's general public benefit purpose or of a specific public
3114 benefit purpose identified in the corporation's certificate of
3115 incorporation.

3116 (b) The consideration of interests and factors in the manner required
3117 by subsection (a) of this section [(1)] shall not constitute a violation of
3118 section 33-756, as amended by this act. [and (2) is in addition to the
3119 power of directors to consider the interests and factors listed in
3120 subsection (d) of section 33-756 in the circumstances described in said
3121 subsection.]

3122 (c) A director shall not be personally liable for (1) any act or
3123 omission in the course of performing the duties of a director under
3124 subsection (a) of this section if the director performed the duties of the
3125 position in compliance with section 33-756, as amended by this act,
3126 and this section, or (2) failure of the benefit corporation to pursue or
3127 create a general public benefit or any specific public benefit.

3128 (d) A director shall not have a duty to a person who is a beneficiary
3129 of the general public benefit purpose or a specific public benefit
3130 purpose of a benefit corporation based on the status of such person as
3131 a beneficiary.

3132 Sec. 112. Section 42a-4A-108 of the general statutes is repealed and
3133 the following is substituted in lieu thereof (*Effective October 1, 2016*):

3134 (a) This article does not apply to a funds transfer any part of which
3135 is governed by the Electronic Fund Transfer Act, [of 1978 (Title XX,
3136 Public Law 95-630, 92 Stat. 3728, 15 USC Section 1693 et seq.)] 15 USC
3137 1693, et seq., as amended from time to time.

3138 (b) This article applies to a funds transfer that is a remittance
3139 transfer, as defined in the Electronic Fund Transfer Act, 15 USC 1693o-
3140 1, as amended from time to time, unless the remittance transfer is an
3141 electronic fund transfer, as defined in the Electronic Fund Transfer Act,

3142 15 USC 1693a, as amended from time to time.

3143 (c) In a funds transfer to which this article applies, in the event of an
3144 inconsistency between an applicable provision of this article and an
3145 applicable provision of the Electronic Fund Transfer Act, the provision
3146 of the Electronic Fund Transfer Act shall govern to the extent of the
3147 inconsistency.

3148 Sec. 113. (NEW) (*Effective July 1, 2016*) (a) As used in this in this
3149 section:

3150 (1) "Commercial case" means a civil action in which a principal
3151 claim involves:

3152 (A) Breach of contract or fiduciary duty, fraud, misrepresentation, a
3153 business-related tort, including, but not limited to, unfair competition,
3154 or a statutory or common law claim arising out of a business dealing,
3155 including, but not limited to, (i) sales of assets or securities; (ii)
3156 corporate restructuring; (iii) partnership, shareholder, joint venture,
3157 and other business agreements; (iv) trade secrets; (v) restrictive
3158 covenants; and (vi) employment agreements, other than claims that
3159 principally involve an alleged discriminatory practice;

3160 (B) Transactions governed by the Uniform Commercial Code;

3161 (C) Transactions involving commercial real property;

3162 (D) Shareholder derivative actions;

3163 (E) Commercial class actions;

3164 (F) Business transactions involving or arising out of dealings with
3165 commercial banks and other financial institutions;

3166 (G) Internal affairs of business organizations;

3167 (H) Malpractice by accountants or actuaries, and legal malpractice
3168 arising out of representation in commercial matters;

3169 (I) Environmental insurance coverage;

3170 (J) Commercial insurance coverage, including, but not limited to,
3171 directors and officers, errors and omissions, and business interruption
3172 coverage; and

3173 (K) Dissolution of corporations, partnerships, limited liability
3174 companies, limited liability partnerships and joint ventures; and

3175 (2) "Center" means the Connecticut Center for Commercial Claims
3176 established pursuant to subsection (b) of this section.

3177 (b) The Chief Court Administrator shall establish, within available
3178 resources, a special session of the Superior Court for the resolution of a
3179 commercial case, involving a claim or claims for money damages in
3180 excess of five hundred thousand dollars. The special session shall be
3181 known as the Connecticut Center for Commercial Claims.

