



General Assembly

January Session, 2017

Raised Bill No. 7311

LCO No. 5660



Referred to Committee on JUDICIARY

Introduced by:
(JUD)

***AN ACT CONCERNING LIMITED LIABILITY COMPANIES AND
BUSINESS CORPORATIONS.***

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

1 Section 1. (NEW) (*Effective October 1, 2017*) Sections 1 to 33,
2 inclusive, of this act may be cited as the Limited Liability Company
3 Protected Series Act.

4 Sec. 2. (NEW) (*Effective October 1, 2017*) As used in sections 1 to 33,
5 inclusive, of this act:

6 (1) "Asset" means property:

7 (A) In which a series limited liability company or protected series
8 has rights; or

9 (B) As to which the company or protected series has the power to
10 transfer rights.

11 (2) "Associated asset" means an asset that meets the requirements in
12 section 16 of this act.

13 (3) "Associated member" means, with respect to a protected series, a
14 member that meets the requirements in section 17 of this act.

15 (4) "Foreign protected series" means a protected series established
16 by a foreign limited liability company and having attributes
17 comparable to a protected series established under sections 1 to 33,
18 inclusive, of this act. The term applies whether or not the law under
19 which the foreign company is organized refers to protected series or
20 series.

21 (5) "Foreign series limited liability company" means a foreign
22 limited liability company having at least one foreign protected series.

23 (6) "Non-associated asset" means an asset of a series limited liability
24 company or protected series of the company which is not an associated
25 asset of the company or protected series.

26 (7) "Person" has the same meaning as provided in section 34-243a of
27 the general statutes, except that "person" includes a protected series,
28 whether referred to as a protected series or series.

29 (8) "Protected series", except in the phrase "foreign protected series",
30 means a person established under section 10 of this act.

31 (9) "Protected series manager" means a person under whose
32 authority the powers of a protected series are exercised and under
33 whose direction the activities and affairs of the protected series are
34 managed under the operating agreement, sections 1 to 33, inclusive, of
35 this act and sections 34-243 to 34-283d, inclusive, of the general
36 statutes.

37 (10) "Protected series transferable interest" means a right to receive a
38 distribution from a protected series.

39 (11) "Protected series transferee" means a person to which all or part
40 of a protected series transferable interest has been transferred. The
41 term includes a person that owns a protected series transferable

42 interest as a result of ceasing to be an associated member of a protected
43 series.

44 (12) "Series limited liability company", except in the phrase "foreign
45 series limited liability company", means a limited liability company
46 having at least one protected series.

47 Sec. 3. (NEW) (*Effective October 1, 2017*) (a) Subject to subsection (b)
48 of this section and for the purposes of applying subsection (c) of
49 section 7 of this act, section 8 of this act, subparagraph (A)(i) of
50 subdivision (4) of section 24 of this act and subsection (a) of section 25
51 of this act, the following rules apply:

52 (1) A protected series of a series limited liability company is deemed
53 to be a limited liability company, organized separately from the series
54 limited liability company that established the protected series and
55 distinct from the company and any other protected series of the
56 company;

57 (2) Any associated member of the protected series is deemed to be a
58 member of the company deemed to exist under subdivision (1) of this
59 subsection;

60 (3) Any protected series transferee of the protected series is deemed
61 to be a transferee of the company deemed to exist under subdivision
62 (1) of this subsection;

63 (4) Any protected series transferable interest of the protected series
64 is deemed to be a transferable interest of the company deemed to exist
65 under subdivision (1) of this subsection;

66 (5) A series manager of the protected series is deemed to be a person
67 managing the company deemed to exist under subdivision (1) of this
68 subsection;

69 (6) Any asset of the protected series is deemed to be an asset of the
70 company deemed to exist under subdivision (1) of this subsection,

71 whether or not the asset is an associated asset of the protected series;

72 (7) Any creditor or other obligee of the protected series is deemed to
73 be a creditor or obligee of the company deemed to exist under
74 subdivision (1) of this subsection.

75 (b) Subsection (a) of this section does not apply if its application
76 would:

77 (1) Vary the effect of section 8 of this act or section 34-243d of the
78 general statutes;

79 (2) Require the Secretary of the State to:

80 (A) Accept for filing a type of record that neither sections 1 to 33,
81 inclusive, of this act nor sections 34-243 to 34-283d, inclusive, of the
82 general statutes authorize or require a person to deliver to the
83 Secretary of the State for filing; or

84 (B) Make or deliver a record that neither sections 1 to 33, inclusive,
85 of this act nor sections 34-243 to 34-283d, inclusive, of the general
86 statutes authorize or require the Secretary of the State to make or
87 deliver.

88 Sec. 4. (NEW) (*Effective October 1, 2017*) A protected series of a series
89 limited liability company is a person distinct from:

90 (1) The company, except as otherwise provided in subdivision (1) of
91 subsection (c) of section 5 of this act;

92 (2) Another protected series of the company;

93 (3) A member of the company, whether or not the member is an
94 associated member of the protected series;

95 (4) A protected series transferee of any protected series of the
96 company; or

97 (5) A transferee of a transferable interest of the company.

98 Sec. 5. (NEW) (*Effective October 1, 2017*) (a) A protected series has the
99 capacity to sue and be sued in its own name.

100 (b) Except as otherwise provided in subsection (c) of this section, a
101 protected series has the same powers that a limited liability company
102 has under section 34-243h of the general statutes.

103 (c) A protected series of a series limited liability company may not:

104 (1) Continue to exist after the series limited liability company that
105 established the protected series has completed its winding up;

106 (2) Be a member of the company;

107 (3) Establish a protected series;

108 (4) Have a protected series transferable interest, management or
109 voting right or any other right in another protected series of the
110 company;

111 (5) Be a party to a merger, interest exchange, conversion,
112 domestication or comparable transaction;

113 (6) Except as permitted by law of this state other than sections 1 to
114 33, inclusive, of this act, do anything or have any purpose that the law
115 of this state other than sections 1 to 33, inclusive, of this act prohibit a
116 limited liability company from doing or having.

117 Sec. 6. (NEW) (*Effective October 1, 2017*) The law of this state governs:

118 (1) The internal affairs of a protected series;

119 (2) The relations between a protected series and:

120 (A) The series limited liability company that established the
121 protected series;

- 122 (B) Another protected series of the company;
- 123 (C) A member that is not an associated member of the protected
124 series;
- 125 (D) A protected series manager that is not a protected series
126 manager of the protected series; and
- 127 (E) A protected series transferee that is not a protected series
128 transferee of the protected series;
- 129 (3) The liability of a person for a debt, obligation or other liability of
130 a protected series if the debt, obligation or other liability is asserted
131 solely by reason of the person being or acting as:
- 132 (A) An associated member, protected series transferee or protected
133 series manager of the protected series;
- 134 (B) A member of the limited liability company that established the
135 protected series which is not an associated member of the protected
136 series;
- 137 (C) A protected series manager that is not a protected series
138 manager of the protected series;
- 139 (D) A protected series transferee that is not a protected series
140 transferee of the protected series;
- 141 (E) A person managing the company; or
- 142 (F) A transferee of a transferable interest of the company;
- 143 (4) The liability of a series limited liability company for a debt,
144 obligation or other liability of a protected series established by the
145 company if the debt, obligation or other liability is asserted solely by
146 reason of the company:
- 147 (A) Having established the protected series;

148 (B) Being or acting as a protected series manager of the protected
149 series;

150 (C) Having the protected series be or act as person managing the
151 company; or

152 (D) Owning a protected series transferable interest of the protected
153 series;

154 (5) The liability of a protected series for a debt, obligation or other
155 liability of the series limited liability company that established the
156 protected series or for a debt, obligation or other liability of another
157 protected series of the company if the debt, obligation or other liability
158 is asserted solely by reason of:

159 (A) The protected series:

160 (i) Being a protected series of the company or having as a protected
161 series manager the company or another protected series of the
162 company; or

163 (ii) Being or acting as a protected series manager of another
164 protected series of the company or as a person managing the company;
165 or

166 (B) The company owning a protected series transferable interest of
167 the protected series.

168 Sec. 7. (NEW) (*Effective October 1, 2017*) (a) Except as otherwise
169 provided in this section and subject to sections 8 and 9 of this act, the
170 operating agreement of a series limited liability company governs:

171 (1) The internal affairs of a protected series;

172 (2) Relations among the protected series, the company and any
173 other protected series of the company;

174 (3) Relations between the protected series, its protected series

175 manager, any associated member of the protected series or any
176 protected series transferee of the protected series and another person
177 in the other person's capacity as:

178 (A) A member of the company which is not an associated member
179 of the protected series;

180 (B) A protected series transferee or protected series manager of
181 another protected series; or

182 (C) A transferee of the company.

183 (b) If the operating agreement of a series limited liability company
184 does not provide for a matter described in subsection (a) of this
185 section, sections 1 to 33, inclusive, of this act govern the matter.

186 (c) If neither the operating agreement nor sections 1 to 33, inclusive,
187 of this act provides for a matter described in subsection (a) of this
188 section, sections 34-243 to 34-283d, inclusive, of the general statutes
189 govern the matter according to the rules in section 3 of this act.

190 (d) Subsection (c) of this section does not apply if its application
191 would:

192 (1) Vary the effect of section 8 or 9 of this act; or

193 (2) Require the Secretary of the State to:

194 (A) Accept for filing a type of record that neither sections 1 to 33,
195 inclusive, of this act nor sections 34-243 to 34-283d, inclusive, of the
196 general statutes expressly authorize or require a person to deliver to
197 the Secretary of the State for filing; or

198 (B) Make or deliver a record that neither sections 1 to 33, inclusive,
199 of this act nor sections 34-243 to 34-283d, inclusive, of the general
200 statutes expressly authorize or require the Secretary of the State to
201 make or deliver.