3182 (c) Upon written agreement of the parties and the submission of
3183 such written agreement to the Chief Court Administrator, or his or her
3184 designee, a civil action satisfying the jurisdictional requirements set
3185 forth in subsection (b) of this section may be transferred to the docket
3186 of the center. Any party to a commercial case that is transferred to the
3187 docket of the center shall be assessed a per diem fee of twenty-five
3188 dollars per party for each day that such case is pending on such
3189 docket. Assessment of the per diem fee shall commence on the date on
3190 which the matter is transferred to the docket of the center and shall
3191 terminate on the date of the entry of judgment in the matter by the
3192 center, or, in the case of a matter that is transferred by the center back
3193 to the regular docket, the date on which the transfer back occurs. The
3194 Chief Court Administrator, or his or her designee, shall transfer all fees
3195 received pursuant to this subsection to the organization administering
3196 the program for the use of interest earned on lawyers' clients' funds
3197 accounts pursuant to section 51-81c of the general statutes, for the
3198 purpose of funding the delivery of legal services to the poor.

3199 (d) Not later than three days following the date on which a matter is
3200 transferred to the center, the Chief Court Administrator, or his or her
3201 designee, shall provide the parties to the matter with written
3202 notification of a list of names of not less than thirty judges or judge
3203 trial referees who are available to preside over the matter for the
3204 duration of the matter. Not later than two weeks after the date on
3205 which the Chief Court Administrator, or his or her designee, provides
3206 such written notification, the parties shall provide written notification
3207 to the center of the name of three judges or judge trial referees that the
3208 parties have jointly selected to preside over the matter. The Chief
3209 Court Administrator, or his or her designee, shall designate one of the
3210 three judges or judge trial referees named by the parties to preside
3211 over the matter. In the event that the parties (1) fail to timely provide
3212 the Chief Court Administrator, or his or her designee, with the names
3213 of three judges or judge trial referees to preside over the matter, or (2)
3214 cannot agree on the names of three judges or judge trial referees to
3215 preside over the matter, the Chief Court Administrator, or his or her
3216 designee, shall designate the judge or judge trial referee to preside
3217 over the matter by selecting a judge or judge trial referee from the list
3218 of names provided to the party pursuant to this subsection. In the
3219 event that no judge or judge trial referee, jointly selected by the parties
3220 to preside over the matter, is in fact, available, the Chief Court
3221 Administrator shall provide the parties with the opportunity to select
3222 another mutually agreed upon judge or judge trial referee to preside
3223 over the matter.

3224 (e) The judges of the Supreme Court, the judges of the Appellate
3225 Court, and the judges of the Superior Court shall adopt and
3226 promulgate and may from time to time modify or repeal rules and
3227 forms regulating pleading, practice and procedure in judicial
3228 proceedings administered by the center. Such rules shall be for the
3229 purpose of simplifying proceedings transferred to the center and
3230 promoting the speedy and efficient determination of commercial cases
3231 upon the merits. Such rules shall: (1) Provide for an accelerated

3232 adjudication process; (2) address pretrial proceedings, discovery and
3233 motions; (3) include a mandatory one-day mediation session with a
3234 special master, designated by the Chief Court Administrator, who
3235 shall be a judge, a judge trial referee or an attorney with expertise in
3236 commercial cases; (4) require that a decision on a dispositive motion be
3237 rendered not later than thirty days after the date on which such motion
3238 was heard; and (5) ensure that any matter transferred to the docket of
3239 the center shall be ready for trial not later than nine months following
3240 the date of such transfer. Such rules shall not abridge, enlarge or
3241 modify the jurisdiction of any of the courts. Such rules shall become
3242 effective on such date as the judges specify but not in any event until
3243 sixty days after such promulgation.

3244 (f) Not later than January 1, 2017, the Chief Court Administrator, or
3245 his or her designee, shall report in accordance with the provisions of
3246 section 11-4a of the general statutes, on the establishment of the
3247 Connecticut Center for Commercial Cases to the joint standing
3248 committee of the General Assembly having cognizance of matters
3249 relating to the judiciary.

3250 Sec. 114. (NEW) (*Effective October 1, 2016*) Sections 114 to 124,
3251 inclusive, of this act may be cited as the Connecticut Rapid Arbitration
3252 Act.

3253 Sec. 115. (NEW) (*Effective October 1, 2016*) As used in this section and
3254 sections 116 to 124, inclusive, of this act, unless the context otherwise
3255 requires:

3256 (1) "Act of an arbitrator" means an act of an individual arbitrator, or,
3257 in a case in which there is more than one arbitrator, an act of the
3258 majority of arbitrators;

3259 (2) "Agreement" means an agreement as described in subsection (a)
3260 of section 117 of this act;

3261 (3) "Arbitration" means an arbitration provided for under the

3262 provisions of this section and sections 116 to 124, inclusive, of this act;

3263 (4) "Arbitrator" or "arbitrators" means the person or persons named
3264 in an agreement, selected under an agreement or appointed by the
3265 parties to an agreement or by the Superior Court, to preside over an
3266 arbitration and issue a final award;

3267 (5) "Business entity" means a corporation, statutory trust, a business
3268 trust or association, a common-law trust, a limited liability company, a
3269 general or limited partnership, a limited liability partnership, a limited
3270 liability limited partnership, a common law trust or any other
3271 unincorporated business;

3272 (6) "Consumer" means an individual who purchases or leases
3273 merchandise primarily for personal, family or household purposes;

3274 (7) "Final award" means an award designated as final and issued in
3275 an arbitration by an arbitrator; and

3276 (8) "Organization" means a civic association, a neighborhood
3277 alliance, an association, as defined in section 47-202 of the general
3278 statutes, a common interest community, as defined in section 47-202 of
3279 the general statutes, or other similar entity charged with or assuming
3280 the duties of maintaining the public areas, open space or common
3281 facilities within a residential development or community.

3282 Sec. 116. (NEW) (*Effective October 1, 2016*) The provisions of the
3283 Connecticut Rapid Arbitration Act provide state business entities with
3284 a method by which they may resolve business disputes in a prompt,
3285 cost-effective and efficient manner, through voluntary arbitration
3286 conducted by expert arbitrators, and that ensures rapid resolution of
3287 such business disputes. The Connecticut Rapid Arbitration Act
3288 provides an additional option by which sophisticated entities may
3289 resolve certain business disputes. Nothing in said act shall impair the
3290 ability of entities to use other arbitral procedures of their own
3291 choosing, including, the procedures set forth in chapter 909 of the

3292 general statutes, that may allow for lengthier proceedings and more
3293 extensive discovery.

3294 Sec. 117. (NEW) (*Effective October 1, 2016*) (a) A written agreement
3295 to submit to arbitration any controversy existing at or arising after the
3296 effective date of the agreement is valid, enforceable and irrevocable,
3297 unless grounds exist at law or in equity for the revocation of any
3298 contract, without regard to the justiciable character of the controversy,
3299 so long as:

3300 (1) The agreement is signed by the parties to an arbitration;

3301 (2) One or more parties to the agreement is a business entity, formed
3302 or organized under the laws of this state or having its principal place
3303 of business in this state;

3304 (3) No party to the agreement is a consumer or an organization;

3305 (4) The agreement provides that it shall be governed by or
3306 construed under the laws of this state, without regard to principles of
3307 conflict of laws, regardless of whether the laws of this state govern the
3308 parties' other rights, remedies, liabilities, powers and duties; and

3309 (5) The agreement includes an express reference to the "Connecticut
3310 Rapid Arbitration Act."

3311 (b) During the pendency of an arbitration, an agreement may be
3312 amended to alter the procedures of the arbitration only with the
3313 approval of an arbitrator, except that the agreement may not be
3314 amended so as to alter the time set forth in subsection (b) of section 122
3315 of this act.