202 Sec. 8. (NEW) (*Effective October 1, 2017*) If any provision of
203 subsection (c) or (e) of section 34-243d of the general statutes or
204 subdivision (3) of subsection (d) of section 34-243d of the general
205 statutes prohibit an operating agreement from varying a provision of
206 sections 34-243 to 34-283d, inclusive, of the general statutes, limits the
207 extent to which the agreement may vary a provision or restricts the
208 agreement in any other way, the prohibition, limitation or restriction
209 applies to a matter under sections 1 to 33, inclusive, of this act
210 according to the rules in section 3 of this act.

211 Sec. 9. (NEW) (*Effective October 1, 2017*) An operating agreement
212 may not vary:

213 (1) This section;

214 (2) The nature of a protected series as stated in section 4 of this act;

215 (3) The capacity of a protected series to sue and be sued in its own
216 name under subsection (a) of section 5 of this act;

217 (4) Subsection (b) of section 5 of this act to provide a protected series
218 a power in addition to the powers provided to a limited liability
219 company under sections 34-243 to 34-283d, inclusive, of the general
220 statutes;

221 (5) The limitations in subsection (c) of section 5 of this act on the
222 powers of a protected series;

223 (6) The law applicable under section 6 of this act;

224 (7) The application under section 8 of this act of prohibitions,
225 limitations and restrictions on the operating agreement;

226 (8) The requirements and procedures under section 10 of this act for
227 establishing a protected series, except that the operating agreement
228 may vary the manner in which a limited liability company authorizes
229 the establishment of a protected series;

230 (9) The requirements in section 11 of this act for the name of a
231 protected series;

232 (10) The requirements and procedures in section 16 of this act for
233 making an asset an associated asset;

234 (11) The requirements under section 17 of this act that:

235 (A) A person be a member of a series limited liability company in
236 order to be an associated member of a protected series of the company;
237 and

238 (B) A person's dissociation as a member simultaneously causes the
239 person to cease to be an associated member of any protected series of
240 the company;

241 (12) The requirement under subsection (a) of section 18 of this act
242 that a protected series transferable interest must be owned initially by
243 an associated member of the protected series or the series limited
244 liability company that established the protected series;

245 (13) The principles identified in subsection (b) of section 21 of this
246 act as governing claims to disregard a limitation of liability in
247 subsection (a) of section 21 of this act;

248 (14) The procedures and requirements under section 22 of this act to
249 enforce claims against non-associated assets;

250 (15) The rights under section 23 of this act of a judgment creditor;

251 (16) The circumstances in subdivisions (1) and (4) of section 24 of
252 this act as causing dissolution of a protected series;

253 (17) Section 25 of this act, pertaining to winding up of a dissolved
254 protected series, except to designate a different person to manage
255 winding up;

256 (18) Sections 26 to 30, inclusive, of this act;

257 (19) Sections 31 to 33, inclusive, of this act;

258 (20) Any provision of sections 1 to 33, inclusive, of this act
259 pertaining to:

260 (A) Registered agents; or

261 (B) The Secretary of the State, including provisions pertaining to
262 records authorized or required to be delivered to the Secretary of the
263 State for filing under sections 1 to 33, inclusive, of this act; or

264 (21) The rights under sections 1 to 33, inclusive, of this act of a
265 person other than a series limited liability company, a protected series,
266 a protected series manager or a member, whether or not an associated
267 member of a protected series, to the prejudice of the person, except to
268 the extent that sections 34-243 to 34-283d, inclusive, of the general
269 statutes permits the operating agreement to vary the rights of a person
270 not a member or manager of a limited liability company.

271 Sec. 10. (NEW) (*Effective October 1, 2017*) (a) With the affirmative
272 vote or consent of all members of a limited liability company, the
273 company may establish a protected series.

274 (b) To establish a protected series, a limited liability company must
275 deliver to the Secretary of the State for filing a protected series
276 designation, signed by the company, stating the name of the company
277 and the name of the protected series to be established.

278 (c) A protected series is established when the protected series
279 designation becomes effective under section 34-247f of the general
280 statutes.

281 (d) A series limited liability company may amend a protected series
282 designation by delivering to the Secretary of the State for filing a
283 statement of designation change that changes the name of the
284 company or the name of the protected series to which the designation
285 applies, or both. The change takes effect when the statement of

286 designation change becomes effective under section 34-247f of the
287 general statutes.

288 Sec. 11. (NEW) (*Effective October 1, 2017*) (a) Except as otherwise
289 provided in subsection (b) of this section, the name of a protected
290 series must comply with section 34-243k of the general statutes.

291 (b) The name of a protected series of a series limited liability
292 company must:

293 (1) Begin or end with the name of the company, including any word
294 or abbreviation required by subsection (a) of section 34-243k of the
295 general statutes to designate that the company is a limited liability
296 company; and

297 (2) Contain the phrase "Protected Series" or "protected series" or the
298 abbreviation "P.S." or "PS".

299 (c) If a series limited liability company changes its name, the
300 company shall deliver to the Secretary of the State for filing a
301 statement of designation change for each of the company's protected
302 series that changes the name of each protected series to comply with
303 this section.

304 Sec. 12. (NEW) (*Effective October 1, 2017*) (a) Unless otherwise
305 designated, the registered agent in this state for a series limited
306 liability company is the registered agent in this state for each protected
307 series of the company.

308 (b) Before delivering a protected series designation to the Secretary
309 of the State for filing, a limited liability company shall contract with a
310 registered agent for the agent to serve as the registered agent in this
311 state for both the company and the protected series.

312 (c) A person that signs a protected series designation delivered to
313 the Secretary of the State for filing affirms as a fact that the limited
314 liability company on whose behalf the designation is delivered has

315 complied with subsection (b) of this section.

316 (d) A person that ceases to be the registered agent for a series
317 limited liability company ceases to be the registered agent for each
318 protected series of the company.

319 (e) A person that ceases to be the registered agent for a protected
320 series of a series limited liability company ceases to be the registered
321 agent of the company and any other protected series of the company.

322 (f) Except as otherwise agreed by a series limited liability company
323 and its registered agent, the agent is not obligated to distinguish
324 between a process, notice, demand or other record concerning the
325 company and a process, notice, demand or other record concerning a
326 protected series of the company.

327 Sec. 13. (NEW) (*Effective October 1, 2017*) (a) A protected series may
328 be served with any process, notice, demand or other record required or
329 permitted by law by:

330 (1) Serving the series limited liability company that established the
331 protected series;

332 (2) Serving the registered agent of the protected series; or

333 (3) Other means authorized by law of this state other than sections 1
334 to 33, inclusive, of this act.

335 (b) Service of a summons and complaint on a series limited liability
336 company or foreign series limited liability company is notice to each
337 protected series of the company or foreign protected series of the
338 foreign company of service of the summons and complaint and the
339 contents of the complaint. Service of a summons and complaint on a
340 protected series of a series limited liability company or foreign
341 protected series of a foreign series limited liability company is notice to
342 the company and any other protected series of the company, or the
343 foreign company and any other foreign protected series of the foreign

344 company of service of the summons and complaint and the contents of
345 the complaint.

346 (c) Notice to a person under subsection (b) of this section is effective
347 whether or not the summons and complaint identify the person if the
348 summons and complaint name as a party and identify:

349 (1) The series limited liability company or a protected series of the
350 company; or

351 (2) The foreign series limited liability company or a foreign
352 protected series of the foreign company.

353 Sec. 14. (NEW) (*Effective October 1, 2017*) (a) On request of any
354 person, the Secretary of the State shall issue a certificate of good
355 standing for a protected series. The certificate shall state:

356 (1) The name of the protected series and the name of the series
357 limited liability company that established the protected series;

358 (2) That a certificate of designation pertaining to the protected series
359 has been filed and taken effect;

360 (3) The date the certificate took effect;

361 (4) If any statement of designation change pertaining to the
362 protected series has taken effect, the effective date and contents of the
363 statement;

364 (5) That no statement of termination of the protected series has been
365 filed;

366 (6) That all fees, taxes, interest and penalties owed to this state by
367 the protected series and collected through the Secretary of the State
368 have been paid; if:

369 (A) Payment is reflected in the records of the Secretary of the State;
370 and

371 (B) Nonpayment affects the good standing of the protected series;

372 (7) That the most recent annual report required by sections 34-243 to
373 34-283d, inclusive, of the general statutes includes the name of the
374 protected series and has been delivered to the Secretary of the State for
375 filing; and

376 (8) Other facts reflected in the records of the Secretary of the State
377 pertaining to the protected series which the person requesting the
378 certificate reasonably requests.

379 (b) Subject to any qualification stated in the certificate, a certificate
380 issued by the Secretary of the State under subsection (a) of this section
381 may be relied on as conclusive evidence of the facts stated in the
382 certificate.

383 Sec. 15. (NEW) (*Effective October 1, 2017*) The annual report required
384 under sections 34-243 to 34-283d, inclusive, of the general statutes to be
385 delivered to the Secretary of the State for filing must, in the case of a
386 series limited liability company, also include the name of each
387 protected series of the company. Failure of the company to include the
388 name of a protected series does not dissolve or otherwise affect the
389 protected series but does prevent issuance of a certificate of good
390 standing pertaining to the protected series.

391 Sec. 16. (NEW) (*Effective October 1, 2017*) (a) Only property that is an
392 asset of a protected series may be an associated asset of the protected
393 series. Only property that is an asset of a series limited liability
394 company may be an associated asset of the company.

395 (b) An asset of a protected series is an associated asset of the
396 protected series only if the series limited liability company that
397 established the protected series creates and maintains a record or set of
398 records that identifies the protected series and:

399 (1) Describes the asset with sufficient specificity to permit a

400 disinterested, reasonable individual to identify the asset and
401 distinguish it from:

402 (A) Other assets of the protected series, whether or not the other
403 assets are associated assets of the protected series;

404 (B) Assets of any other protected series of the series limited liability
405 company, whether or not the assets are associated assets of the other
406 protected series; and

407 (C) Assets of the company, whether or not the assets are associated
408 assets of the company;

409 (2) If the protected series transfers the asset, or any part of the asset,
410 states when and to what person the protected series made the transfer;
411 and

412 (3) If the protected series transferred the asset to the company or
413 another protected series of the company, states the consideration
414 received, the payee and the payer.