3316 (c) A party to an agreement is deemed to have waived objection and
3317 consented to:

3318 (1) The arbitration procedures set forth in sections 115 to 124,
3319 inclusive, of this act;

3320 (2) The submission exclusively to an arbitrator of issues of
3321 substantive and procedural arbitrability;

3322 (3) The exclusive personal and subject matter jurisdiction of an
3323 arbitration, the seat of which is this state, irrespective of the location of
3324 any hearing;

3325 (4) The exclusive personal and subject matter jurisdiction of the
3326 courts of this state for the limited purposes set forth in sections 118 and
3327 119 of this act; and

3328 (5) Except as otherwise limited by the agreement, an arbitrator's
3329 power and authority to: (A) Determine in the first instance the scope of
3330 the arbitrator's remedial authority, subject to review solely under
3331 section 123 of this act; and (B) grant relief, including to award any legal
3332 or equitable remedy appropriate in the sole judgment of the arbitrator.

3333 (c) A party to an agreement is deemed to have waived the right to:

3334 (1) Seek to enjoin an arbitration;

3335 (2) Remove any action under sections 114 to 124, inclusive, to a
3336 federal court;

3337 (3) Appeal or challenge an interim ruling or order of an arbitrator;

3338 (4) Appeal or challenge a final award, except under section 123 of
3339 this act; and

3340 (5) Challenge whether an arbitration has been properly held, except
3341 under section 123 of this act.

3342 Sec. 118. (NEW) (*Effective October 1, 2016*) (a) Except as provided in
3343 an agreement, the making of the agreement confers jurisdiction on the
3344 Appellate Court to hear only a challenge to a final award under section
3345 123 of this act. The Appellate Court does not have jurisdiction to hear
3346 appeals of: (1) The appointment of an arbitrator under section 119 of

3347 this act; (2) the determination of an arbitrator's fees under subsection
3348 (b) of section 120 of this act; (3) the issuance or denial of an injunction
3349 in aid of arbitration under subdivision (5) of subsection (b) of this
3350 section; and (4) the grant or denial of an order enforcing a subpoena
3351 issued under subsection (b) of section 121 of this act. A party to any
3352 agreement shall be deemed to have waived the right to such appeals.
3353 The Appellate Court, in consultation with the Superior Court, may
3354 publish rules for arbitration proceedings under sections 114 to 124,
3355 inclusive, of this act, and, unless an agreement provides for different
3356 rules, may specify that such published rules govern arbitration
3357 proceedings under said sections.

3358 (b) The making of an agreement confers jurisdiction on the Superior
3359 Court only to: (1) Appoint an arbitrator under section 119 of this act;
3360 (2) enter judgment under subsection (b) or (c) of section 124 of this act;
3361 (3) upon the request of an arbitrator, enforce a subpoena issued under
3362 subsection (b) of section 121 of this act; (4) determine an arbitrator's
3363 fees under subsection (b) of section 120 of this act; and (5) issue, only
3364 before an arbitrator accepts appointment as such, an injunction in aid
3365 of an arbitration, provided that the injunction shall not divest the
3366 arbitrator of jurisdiction or authority. Notwithstanding the provisions
3367 of this subsection, no court has jurisdiction to enjoin an arbitration
3368 under sections 114 to 124, inclusive, of this act. The Superior Court
3369 may promulgate rules to govern proceedings under said sections.

3370 Sec. 119. (NEW) (*Effective October 1, 2016*) (a) The Superior Court, on
3371 petition or on application of a party in an existing case, has exclusive
3372 jurisdiction to appoint one or more arbitrators upon: (1) The consent of
3373 all parties to an agreement; (2) the failure or inability of an arbitrator
3374 named in or selected under an agreement to serve as an arbitrator; (3)
3375 the failure of an agreement to name an arbitrator or to provide a
3376 method for selecting an arbitrator; (4) the inability of the parties to an
3377 agreement to appoint an arbitrator; or (5) the failure of a procedure set
3378 forth in an agreement for selecting an arbitrator. Following the filing of
3379 such petition or application, each party shall propose to the Superior

3380 Court no more than three persons who are qualified and willing to
3381 serve as an arbitrator.

3382 (b) (1) The Superior Court shall, not later than thirty days after the
3383 date of service of the petition or application, appoint an arbitrator and
3384 may take into account: (A) The terms of an agreement; (B) the persons
3385 proposed by the parties; and (C) reports made under subsection (d) of
3386 section 120 of this act.