415 (c) To the extent permitted by law of this state other than sections 1
416 to 33, inclusive, of this act and subject to subsections (a) and (b) of this
417 section, a protected series may hold an associated asset directly or
418 indirectly, through a representative, nominee or otherwise, but may
419 not hold the asset in the name of the series limited liability company or
420 another protected series of the company.

421 (d) A series limited liability company may make an asset an
422 associated asset of the company in accordance with this section.

423 Sec. 17. (NEW) (*Effective October 1, 2017*) (a) Only a member of a
424 series limited liability company may be an associated member of a
425 protected series of the company. If a person is dissociated from a series
426 limited liability company, the person immediately ceases to be an
427 associated member of any protected series of the company.

428 (b) A member of a series limited liability company becomes an
429 associated member of a protected series of the company when the
430 operating agreement or a procedure established by the agreement: (1)
431 Identifies the member as an associated member of the protected series;
432 and (2) states what, if any, protected series transferable interest the
433 associated member has in connection with becoming or being an
434 associated member.

435 Sec. 18. (NEW) (*Effective October 1, 2017*) (a) A protected series
436 transferable interest of a protected series must be owned initially by an
437 associated member of the protected series or the series limited liability
438 company that established the protected series.

439 (b) If a protected series has no associated members when
440 established, the series limited liability company owns the protected
441 series transferable interests in the protected series.

442 (c) A series limited liability company may acquire a series
443 transferable interest through a transfer from another person or as
444 provided in the operating agreement.

445 Sec. 19. (NEW) (*Effective October 1, 2017*) (a) A protected series
446 manager in that capacity owes duties only to the protected series and
447 any associated members of the protected series. A protected series may
448 have simultaneously more than one protected series manager.

449 (b) Whenever a protected series has no associated members, the
450 series limited liability company is the protected series manager.

451 (c) An associated member of a protected series is by statute an agent
452 for the protected series with statutory power to bind the protected
453 series to the same extent, if any, that a member of a limited liability
454 company is by statute an agent for the company with statutory power
455 to bind the company.

456 Sec. 20. (NEW) (*Effective October 1, 2017*) (a) A member of a series

457 limited liability company which is not an associated member of a
458 protected series of the company has a right to information concerning
459 the protected series to the same extent, in the same manner and under
460 the same conditions that a nonmanager member of a manager-
461 managed limited liability company has a right to information
462 concerning the company under subdivisions (2) and (3) of subsection
463 (b) of section 34-255i of the general statutes.

464 (b) A person that was formerly an associated member of a protected
465 series has a right to information concerning the protected series to the
466 same extent, in the same manner and under the same conditions that a
467 person dissociated as a member of a limited liability company has a
468 right to information concerning the company under subsection (c) of
469 section 34-255i of the general statutes.

470 (c) If an associated member of the protected series dies, the legal
471 representative of the deceased associated member has a right to
472 information concerning the protected series to the same extent, in the
473 same manner and under the same conditions that the legal
474 representative of a deceased member has a right to information
475 concerning the company under section 34-259c of the general statutes.

476 Sec. 21. (NEW) (*Effective October 1, 2017*) (a) Subject to subsection (b)
477 of this section and section 22 of this act:

478 (1) A debt, obligation or other liability of a series limited liability
479 company is solely the debt, obligation or other liability of the
480 company;

481 (2) A debt, obligation or other liability of a protected series is solely
482 the debt, obligation or other liability of the protected series;

483 (3) A series limited liability company is not liable, directly or
484 indirectly, by way of contribution or otherwise, for a debt, obligation
485 or other liability of a protected series of the company solely by reason
486 of the company:

487 (A) Having established the protected series;

488 (B) Being or acting as a protected series manager of the protected
489 series;

490 (C) Having the protected series manage the company; or

491 (D) Owning a protected series transferable interest in the protected
492 series;

493 (4) A protected series is not liable, directly or indirectly, by way of
494 contribution or otherwise, for a debt, obligation or other liability of the
495 series limited liability company that established the protected series or
496 another protected series of the company solely by reason of:

497 (A) Being a protected series of the company;

498 (B) Being or acting as a person managing the company or a
499 protected series manager of another protected series of the company;

500 (C) Having the company or another protected series of the company
501 be or act as a protected series manager of the protected series; and

502 (5) A person is not liable, directly or indirectly, by way of
503 contribution or otherwise, for a debt, obligation or other liability of:

504 (A) A protected series solely by reason of being or acting as an
505 associated member of the protected series, a series manager of the
506 protected series, a member of the series limited liability company that
507 established the protected series or a person managing the company or
508 by having a series transferable interest in the protected series; or

509 (B) A series limited liability company solely by reason of being or
510 acting as an associated member or protected series manager of a
511 protected series of the company.

512 (b) A claim to disregard a limitation under subsection (a) of this
513 section is governed by the principles of law and equity, including

514 principles providing rights to creditors or holding a person liable for a
515 debt, obligation or other liability of another person, which would
516 apply if each protected series of the series limited liability company
517 were a limited liability company, organized separately from the
518 company that established the protected series and distinct from the
519 company and any other protected series of the company.

520 Sec. 22. (NEW) (*Effective October 1, 2017*) (a) For purposes of this
521 section, a claimant first seeks enforcement of a claim against an asset
522 when the claimant first serves process on the owner of the asset,
523 seeking enforcement of the claim under this section by attachment,
524 levy or the like.

525 (b) Subject to subsection (c) of this section, the following rules apply:

526 (1) A claim against a series limited liability company may be
527 enforced against an asset of a protected series of the company only if:

528 (A) When enforcement is first sought, the asset is a non-associated
529 asset of the protected series; or

530 (B) When the liability giving rise to the claim was incurred, the
531 protected series owned the asset but the asset was a non-associated
532 asset of the protected series.

533 (2) A claim against a protected series may be enforced against an
534 asset of the series limited liability company only if:

535 (A) When enforcement is first sought, the asset is a non-associated
536 asset of the company; or

537 (B) When the liability giving rise to the claim was incurred, the
538 company owned the asset but the asset was a non-associated asset of
539 the company.

540 (3) A claim against a protected series may be enforced against an
541 asset of another protected series of the company only if, when

542 enforcement is first sought, the asset is a non-associated asset of the
543 other protected series.

544 (c) In a proceeding under this section, the party asserting that an
545 asset is an associated asset of a series limited liability company or a
546 protected series of the company has the burden of proof on the issue.

547 (d) A proceeding under this section is an action to enforce a
548 judgment.

549 (e) This section supplements and does not displace the principles of
550 law and equity concerning:

551 (1) A fraudulent or voidable conveyance, transfer or transaction;

552 (2) A lien, mortgage, security interest or other encumbrance; or

553 (3) The determination of ownership of property.

554 Sec. 23. (NEW) (*Effective October 1, 2017*) Any provision of section
555 34-259b of the general statutes which provides or restricts remedies
556 available to a judgment creditor of a member of a limited liability
557 company or owner of a transferable interest of the company applies to
558 a judgment creditor of:

559 (1) An associated member or protected series transferee of a
560 protected series; or

561 (2) The series limited liability company, to the extent it owns a
562 protected series transferable interest of the protected series.

563 Sec. 24. (NEW) (*Effective October 1, 2017*) A protected series is
564 dissolved, and its activities and affairs must be wound up, upon:

565 (1) Dissolution of the series limited liability company that
566 established the protected series;

567 (2) Occurrence of an event or circumstance the operating agreement

568 states causes dissolution of the protected series;

569 (3) Affirmative vote or consent of all the members; or

570 (4) Entry by the Superior Court of an order dissolving the protected
571 series on application by:

572 (A) An associated member or protected series manager of the
573 protected series: (i) In accordance with the rules in section 3 of this act;
574 and (ii) to the same extent, in the same manner and on the same
575 grounds the court would enter an order dissolving a limited liability
576 company on application by a member of or a person managing the
577 company; or

578 (B) The company or a member of the company on the grounds that
579 the conduct of all or substantially all the activities and affairs of the
580 protected series is illegal.

581 Sec. 25. (NEW) (*Effective October 1, 2017*) (a) Subject to subsection (b)
582 of this section and in accordance with section 3 of this act:

583 (1) A dissolved protected series shall wind up its activities and
584 affairs in the same manner that a limited liability company winds up
585 its affairs under section 34-267a of the general statutes; and

586 (2) Judicial supervision or other judicial remedy is available in the
587 winding up of the protected series to the same extent, in the same
588 manner and under the same conditions that apply under sections 34-
589 243 to 34-283d, inclusive, of the general statutes in the winding up of a
590 limited liability company.

591 (b) When a protected series has completed winding up, the series
592 limited liability company that established the protected series may
593 deliver to the Secretary of the State for filing a statement of designation
594 cancellation stating the name of the protected series and that the
595 protected series is terminated.

596 (c) A series limited liability company does not complete its winding
597 up until each of its protected series has completed its winding up.

598 Sec. 26. (NEW) (*Effective October 1, 2017*) (a) The law of the
599 jurisdiction of formation of a foreign series limited liability company
600 governs:

601 (1) The internal affairs of a foreign protected series of the company;

602 (2) Relations between the protected series and: (A) The company; (B)
603 another protected series of the company; (C) a member of the company
604 which is not an associated member of the protected series; (D) a
605 protected series transferee of another protected series of the company;
606 (E) a transferee of a transferable interest of the company; and

607 (3) Subject to subsection (b) of this section and section 28 of this act:

608 (A) The liability of a person for a debt, obligation or other liability of
609 a foreign protected series of a foreign series limited liability company if
610 the debt, obligation or other liability is asserted solely by reason of the
611 person being or acting as:

612 (i) An associated member, series transferee or protected series
613 manager of the protected series;

614 (ii) A member of the company not an associated member of the
615 protected series;

616 (iii) A series transferee of another protected series of the company;

617 (iv) A protected series manager of another protected series of the
618 company;

619 (v) A person managing the company; or

620 (vi) A transferee of a transferable interest of the company;

621 (B) The liability of the company for a debt, obligation or other

622 liability of a protected series if the debt, obligation or other liability is
623 asserted solely by reason of the company:

624 (i) Having established the protected series;

625 (ii) Being or acting as a protected series manager of the protected
626 series;

627 (iii) Having the protected series manage the company; or

628 (iv) Owning a protected series transferable interest in the protected
629 series;

630 (C) The liability of a foreign protected series for a debt, obligation or
631 other liability of the company or another protected series of the
632 company if the debt, obligation or other liability is asserted solely by
633 reason of the protected series:

634 (i) Being a protected series of the company or having the company
635 or another protected series of the company be or act as protected series
636 manager of the protected series; or

637 (ii) Managing the company or being or acting as a series manager of
638 another protected series of the company.

639 (b) In determining a claim under subparagraph (B) or (C) of
640 subdivision (3) of subsection (a) of this section, a court may apply the
641 law of this state instead of the law of the foreign jurisdiction of the
642 foreign series limited liability company if the court determines that
643 applying the law of the foreign jurisdiction advances a policy or
644 produces a result repugnant to the public policy of this state. In
645 making the determination, the court shall consider:

646 (1) The specificity, clarity and forcefulness with which the law of
647 this state reflects a contrary public policy;

648 (2) Whether the claimant is a resident of this state or for another

649 reason reasonably might expect the law of this state to apply; and

650 (3) Any relevant choice-of-law rule of law of this state.

651 Sec. 27. (NEW) (*Effective October 1, 2017*) In determining whether a
652 foreign limited liability company or foreign protected series of the
653 company has transacted business in this state or is subject to the
654 jurisdiction of the courts of this state:

655 (1) The activities and affairs of the company are not attributable to a
656 protected series of the company solely because the company
657 established the protected series; and

658 (2) The activities and affairs of a protected series are not attributable
659 to the company or another protected series of the company solely
660 because the company established the protected series or the other
661 protected series.

662 Sec. 28. (NEW) (*Effective October 1, 2017*) Sections 16 and 22 of this
663 act apply to any asset located in this state owned by a foreign series
664 limited liability company or foreign protected series subject to the
665 personal jurisdiction of the courts of this state.

666 Sec. 29. (NEW) (*Effective October 1, 2017*) (a) Except as otherwise
667 provided in this section and subject to section 27 of this act, the law of
668 this state governing the registration of a foreign limited liability
669 company to do business in this state applies to a foreign protected
670 series as if the foreign protected series were a foreign limited liability
671 company organized separately from the foreign series limited liability
672 company that established the foreign protected series and distinct from
673 the foreign company and any other foreign protected series of the
674 foreign company.

675 (b) An application by a foreign protected series for registration to do
676 business in this state must include:

677 (1) The name and jurisdiction of formation of the foreign series

678 limited liability company that established the foreign protected series
679 applying for registration; and

680 (2) If the company has other protected series, the name, street,
681 mailing and electronic mail address of an individual who knows the
682 name, street mailing and electronic mail address of each other foreign
683 protected series and the protected series manager of and agent for
684 process for each other foreign protected series.

685 (c) The name of a foreign protected series applying for registration
686 or registered to do business in this state must comply with section 11
687 of this act. A foreign protected series may comply with section 11 of
688 this act pursuant to section 34-275e of the general statutes.

689 (d) The requirement in section 34-275c of the general statutes to
690 amend a statement of registration to update information applies to the
691 information required by subsection (b) of this section.

692 Sec. 30. (NEW) (*Effective October 1, 2017*) (a) Not later than thirty
693 days after becoming a party to a proceeding before a civil, criminal,
694 administrative or other adjudicative tribunal of this state or a tribunal
695 of the United States located in this state:

696 (1) A foreign series limited liability company shall disclose to each
697 other party the name, street, mailing and electronic mail address of:

698 (A) Each foreign protected series of the company; and

699 (B) Each protected series manager of and an agent for service of
700 process for each foreign protected series of the company; and

701 (2) A foreign protected series shall disclose to each other party the
702 name, street, mailing and electronic mail address of:

703 (A) The foreign series limited liability company that established the
704 foreign protected series, each person managing the company and an
705 agent for service of process for the company; and

706 (B) Each other foreign protected series, if any, and the protected
707 series manager of and an agent for service of process for each other
708 protected series.

709 (b) The time to make disclosure under subsection (a) of this section
710 is tolled if the foreign series limited liability company or foreign
711 protected series challenges the personal jurisdiction of the tribunal. If
712 the tribunal rules in favor of its jurisdiction, the tolling ends.

713 (c) If a foreign series limited liability company or foreign protected
714 series does not comply with subsection (a) of this section, a party to the
715 proceeding may:

716 (1) Move the tribunal to treat the noncompliance as a failure to
717 comply with the tribunal's discovery rules; or

718 (2) Bring a separate proceeding in the Superior Court to enforce the
719 requirements in subsection (a) of this section.

720 Sec. 31. (NEW) (*Effective October 1, 2017*) In applying and construing
721 the provisions of sections 1 to 33, inclusive, of this act, consideration
722 must be given to the need to promote uniformity of the law with
723 respect to its subject matter among states that enact such provisions.

724 Sec. 32. (NEW) (*Effective October 1, 2017*) Sections 1 to 33, inclusive,
725 of this act modify, limit and supersede the Electronic Signatures in
726 Global and National Commerce Act, 15 USC Section 7001 et seq., but
727 do not modify, limit or supersede Section 101 (c) of that act, 15 USC
728 Section 7001 (c), or authorize electronic delivery of any of the notices
729 described in Section 103 (b) of that act, 15 USC Section 7003 (b).

730 Sec. 33. (NEW) (*Effective October 1, 2017*) Sections 1 to 32, inclusive,
731 of this act do not affect an action commenced, proceeding brought or
732 right accrued before October 1, 2017.

733 Sec. 34. Section 33-756 of the general statutes is repealed and the
734 following is substituted in lieu thereof (*Effective October 1, 2017*):

735 (a) [A director shall discharge his duties as a director, including his
736 duties as a member of a committee] Each member of the board of
737 directors, when discharging the duties of a director, shall act: (1) In
738 good faith; [(2) with the care an ordinarily prudent person in a like
739 position would exercise under similar circumstances; and (3)] and (2)
740 in a manner [he] the director reasonably believes to be in the best
741 interests of the corporation.

742 [(b) In discharging his duties a director is entitled to rely on
743 information, opinions, reports or statements, including financial
744 statements and other financial data, if prepared or presented by: (1)
745 One or more officers or employees of the corporation whom the
746 director reasonably believes to be reliable and competent in the
747 matters presented; (2) legal counsel, public accountants or other
748 persons as to matters the director reasonably believes are within the
749 person's professional or expert competence; or (3) a committee of the
750 board of directors of which he is not a member if the director
751 reasonably believes the committee merits confidence.

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

755 (d) For purposes of sections 33-817, 33-830, 33-831, 33-841 and 33-
756 844, a director of a corporation which has a class of voting stock
757 registered pursuant to Section 12 of the Securities Exchange Act of
758 1934, as the same has been or hereafter may be amended from time to
759 time, in addition to complying with the provisions of subsections (a) to
760 (c), inclusive, of this section, may consider, in determining what he
761 reasonably believes to be in the best interests of the corporation, (1) the
762 long-term as well as the short-term interests of the corporation, (2) the
763 interests of the shareholders, long-term as well as short-term,
764 including the possibility that those interests may be best served by the
765 continued independence of the corporation, (3) the interests of the
766 corporation's employees, customers, creditors and suppliers, and (4)

767 community and societal considerations including those of any
768 community in which any office or other facility of the corporation is
769 located. A director may also in his discretion consider any other factors
770 he reasonably considers appropriate in determining what he
771 reasonably believes to be in the best interests of the corporation.

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

775 (f) A director is not liable under this section for any act or omission
776 in the course of performing the duties of a director under subsection
777 (a) of section 33-1358 if the director performed such duties in
778 compliance with this section and section 33-1358.]

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

784 (c) In discharging board or committee duties, a director shall
785 disclose, or cause to be disclosed, to the other board or committee
786 members information not already known by them but known by the
787 director to be material to the discharge of their decision-making or
788 oversight functions, except that disclosure is not required to the extent
789 that the director reasonably believes that doing so would violate a
790 duty imposed under law, a legally enforceable obligation of
791 confidentiality, or a professional ethics rule.

792 (d) In discharging board or committee duties, a director who does
793 not have knowledge that makes reliance unwarranted is entitled to
794 rely on the performance by any of the persons specified in subdivision
795 (1) or (3) of subsection (f) of this section to whom the board may have
796 delegated, formally or informally by course of conduct, the authority
797 or duty to perform one or more of the board's functions that are

798 delegable under applicable law.

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

804 (f) A director is entitled to rely, in accordance with subsection (d) or
805 (e) of this section, on: (1) One or more officers or employees of the
806 corporation whom the director reasonably believes to be reliable and
807 competent in the functions performed or the information, opinions,
808 reports or statements provided; (2) legal counsel, public accountants or
809 other persons retained by the corporation as to matters involving skills
810 or expertise the director reasonably believes are matters (A) within the
811 particular person's professional or expert competence, or (B) as to
812 which the particular person merits confidence; or (3) a board
813 committee of which the director is not a member if the director
814 reasonably believes the committee merits confidence.