3387 (2) An arbitrator appointed by the Superior Court shall be: (A) A
3388 person named in or selected under an agreement; (B) a person who is
3389 an expert in any nonlegal discipline described in an agreement; or (C)
3390 a member of the bar of this state who has been in good standing for not
3391 less than ten years. An arbitrator so appointed has all the powers of an
3392 arbitrator specifically named in an agreement. Unless otherwise
3393 provided in an agreement, the Superior Court shall appoint a single
3394 arbitrator.

3395 Sec. 120. (NEW) (*Effective October 1, 2016*) (a) A person accepting an
3396 appointment as an arbitrator is deemed to have: (1) Consented to the
3397 terms of sections 115 to 120, inclusive, of this act; and (2) accepted the
3398 consequences set forth in subsection (b) of this section for failing to
3399 comply with the provisions of subsection (b) of section 122 of this act.
3400 An arbitrator shall be immune from civil liability for, or resulting from,
3401 any act or omission done or made in connection with an arbitration,
3402 unless the arbitrator's act or omission was made or done in bad faith,
3403 with malicious intent or in a manner exhibiting a wilful, wanton
3404 disregard of the rights, safety or property of another.

3405 (b) Unless otherwise provided in an agreement, an arbitrator's fees
3406 and expenses, including other expenses incurred in the conduct of an
3407 arbitration, but not including counsel fees of parties to the arbitration,
3408 shall be borne as provided in a final award. Notwithstanding the
3409 provisions of this subsection, an arbitrator that fails to issue a final
3410 award in compliance with subsection (b) of section 122 of this act shall

3411 not be entitled to full payment of the arbitrator's fees. An arbitrator's
3412 fees shall be reduced by (1) twenty-five per cent if the final award is
3413 less than thirty days late; (2) seventy-five per cent if the final award is
3414 thirty to sixty days late; and (3) one hundred per cent if the final award
3415 is more than sixty days late. Upon petition by an arbitrator, the
3416 Superior Court may summarily determine, upon clear and convincing
3417 evidence, that exceptional circumstances exist such that the reductions
3418 to an arbitrator's fees as prescribed in this subsection should be
3419 modified or eliminated.

3420 (c) An arbitrator may retain appropriate counsel in consultation
3421 with the parties. The arbitrator's counsel may make rulings on issues of
3422 law, to the extent requested to do so by the arbitrator, which shall have
3423 the same effect as a ruling by the arbitrator, if the arbitrator so
3424 determines. The fees and expenses incurred by the arbitrator's counsel
3425 shall be included in the arbitrator's expenses described in subsection
3426 (b) of this section.

3427 (d) An arbitrator that fails to issue a final award in compliance with
3428 subsection (b) of section 122 of this act shall, not later than ninety days
3429 following the date on which the final award was due, report such
3430 failure to the Superior Court, indicating: (1) The date on which the
3431 arbitrator accepted appointment as an arbitrator; and (2) the date on
3432 which the final award was issued.

3433 Sec. 121. (NEW) (*Effective October 1, 2016*) (a) Unless otherwise
3434 provided in an agreement, an arbitrator shall appoint a time and place
3435 for a hearing or an adjourned hearing, either of which may be held
3436 within or without this state and within or without the United States.
3437 Notwithstanding the provisions of this subsection, the seat of an
3438 arbitration is the state of Connecticut. Unless otherwise provided in an
3439 agreement, a party to an arbitration is entitled to be heard, to present
3440 evidence relevant to the arbitration, and to cross-examine witnesses
3441 appearing at a hearing. An arbitrator may make such interim rulings
3442 and issue such interim orders as the arbitrator deems necessary to

3443 determine what evidence and which witnesses may be presented at the
3444 hearing, including to limit the presentation of evidence and witnesses
3445 as necessary to satisfy subsection (b) of section 122 of this act. An
3446 arbitrator may resolve an arbitration on the evidence produced at a
3447 hearing notwithstanding the failure of a party duly notified to appear
3448 or participate at the hearing.