815 (g) For the purposes of sections 33-817, 33-830, 33-831, 33-841 and
816 33-844, a director of a corporation that has a class of voting stock
817 registered pursuant to Section 12 of the Securities Exchange Act of
818 1934, as the same has been or hereafter may be amended from time to
819 time, in addition to complying with the provisions of subsections (a) to
820 (c), inclusive, of this section, may consider, in determining what the
821 director reasonably believes to be in the best interests of the
822 corporation, (1) the long-term as well as the short-term interests of the
823 corporation, (2) the interests of the shareholders, long-term as well as
824 short-term, including the possibility that those interests may be best
825 served by the continued independence of the corporation, (3) the
826 interests of the corporation's employees, customers, creditors and
827 suppliers, and (4) community and societal considerations, including
828 those of any community in which any office or other facility of the
829 corporation is located. A director may also consider, in the discretion

830 of such director, any other factors the director reasonably considers
831 appropriate in determining what the director reasonably believes to be
832 in the best interests of the corporation.

833 Sec. 35. (NEW) (*Effective October 1, 2017*) (a) A director shall not be
834 liable to the corporation or its shareholders for any decision to take or
835 not to take action, or any failure to take any action, as a director, unless
836 the party asserting liability in a proceeding establishes that:

837 (1) No defense interposed by the director based on (A) any
838 provision in the certificate of incorporation authorized by subdivision
839 (4) or (6) of subsection (b) of section 33-636, or (B) the protection
840 afforded by section 33-782 of the general statutes, for action taken in
841 compliance with section 33-783 or 33-784 of the general statutes, or (C)
842 the protection afforded by section 33-785 of the general statutes,
843 precludes liability of the director; and

844 (2) The challenged conduct consisted of or was the result of (A) an
845 action not in good faith; (B) a decision (i) which the director did not
846 reasonably believe to be in the best interests of the corporation, or (ii)
847 as to which the director was not informed to an extent the director
848 reasonably believed appropriate in the circumstances; (C) a lack of
849 objectivity due to the director's familial, financial or business
850 relationship with, or a lack of independence due to the director's
851 domination or control by, another person having a material interest in
852 the challenged conduct (i) which relationship or which domination or
853 control could reasonably be expected to have affected the director's
854 judgment respecting the challenged conduct in a manner adverse to
855 the corporation, and (ii) after a reasonable expectation to such effect
856 has been established, the director has not established that the
857 challenged conduct was reasonably believed by the director to be in
858 the best interests of the corporation; (D) a sustained failure of the
859 director to devote attention to ongoing oversight of the business and
860 affairs of the corporation, or a failure to devote timely attention, by
861 making, or causing to be made, appropriate inquiry, when particular

862 facts and circumstances of significant concern materialize that would
863 alert a reasonably attentive director to the need for such inquiry; or (E)
864 the receipt of a financial benefit to which the director was not entitled
865 or any other breach of the director's duties to deal fairly with the
866 corporation and its shareholders that is actionable under applicable
867 law.

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

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

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

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

881 (c) Nothing in this section shall:

882 (1) In any instance where fairness is at issue, such as consideration
883 of the fairness of a transaction to the corporation under subdivision (3)
884 of subsection (b) of section 33-782 of the general statutes, alter the
885 burden of proving the fact or lack of fairness otherwise applicable;

886 (2) Alter the fact or lack of liability of a director under any provision
887 in sections 33-600 to 33-998, inclusive, of the general statutes such as
888 the provisions governing the consequences of an unlawful distribution
889 under section 33-757 of the general statutes or a transactional interest
890 under section 33-782 of the general statutes; or

891 (3) Affect any rights to which the corporation or a shareholder may
892 be entitled under another chapter of the general statutes or a section of
893 the United States Code.

894 Sec. 36. (NEW) (*Effective October 1, 2017*) As used in sections 36 to 43,
895 inclusive, of this act:

896 (1) "Corporate action" means any action taken by or on behalf of the
897 corporation, including, any action taken by the incorporator, the board
898 of directors, a committee of the board of directors, an officer or agent
899 of the corporation or the shareholders.

900 (2) "Date of the defective corporate action" means the date, or the
901 approximate date if the exact date is unknown, the defective corporate
902 action was purported to have been taken.

903 (3) "Defective corporate action" means (A) any corporate action
904 purportedly taken that is, and at the time such corporate action was
905 purportedly taken would have been, within the power of the
906 corporation, but is void or voidable due to a failure of authorization,
907 and (B) an overissue.

908 (4) "Failure of authorization" means the failure to authorize,
909 approve or otherwise effect a corporate action in compliance with the
910 provisions of sections 33-600 to 33-998, inclusive, of the general
911 statutes the certificate of incorporation or bylaws of the corporation, a
912 corporate resolution or any plan or agreement to which the
913 corporation is a party, if and to the extent such failure would render
914 such corporate action void or voidable.

915 (5) "Overissue" means the purported issuance of: (A) Shares of a
916 class or series in excess of the number of shares of a class or series the
917 corporation has the power to issue under section 33-665 of the general
918 statutes at the time of such issuance; or (B) shares of any class or series
919 that is not then authorized for issuance by the certificate of
920 incorporation.

921 (6) "Putative shares" means the shares of any class or series,
922 including shares issued upon exercise of rights, options, warrants or
923 other securities convertible into shares of the corporation, or interests
924 with respect to such shares, that were created or issued as a result of a
925 defective corporate action, that (A) but for any failure of authorization
926 would constitute valid shares, or (B) cannot be determined by the
927 board of directors to be valid shares.

928 (7) "Valid shares" means the shares of any class or series that have
929 been duly authorized and validly issued in accordance with sections
930 33-600 to 33-998, inclusive, of the general statutes, including as a result
931 of ratification or validation under sections 36 to 43, inclusive, of this
932 act.

933 (8) "Validation effective time" means, with respect to any defective
934 corporate action ratified under this section and sections 36 to 43,
935 inclusive, of this act, the later of (A) the time at which the ratification of
936 the defective corporate action is approved by the shareholders, or if
937 approval of shareholders is not required, the time at which the notice
938 required by section 40 of this act becomes effective in accordance with
939 section 33-603 of the general statutes; and (B) the time at which any
940 certificate of validation filed in accordance with section 42 of this act
941 becomes effective. The validation effective time shall not be affected by
942 the filing or pendency of a judicial proceeding under section 43 of this
943 act or any other provision of law, unless otherwise ordered by the
944 Superior Court.

945 Sec. 37. (NEW) (*Effective October 1, 2017*) (a) A defective corporate
946 action shall not be void or voidable if ratified in accordance with
947 section 38 of this act or validated in accordance with section 43 of this
948 act.

949 (b) Ratification under section 38 of this act or validation under
950 section 10 of this act shall not be deemed to be the exclusive means of
951 ratifying or validating any defective corporate action, and the absence

952 or failure of ratification in accordance with sections 36 to 43, inclusive,
953 of this act shall not, of itself, affect the validity or effectiveness of any
954 corporate action ratified under common law or otherwise, nor shall it
955 create a presumption that any such corporate action is or was a
956 defective corporate action or void or voidable.

957 (c) In the case of an overissue, putative shares shall be valid shares
958 effective as of the date originally issued or purportedly issued upon:
959 (1) The effectiveness under sections 36 to 43, inclusive, of this act, and
960 under sections 33-795 to 33-809, inclusive, of the general statutes of an
961 amendment to the certificate of incorporation authorizing, designating
962 or creating such shares; or (2) the effectiveness of any other corporate
963 action under sections 36 to 43, inclusive, of this act, ratifying the
964 authorization, designation or creation of such shares.

965 Sec. 38. (NEW) (*Effective October 1, 2017*) (a) To ratify a defective
966 corporate action under this section, other than the ratification of an
967 election of the initial board of directors under subsection (b) of this
968 section, the board of directors shall take action ratifying the action in
969 accordance with section 39 of this act, stating: (1) The defective
970 corporate action to be ratified and, if the defective corporate action
971 involved the issuance of putative shares, the number and type of
972 putative shares purportedly issued; (2) the date of the defective
973 corporate action; (3) the nature of the failure of authorization with
974 respect to the defective corporate action to be ratified; and (4) that the
975 board of directors approves the ratification of the defective corporate
976 action.

977 (b) In the event that a defective corporate action to be ratified relates
978 to the election of the initial board of directors of the corporation under
979 subdivision (2) of subsection (a) of section 33-639 of the general
980 statutes, a majority of the persons who, at the time of the ratification,
981 are exercising the powers of directors may take an action, stating: (1)
982 The name of the person or persons who first took action in the name of
983 the corporation as the initial board of directors of the corporation; (2)

984 the earlier of the date on which such persons first took such action or
985 were purported to have been elected as the initial board of directors;
986 and (3) that the ratification of the election of such person or persons as
987 the initial board of directors is approved.

988 (c) If any provision of sections 33-600 to 33-998, inclusive, of the
989 general statutes, the certificate of incorporation or bylaws, any
990 corporate resolution or any plan or agreement to which the
991 corporation is a party in effect at the time action under subsection (a)
992 of this section is taken requires shareholder approval or would have
993 required shareholder approval at the date of the occurrence of the
994 defective corporate action, the ratification of the defective corporate
995 action approved in the action taken by the directors under subsection
996 (a) of this section shall be submitted to the shareholders for approval in
997 accordance with section 39 of this act.

998 (d) Unless otherwise provided in the action taken by the board of
999 directors under subsection (a) of this section, after the action by the
1000 board of directors has been taken and, if required, approved by the
1001 shareholders, the board of directors may abandon the ratification at
1002 any time before the validation effective time without further action of
1003 the shareholders.

1004 Sec. 39. (NEW) (*Effective October 1, 2017*) (a) The quorum and voting
1005 requirements applicable to a ratifying action by the board of directors
1006 under subsection (a) of section 38 of this act shall be the quorum and
1007 voting requirements applicable to the corporate action proposed to be
1008 ratified at the time such ratifying action is taken.