3449 (b) Unless otherwise provided in an agreement, an arbitrator may
3450 administer oaths and compel the attendance of witnesses and the
3451 production of books, records, contracts, papers, accounts and all other
3452 documents and evidence. An arbitrator may issue subpoenas only if
3453 permitted to do so in an agreement, in which case all provisions of law
3454 compelling a person under subpoena to testify are applicable. An
3455 arbitrator may award commissions to permit a deposition to be taken,
3456 in the manner and on the terms designated by the arbitrator, of a
3457 witness who cannot be subpoenaed only if permitted to do so in an
3458 agreement.

3459 (c) An arbitrator may make such rulings, including rulings of law,
3460 and issue such orders or impose such sanctions as the arbitrator deems
3461 proper to resolve an arbitration in a timely, efficient and orderly
3462 manner.

3463 Sec. 122. (NEW) (*Effective October 1, 2016*) (a) A final award shall (1)
3464 be in writing and signed by an arbitrator, (2) be provided to each party
3465 to an arbitration, and (3) include a form of judgment for entry under
3466 section 124 of this act. Unless otherwise provided in an agreement, an
3467 arbitrator may make any award, whether legal or equitable in nature,
3468 deemed appropriate by the arbitrator. Unless otherwise provided in an
3469 agreement, an arbitrator may make in a final award rulings on any
3470 issue of law that the arbitrator considers relevant to an arbitration.

3471 (b) Subject to subsection (c) of this section, an arbitrator shall issue a
3472 final award within the time fixed by an agreement or, if not so fixed,
3473 not later than one hundred twenty days after the date of the

3474 arbitrator's acceptance of the arbitrator's appointment.

3475 (c) Parties to an arbitration may extend the time for the final award
3476 by unanimous consent in writing either before or after the expiration
3477 of the time for the final award, provided the extension may not exceed,
3478 whether singly or in the aggregate, sixty days after the expiration of
3479 the period set forth in subsection (b) of this section.

3480 Sec. 123. (NEW) (*Effective October 1, 2016*) (a) A challenge to a final
3481 award may be taken to the Appellate Court in the manner as appeals
3482 are taken from orders or judgments in a civil action.

3483 (b) A challenge to a final award shall be taken not later than fifteen
3484 days following the date of the issuance of the final award. The record
3485 on the challenge is as filed by the parties to the challenge in accordance
3486 with the rules of the Appellate Court.

3487 (c) In a challenge to a final award, the Appellate Court may only
3488 vacate, modify or correct the final award in conformity with the
3489 federal Arbitration Act, 9 USC 1 et seq., as amended from time to time.
3490 The Appellate Court may order confirmation of a final award, which
3491 confirmation shall be deemed to be confirmation under subsection (a)
3492 of section 124 of this act.

3493 (d) Notwithstanding the provisions of this section, an agreement
3494 may provide for: (1) No appellate review of a final award; or (2)
3495 appellate review of a final award by one or more arbitrators, in which
3496 case appellate review shall proceed as provided in the agreement. An
3497 appellate arbitrator may be appointed by the Superior Court under the
3498 provisions of section 119 of this act. An appellate arbitrator may order
3499 confirmation of a final award, which confirmation shall be deemed to
3500 be confirmation under subsection (a) of section 124 of this act.

3501 Sec. 124. (NEW) (*Effective October 1, 2016*) (a) Unless a challenge is
3502 taken under section 123 of this act, or unless an agreement provides for
3503 appellate review by one or more arbitrators, a final award, without

3504 further action by the Superior Court, is deemed to have been
3505 confirmed by the Superior Court on the fifth business day following
3506 the period for challenge set forth in subsection (b) of section 123 of this
3507 act. If an agreement provides for no appellate review of a final award,
3508 the final award is deemed to have been so confirmed on the fifth
3509 business day following the date of its issuance.