1009 (b) If the ratification of the defective corporate action requires
1010 approval by the shareholders under subsection (c) of section 38 of this
1011 act, and if the approval is to be given at a meeting, the corporation
1012 shall notify each holder of valid and putative shares, regardless of
1013 whether entitled to vote, of the record date for notice of the meeting
1014 and of the date of the occurrence of defective corporate action,

1015 provided notice shall not be required to be given to holders of valid or
1016 putative shares whose identities or addresses for notice cannot be
1017 determined from the records of the corporation. The notice must state
1018 that the purpose, or one of the purposes, of the meeting is to consider
1019 ratification of a defective corporate action and must be accompanied
1020 by (1) either a copy of the action taken by the board of directors in
1021 accordance with subsection (a) of section 38 of this act or the
1022 information required by subdivisions (1) to (4), inclusive, of subsection
1023 (a) of section 38 of this act, and (2) a statement that any claim that the
1024 ratification of such defective corporate action and any putative shares
1025 issued as a result of such defective corporate action should not be
1026 effective, or should be effective only on certain conditions, shall be
1027 brought not later than one hundred twenty days after the applicable
1028 validation effective time.

1029 (c) Except as provided in subsection (d) of this section with respect
1030 to the voting requirements to ratify the election of a director, the
1031 quorum and voting requirements applicable to the approval by the
1032 shareholders required by subsection (c) of section 38 of this act shall be
1033 the quorum and voting requirements applicable to the corporate action
1034 proposed to be ratified at the time of such shareholder approval.

1035 (d) The approval by shareholders to ratify the election of a director
1036 requires that the votes cast within the voting group favoring such
1037 ratification exceed the votes cast opposing such ratification of the
1038 election at a meeting at which a quorum is present.

1039 (e) Putative shares on the record date for determining the
1040 shareholders entitled to vote on any matter submitted to shareholders
1041 under subsection (c) of section 38 of this act, and without giving effect
1042 to any ratification of putative shares that becomes effective as a result
1043 of such vote, shall neither be entitled to vote nor counted for quorum
1044 purposes in any vote to approve the ratification of any defective
1045 corporate action.

1046 (f) If the approval under this section of putative shares would result
1047 in an overissue, in addition to the approval required by section 38 of
1048 this act, approval of an amendment to the certificate of incorporation
1049 under sections 33-795 to 33-809, inclusive, of the general statutes to
1050 increase the number of shares of an authorized class or series or to
1051 authorize the creation of a class or series of shares so there would be
1052 no overissue shall also be required.

1053 Sec. 40. (NEW) (*Effective October 1, 2017*) (a) Unless shareholder
1054 approval is required under subsection (c) of section 38 of this act,
1055 prompt notice of an action taken under said section shall be given to
1056 each holder of valid and putative shares, regardless of whether entitled
1057 to vote, as of (1) the date of such action by the board of directors, and
1058 (2) the date of the defective corporate action ratified under sections 36
1059 to 43, inclusive, of this act, provided notice shall not be required to be
1060 given to holders of valid and putative shares whose identities or
1061 addresses for notice cannot be determined from the records of the
1062 corporation.

1063 (b) The notice must contain (1) either a copy of the action taken by
1064 the board of directors in accordance with subsection (a) or (b) of
1065 section 38 of this act, or the information required by subdivisions (1) to
1066 (4), inclusive, of subsection (a) of said section or subdivisions (1) to (3),
1067 inclusive, of subsection (b) of said section, as applicable, and (2) a
1068 statement that any claim that the ratification of the defective corporate
1069 action and any putative shares issued as a result of such defective
1070 corporate action should not be effective, or should be effective only on
1071 certain conditions, shall be brought not later than one hundred twenty
1072 days after the applicable validation effective time.

1073 (c) No notice under this section is required with respect to any
1074 action required to be submitted to shareholders for approval under
1075 subsection (c) of section 38 of this act if notice is given in accordance
1076 with subsection (b) of section 39 of this act.

1077 (d) A notice required by this section may be given in any manner
1078 permitted by section 33-603 of the general statutes and, for any
1079 corporation subject to the reporting requirements of Section 13 or 15(d)
1080 of the Securities Exchange Act of 1934, as from time to time amended,
1081 may be given by means of a filing or furnishing of such notice with the
1082 United States Securities and Exchange Commission.

1083 Sec. 41. (NEW) (*Effective October 1, 2017*) From and after the
1084 validation effective time, and without regard to the one-hundred-
1085 twenty-day period during which a claim may be brought under
1086 section 43 of this act: (1) Each defective corporate action ratified in
1087 accordance with section 38 of this act shall not be void or voidable as a
1088 result of the failure of authorization identified in the action taken
1089 under subsection (a) or (b) of said section and shall be deemed a valid
1090 corporate action effective as of the date of the defective corporate
1091 action; (2) the issuance of each putative share or fraction of a putative
1092 share purportedly issued pursuant to a defective corporate action
1093 identified in the action taken under section 38 of this act shall not be
1094 void or voidable, and each such putative share or fraction of a putative
1095 share shall be deemed to be an identical share or fraction of a valid
1096 share as of the time it was purportedly issued; and (3) any corporate
1097 action taken subsequent to the defective corporate action ratified in
1098 accordance with sections 36 to 43, inclusive, of this act, in reliance on
1099 such defective corporate action having been validly effected and any
1100 subsequent defective corporate action resulting directly or indirectly
1101 from such original defective corporate action, shall be valid as of the
1102 time taken.

1103 Sec. 42. (NEW) (*Effective October 1, 2017*) (a) If the defective
1104 corporate action ratified under sections 36 to 43, inclusive, of this act
1105 would have required under any other provision of sections 33-600 to
1106 33-998, inclusive, of the general statutes a filing in accordance with
1107 sections 33-600 to 33-998, inclusive, of the general statutes, then,
1108 whether or not a filing was previously made in respect of such
1109 defective corporate action and in lieu of a filing otherwise required by

1110 said sections of the general statutes, the corporation shall file a
1111 certificate of validation in accordance with this section, and such
1112 certificate of validation shall serve to amend or substitute for any other
1113 filing with respect to such defective corporate action required by said
1114 sections of the general statutes.

1115 (b) The certificate of validation must set forth: (1) The defective
1116 corporate action that is the subject of the certificate of validation
1117 including, in the case of any defective corporate action involving the
1118 issuance of putative shares, the number and type of putative shares
1119 issued and the date or dates upon which such putative shares were
1120 purported to have been issued; (2) the date of the defective corporate
1121 action; (3) the nature of the failure of authorization in respect of the
1122 defective corporate action; (4) a statement that the defective corporate
1123 action was ratified in accordance with section 38 of this act, including
1124 the date on which the board of directors ratified such defective
1125 corporate action and the date, if any, on which the shareholders
1126 approved the ratification of such defective corporate action; and (5) the
1127 information required by subsection (c) of this section.

1128 (c) The certificate of validation must also contain the following
1129 information: (1) If a filing was previously made in respect to the
1130 defective corporate action and no changes to such filing are required to
1131 give effect to the ratification of such defective corporate action in
1132 accordance with section 38 of this act, the certificate of validation must
1133 set forth (A) the name, title and filing date of the filing previously
1134 made and any certificate of correction to that filing, and (B) a statement
1135 that a copy of the filing previously made, together with any certificate
1136 of correction to that filing, is attached as an exhibit to the certificate of
1137 validation; (2) if a filing was previously made in respect of the
1138 defective corporate action and such filing requires any change to give
1139 effect to the ratification of such defective corporate action in
1140 accordance with section 38 of this act, the certificate of validation must
1141 set forth (A) the name, title and filing date of the filing previously
1142 made and any certificate of correction to that filing, (B) a statement that

1143 a filing containing all of the information required to be included under
1144 the applicable provisions of sections 33-600 to 33-998, inclusive, of the
1145 general statutes to give effect to such defective corporate action is
1146 attached as an exhibit to the certificate of validation, and (C) the date
1147 and time that such filing is deemed to have become effective; or (3) if a
1148 filing was not previously made in respect of the defective corporate
1149 action and the defective corporate action ratified under section 38 of
1150 this act would have required a filing under any other provision of
1151 sections 33-600 to 33-998, inclusive, of the general statutes, the
1152 certificate of validation must set forth (A) a statement that a filing
1153 containing all of the information required to be included under the
1154 applicable provision or provisions of sections 33-600 to 33-998,
1155 inclusive, of the general statutes to give effect to such defective
1156 corporate action is attached as an exhibit to the certificate of validation,
1157 and (B) the date and time that such filing is deemed to have become
1158 effective.

1159 Sec. 43. (NEW) (*Effective October 1, 2017*) (a) Upon application by the
1160 corporation, any successor entity to the corporation, a director of the
1161 corporation, any shareholder, beneficial shareholder or unrestricted
1162 voting trust beneficial owner of the corporation, including any such
1163 shareholder, beneficial shareholder or unrestricted voting trust
1164 beneficial owner as of the date of the defective corporate action ratified
1165 under section 38 of this act, or any other person claiming to be
1166 substantially and adversely affected by a ratification under section 38
1167 of this act, the Superior Court may (1) determine the validity and
1168 effectiveness of any corporate action or defective corporate action; (2)
1169 determine the validity and effectiveness of any ratification under
1170 section 38 of this act; (3) determine the validity of any putative shares;
1171 and (4) modify or waive any of the procedures specified in sections 38
1172 and 39 of this act to ratify a defective corporate action.

1173 (b) In connection with an action under this section, the Superior
1174 Court may make such findings or orders, and take into account any
1175 factors or considerations, regarding such matters, as it deems proper

1176 under the circumstances.

1177 (c) Service of process of the application under subsection (a) of this
1178 section on the corporation may be made in any manner provided by
1179 any provision of the general statutes or by rule of the applicable court,
1180 and no other party need be joined in order for the Superior Court to
1181 adjudicate the matter. In an action filed by the corporation, the
1182 Superior Court may require notice of the action to be provided to other
1183 persons specified by the Superior Court and permit such other persons
1184 to intervene in the action.

1185 (d) Notwithstanding any provision of the general statutes, any
1186 action asserting that the ratification of any defective corporate action
1187 and any putative shares issued as a result of such defective corporate
1188 action should not be effective, or should be effective only on certain
1189 conditions, shall be brought not later than one hundred twenty days
1190 after the validation effective time.

1191 Sec. 44. Subsection (a) of section 33-605 of the general statutes is
1192 repealed and the following is substituted in lieu thereof (*Effective*
1193 *October 1, 2017*):

1194 (a) For purposes of sections 33-600 to 33-998, inclusive, a qualified
1195 director is a director who, at the time action is to be taken under:

1196 (1) Subdivision (6) of subsection (b) of section 33-636 is not a
1197 director (A) to whom the limitation or elimination of the duty of an
1198 officer to offer potential business opportunities to the corporation
1199 would apply, or (B) who has a material relationship with any other
1200 person to whom the limitation or elimination would apply;

1201 ~~[(1)]~~ (2) Section 33-724, does not have (A) a material interest in the
1202 outcome of the proceeding, or (B) a material relationship with a person
1203 who has such an interest;

1204 ~~[(2)]~~ (3) Section 33-773 or 33-775, (A) is not a party to the proceeding,

1205 (B) is not a director [who sought approval for] as to whom a
1206 transaction is a director's conflicting interest transaction [under section
1207 33-783] or who sought a disclaimer of the corporation's interest in a
1208 business opportunity under section 33-785, which [approval]
1209 transaction or disclaimer is challenged in the proceeding, and (C) does
1210 not have a material relationship with a director described in either
1211 subparagraph (A) or (B) of this subdivision;

1212 [(3)] (4) Section 33-783, is not a director (A) as to whom the
1213 transaction is a director's conflicting interest transaction, or (B) who
1214 has a material relationship with another director as to whom the
1215 transaction is a director's conflicting interest transaction; or

1216 [(4)] (5) Section 33-785, [would be a qualified director under
1217 subdivision (3) of this subsection if the business opportunity were a
1218 director's conflicting interest transaction] is not a director who (A)
1219 pursues or takes advantage of the business opportunity, directly, or
1220 indirectly through or on behalf of another person, or (B) has a material
1221 relationship with a director or officer who pursues or takes advantage
1222 of the business opportunity, directly, or indirectly through or on behalf
1223 of another person.

1224 Sec. 45. Section 33-636 of the general statutes is repealed and the
1225 following is substituted in lieu thereof (*Effective October 1, 2017*):

1226 (a) The certificate of incorporation shall set forth: (1) A corporate
1227 name for the corporation that satisfies the requirements of section 33-
1228 655; (2) the number of shares the corporation is authorized to issue; (3)
1229 the street and mailing address of the corporation's initial registered
1230 office and the name of its initial registered agent at that office; and (4)
1231 the name and address of each incorporator.

1232 (b) The certificate of incorporation may set forth: (1) The names and
1233 addresses of the individuals who are to serve as the initial directors; (2)
1234 provisions not inconsistent with law regarding: (A) The purpose or
1235 purposes for which the corporation is organized; (B) managing the

1236 business and regulating the affairs of the corporation; (C) defining,
1237 limiting and regulating the powers of the corporation, its board of
1238 directors and shareholders; (D) a par value for authorized shares or
1239 classes of shares; or (E) the imposition of personal liability on
1240 shareholders for the debts of the corporation to a specified extent and
1241 upon specified conditions; (3) any provision that under sections 33-600
1242 to 33-998, inclusive, is required or permitted to be set forth in the
1243 bylaws; (4) a provision limiting the personal liability of a director to
1244 the corporation or its shareholders for [monetary] money damages for
1245 breach of duty as a director to an amount that is not less than the
1246 compensation received by the director for serving the corporation
1247 during the year of the violation if such breach did not (A) involve a
1248 knowing and culpable violation of law by the director, (B) enable the
1249 director or an associate, as defined in section 33-840, to receive an
1250 improper personal economic gain, (C) show a lack of good faith and a
1251 conscious disregard for the duty of the director to the corporation
1252 under circumstances in which the director was aware that his conduct
1253 or omission created an unjustifiable risk of serious injury to the
1254 corporation, (D) constitute a sustained and unexcused pattern of
1255 inattention that amounted to an abdication of the director's duty to the
1256 corporation, or (E) create liability under section 33-757, provided no
1257 such provision shall limit or preclude the liability of a director for any
1258 act or omission occurring prior to the effective date of such provision;
1259 [and] (5) a provision permitting or making obligatory indemnification
1260 of a director for liability, as defined in section 33-770, to any person for
1261 any action taken, or any failure to take any action, as a director, except
1262 liability that (A) involved a knowing and culpable violation of law by
1263 the director, (B) enabled the director or an associate, as defined in
1264 section 33-840, to receive an improper personal gain, (C) showed a lack
1265 of good faith and a conscious disregard for the duty of the director to
1266 the corporation under circumstances in which the director was aware
1267 that his conduct or omission created an unjustifiable risk of serious
1268 injury to the corporation, (D) constituted a sustained and unexcused
1269 pattern of inattention that amounted to an abdication of the director's

1270 duty to the corporation or (E) created liability under section 33-757,
1271 provided no such provision shall affect the indemnification of or
1272 advance of expenses to a director for any liability stemming from acts
1273 or omissions occurring prior to the effective date of such provision;
1274 and (6) a provision limiting or eliminating any duty of a director or
1275 any other person to offer the corporation the right to have or
1276 participate in any, or one or more classes or categories of, business
1277 opportunities, before the pursuit or taking of the opportunity by the
1278 director or other person; provided that any application of such a
1279 provision to an officer or a related person of that officer (A) also
1280 requires approval of that application by the board of directors,
1281 subsequent to the effective date of the provision, by action of qualified
1282 directors taken in compliance with the same procedures as are set forth
1283 in section 33-783, and (B) may be limited by the authorizing action of
1284 the board. As used in this subsection "related person" has the same
1285 meaning as provided in section 33-781.

1286 (c) The certificate of incorporation need not set forth any of the
1287 corporate powers enumerated in sections 33-600 to 33-998, inclusive.

1288 (d) Provisions of the certificate of incorporation may be made
1289 dependent upon facts objectively ascertainable outside the certificate of
1290 incorporation in accordance with subsection (l) of section 33-608.

1291 Sec. 46. Subdivision (5) of section 33-781 of the general statutes is
1292 repealed and the following is substituted in lieu thereof (*Effective*
1293 *October 1, 2017*):

1294 (5) "Related person" means: (A) The [director's] individual's spouse;
1295 [, or a parent or sibling thereof;] (B) a child, stepchild, grandchild,
1296 parent, [or] stepparent, grandparent, sibling, stepsibling, half-sibling,
1297 aunt, uncle, niece or nephew, or the spouse of any such person, of the
1298 [director, or the spouse of any thereof] individual or of the individual's
1299 spouse; (C) [an individual (i) living in the same home as the director,
1300 or (ii) a trust or estate of which a person specified in subparagraph (A)

1301 or (B) of this subdivision or clause (i) of this subparagraph is a
1302 substantial beneficiary] a natural person living in the same home as the
1303 individual; (D) an entity, other than the corporation or an entity
1304 controlled by the corporation, controlled by the [director] individual or
1305 any person specified in subparagraphs (A) to (C), inclusive, of this
1306 subdivision; (E) a domestic or foreign (i) business or [nonprofit]
1307 nonstock corporation, other than the corporation or an entity
1308 controlled by the corporation, of which the [director] individual is a
1309 director, (ii) unincorporated entity of which the [director] individual is
1310 a general partner or a member of the governing body, or (iii)
1311 individual, trust or estate for whom or of which the [director]
1312 individual is a trustee, guardian, personal representative or like
1313 fiduciary; or (F) a person that is, or an entity that is controlled by, an
1314 employer of the [director] individual.

1315 Sec. 47. Section 33-785 of the general statutes is repealed and the
1316 following is substituted in lieu thereof (*Effective October 1, 2017*):

1317 (a) [A director's taking] If a director or officer pursues or takes
1318 advantage [, directly or indirectly,] of a business opportunity directly,
1319 or indirectly through or on behalf of another person, that action may
1320 not be the subject of equitable relief, or give rise to an award of
1321 damages or other sanctions against the director, officer or other
1322 person, in a proceeding by or in the right of the corporation on the
1323 ground that such opportunity should have first been offered to the
1324 corporation, if (1) before [becoming] the director, officer or other
1325 person becomes legally obligated respecting the opportunity, the
1326 director or officer brings it to the attention of the corporation and
1327 either: [(1)] (A) Action by qualified directors disclaiming the
1328 corporation's interest in the opportunity is taken in compliance with
1329 the same procedures as are set forth in section 33-783; [as if the
1330 decision being made concerned a director's conflicting interest
1331 transaction;] or [(2)] (B) shareholders' action disclaiming the
1332 corporation's interest in the opportunity is taken in compliance with
1333 the procedures set forth in section 33-784, in either case as if the

1334 decision being made concerned a director's conflicting interest
1335 transaction, [;] except that, rather than making required disclosure, as
1336 defined in section 33-781, [in each case] the director or officer shall
1337 have made prior disclosure to those acting on behalf of the corporation
1338 of all material facts concerning the business opportunity [that are then]
1339 known to the director or officer; or (2) the duty to offer the corporation
1340 the business opportunity has been limited or eliminated pursuant to a
1341 provision of the certificate of incorporation adopted, and where
1342 required, made effective by action of qualified directors, in accordance
1343 with subdivision (6) of subsection (b) of section 33-636.

1344 (b) In any proceeding seeking equitable relief or other remedies
1345 based upon an alleged improper pursuit or taking advantage of a
1346 business opportunity by a director or officer directly, or indirectly
1347 through or on behalf of another person, the fact that the director or
1348 officer did not employ the procedure described in subparagraph (A) or
1349 (B) of subdivision (1) of subsection (a) of this section before pursuing
1350 or taking advantage of the opportunity shall not create an [inference]
1351 implication that the opportunity should have been first presented to
1352 the corporation or alter the burden of proof otherwise applicable to
1353 establish that the director or officer breached a duty to the corporation
1354 in the circumstances.