3510 (b) Except if a final award is solely for money damages, upon
3511 application to the Superior Court by a party to an arbitration in which
3512 a final award has been confirmed under subsection (a) of this section,
3513 the Superior Court shall promptly enter a final judgment in conformity
3514 with that final award. A final judgment, so entered, has the same effect
3515 as if rendered in an action by the Superior Court.

3516 (c) If a final award is solely for money damages, upon application to
3517 the Superior Court by a party to an arbitration in which a final award
3518 has been confirmed under subsection (a) of this section, the clerk of the
3519 Superior Court shall promptly enter a judgment on the judgment
3520 docket in conformity with that final award. The clerk of the Superior
3521 Court shall enter in the judgment docket the names of the parties, the
3522 amount of the final award, the time from which interest, if any, runs
3523 and the amount of the costs, with the true date of the filing and entry.
3524 A final judgment, so entered, has the same force and effect as if
3525 rendered in an action at law, and, from that date, becomes and is a lien
3526 on all the real estate of the debtor in the county, in the same manner
3527 and as fully as judgments rendered in the Superior Court are liens, and
3528 may be executed and enforced in the same way as judgments of the
3529 Superior Court.

3530 Sec. 125. Sections 34-100 to 34-113, inclusive, 34-119 to 34-124,
3531 inclusive, 34-130 to 34-134, inclusive, 34-140 to 34-144, inclusive, 34-150
3532 to 34-152, inclusive, 34-158 to 34-161, inclusive, 34-167 to 34-173,
3533 inclusive, 34-179, 34-180, 34-186, 34-187, 34-193 to 34-198, inclusive, 34-
3534 206 to 34-216, inclusive, 34-222 to 34-236, inclusive, 34-241 and 34-242
3535 of the general statutes are repealed. (*Effective July 1, 2017*)

3536 Sec. 126. Section 34-216 of the 2016 supplement to the general
 3537 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
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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
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Sec. 46	<i>July 1, 2017</i>	New section
Sec. 47	<i>July 1, 2017</i>	New section
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Sec. 72	<i>July 1, 2017</i>	New section

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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>October 1, 2016</i>	33-756
Sec. 110	<i>October 1, 2016</i>	New section
Sec. 111	<i>October 1, 2016</i>	33-1358

Sec. 112	<i>October 1, 2016</i>	42a-4A-108
Sec. 113	<i>July 1, 2016</i>	New section
Sec. 114	<i>October 1, 2016</i>	New section
Sec. 115	<i>October 1, 2016</i>	New section
Sec. 116	<i>October 1, 2016</i>	New section
Sec. 117	<i>October 1, 2016</i>	New section
Sec. 118	<i>October 1, 2016</i>	New section
Sec. 119	<i>October 1, 2016</i>	New section
Sec. 120	<i>October 1, 2016</i>	New section
Sec. 121	<i>October 1, 2016</i>	New section
Sec. 122	<i>October 1, 2016</i>	New section
Sec. 123	<i>October 1, 2016</i>	New section
Sec. 124	<i>October 1, 2016</i>	New section
Sec. 125	<i>July 1, 2017</i>	Repealer section
Sec. 126	<i>July 1, 2017</i>	Repealer section

Statement of Purpose:

To (1) Adopt the Connecticut Uniform Limited Liability Act; (2) conform the Connecticut Business Corporation Act to the Model Business Corporation Act; (3) clarify the interaction of Article 4A of the Uniform Commercial Code and the federal Electronic Fund Transfer Act with respect to a funds transfer that is also a remittance transfer as defined in said act; (4) establish the Connecticut Center for Commercial Claims for the expeditious resolution of commercial cases; and (5) enact the Connecticut Rapid Arbitration Act to facilitate prompt resolution of certain business-related disputes.

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