1355 Sec. 48. Section 33-817 of the general statutes is repealed and the
1356 following is substituted in lieu thereof (*Effective October 1, 2017*):

1357 In the case of a domestic corporation that is a party to a merger or
1358 the acquired corporation in a share exchange, the plan of merger or
1359 share exchange shall be adopted in the following manner:

1360 (1) The plan of merger or share exchange [must] shall first be
1361 adopted by the board of directors.

1362 (2) Except as provided in [subdivision (7)] subdivisions (8), (10) and
1363 (12) of this section and section 33-818, [after adopting] the plan of
1364 merger or share exchange shall then be approved by the shareholders.

1365 [, the board of directors must submit the plan to the shareholders for
1366 their approval. The board of directors must also transmit to the
1367 shareholders a recommendation] In submitting the plan of merger or
1368 share exchange to the shareholders for approval, the board of directors
1369 shall recommend that the shareholders approve the plan, or, in the
1370 case of an offer referred to in subparagraph (B) of subdivision (10) of
1371 this section, that the shareholders tender their shares to the offeror in
1372 response to the offer, unless (A) the board of directors makes a
1373 determination that because of conflicts of interest or other special
1374 circumstances it should not make such a recommendation, or (B)
1375 section 33-754 applies. If either subparagraph (A) or (B) of this
1376 subdivision applies, the board of directors [must transmit to] shall
1377 inform the shareholders of the basis for its so proceeding.

1378 (3) The board of directors may [condition its submission] set
1379 conditions for the approval of the plan of merger or share exchange
1380 [to] by the shareholders [on any basis] or the effectiveness of the plan
1381 of merger or share exchange.

1382 (4) If the plan of merger or share exchange is required to be
1383 approved by the shareholders, and if the approval is to be given at a
1384 meeting, the corporation shall notify each shareholder, regardless of
1385 whether [or not] entitled to vote, of the meeting of shareholders at
1386 which the plan is to be submitted for approval. The notice [shall also]
1387 must state that the purpose, or one of the purposes, of the meeting is to
1388 consider the plan and [shall] must contain or be accompanied by a
1389 copy or summary of the plan. If the corporation is to be merged into an
1390 existing foreign or domestic corporation, the notice [shall] must also
1391 include or be accompanied by a copy or summary of the certificate of
1392 incorporation [of such existing] and bylaws of that corporation. If the
1393 corporation is to be merged [into a corporation that] with a domestic or
1394 foreign corporation and a new domestic or foreign corporation is to be
1395 created pursuant to the merger, the notice [shall] must include or be
1396 accompanied by a copy or a summary of the certificate of
1397 incorporation and bylaws of the new corporation.

1398 (5) [Unless sections 33-600 to 33-998, inclusive, the certificate of
1399 incorporation or the board of directors acting pursuant to subdivision
1400 (3) of this section requires a greater vote or a vote by voting groups,
1401 and except as provided in subdivision (9) of this section, the plan of
1402 merger or share exchange to be authorized must be approved by each
1403 voting group entitled to vote separately on the plan by a majority of all
1404 the votes entitled to be cast on the plan by that voting group.] Unless
1405 the certificate of incorporation, or the board of directors acting
1406 pursuant to subdivision (3) of this section, requires a greater vote or a
1407 greater quorum, approval of the plan of merger or share exchange
1408 requires the approval of the shareholders at a meeting at which a
1409 quorum exists consisting of a majority of the votes entitled to be cast
1410 on the plan, and, if any class or series of shares is entitled to vote as a
1411 separate group on the plan of merger or share exchange, the approval
1412 of each such separate voting group at a meeting at which a quorum of
1413 the voting group is present consisting of a majority of the votes
1414 entitled to be cast on the merger or share exchange by that voting
1415 group.

1416 (6) [Separate] Subject to subdivision (7) of this section, separate
1417 voting by voting groups is required: (A) On a plan of merger, by each
1418 class or series of shares that: (i) [are] Are to be converted [, pursuant to
1419 the provisions of] under the plan of merger [,] into shares, [or] other
1420 securities, interests, obligations, rights to acquire shares or other
1421 securities or interests, cash, [or] other property, or any combination
1422 thereof; [,] or (ii) [would have a right] are entitled to vote as a separate
1423 group on a provision in the plan that, [if contained in] constitutes a
1424 proposed amendment to the certificate of incorporation [, would
1425 require] of a surviving corporation that requires action by separate
1426 voting groups under section 33-798; (B) on a plan of share exchange, by
1427 each class or series of shares included in the exchange, with each class
1428 or series constituting a separate voting group; and (C) on a plan of
1429 merger or share exchange, if the voting group is entitled under the
1430 certificate of incorporation to vote as a voting group to approve a plan

1431 of merger or share exchange, respectively.

1432 (7) The certificate of incorporation may expressly limit or eliminate
1433 the separate voting rights provided in clause (i) of subparagraph (A) of
1434 subdivision (6) of this section and in subparagraph (B) of subdivision
1435 (6) of this section as to any class or series of shares, except when the
1436 plan of merger or share exchange (A) includes what is or would be in
1437 effect an amendment subject to clause (ii) of subparagraph (A) of
1438 subdivision (6) of this section, and (B) will not effect a substantive
1439 business combination.

1440 ~~[(7)]~~ (8) Unless the certificate of incorporation otherwise provides,
1441 approval by the corporation's shareholders of a plan of merger [or
1442 share exchange] is not required if: (A) The corporation will [be the
1443 survivor in the merger or is the acquiring corporation in the share
1444 exchange] survive the merger; (B) except for amendments permitted
1445 by section 33-796, its certificate of incorporation will not be changed;
1446 and (C) each shareholder of the corporation whose shares were
1447 outstanding immediately before the effective date of the merger [or the
1448 share exchange] will hold the same number of shares, with identical
1449 preferences, rights and limitations, [and relative rights,] immediately
1450 after the effective date of the merger. [or the share exchange.]

1451 ~~[(8)]~~ (9) If, as a result of a merger or a share exchange, one or more
1452 shareholders of a domestic corporation would become subject to
1453 personal liability for the obligations or liabilities of any other person or
1454 entity, approval of the plan of merger or share exchange [shall require]
1455 requires the [execution] signing in connection with the transaction, by
1456 each such shareholder, of a separate written consent to become subject
1457 to such personal liability.

1458 (10) Unless the certificate of incorporation otherwise provides,
1459 approval by the shareholders of a plan of merger or share exchange is
1460 not required if: (A) The plan of merger or share exchange expressly (i)
1461 permits or requires the merger or share exchange to be effected under

1462 this subdivision, and (ii) provides that, if the merger or share exchange
1463 is to be effected under this subdivision, the merger or share exchange
1464 will be effected as soon as practicable following the satisfaction of the
1465 requirement set forth in subparagraph (F) of this subdivision; (B)
1466 another party to the merger, the acquiring corporation in the share
1467 exchange, or a parent of another party to the merger or the acquiring
1468 corporation in the share exchange, makes an offer to purchase, on the
1469 terms provided in the plan of merger or share exchange, any and all of
1470 the outstanding shares of the corporation that, absent the provisions of
1471 this subdivision, would be entitled to vote on the plan of merger or
1472 share exchange, except that the offer may exclude shares of the
1473 corporation that are owned at the commencement of the offer by the
1474 corporation, the offeror or any parent of the offeror, or by any wholly
1475 owned subsidiary of the corporation, the offeror or by any wholly
1476 owned subsidiary of any of them; (C) the offer discloses that the plan
1477 of merger or share exchange provides that the merger or share
1478 exchange will be effected as soon as practicable following the
1479 satisfaction of the requirement set forth in subparagraph (F) of this
1480 subdivision and that the shares of the corporation that are not
1481 tendered in response to the offer will be treated as set forth in
1482 subparagraph (H) of this subdivision; (D) the offer remains open for at
1483 least ten days; (E) the offeror purchases all shares properly tendered in
1484 response to the offer and not properly withdrawn; (F) the shares set
1485 forth in this subparagraph are collectively entitled to cast at least the
1486 minimum number of votes on the merger or share exchange that,
1487 absent the provisions of this subdivision, would be required by
1488 sections 33-814 to 33-821a, inclusive, and by the certificate of
1489 incorporation for the approval of the merger or share exchange by the
1490 shareholders and by any other voting group entitled to vote on the
1491 merger or share exchange at a meeting at which all shares entitled to
1492 vote on the approval were present and voted: (i) Shares purchased by
1493 the offeror in accordance with the offer; (ii) shares otherwise owned by
1494 the offeror or by any parent of the offeror or any wholly owned
1495 subsidiary of the offeror or by any parent of the offeror; and (iii) shares

1496 subject to an agreement that are to be transferred, contributed or
1497 delivered to the offeror, any parent of the offeror or any wholly owned
1498 subsidiary of any of them in exchange for shares in such offeror, parent
1499 or subsidiary; (G) the offeror or a wholly owned subsidiary of the
1500 offeror merges with or into, or effects a share exchange in which it
1501 acquires shares of the corporation; and (H) each outstanding share of
1502 each class or series of shares of the corporation that the offeror is
1503 offering to purchase in accordance with the offer, and that is not
1504 purchased in accordance with the offer, is to be converted in the
1505 merger into, or into the right to receive, or is to be exchanged in the
1506 share exchange for, or for the right to receive, the same amount and
1507 kind of securities, interests, obligations, rights, cash or other property
1508 to be paid or exchanged in accordance with the offer for each share of
1509 that class or series of shares that is tendered in response to the offer,
1510 except that shares of the corporation that are owned by the corporation
1511 or that are described in clause (ii) or (iii) of subparagraph (F) of this
1512 subdivision need not be converted into or exchanged for the
1513 consideration described in this subparagraph.

1514 (11) As used in subdivision (10) of this section, (A) "offer" means the
1515 offer referred to in subparagraph (B) of subdivision (10) of this section;
1516 (B) "offeror" means the person making the offer; (C) "parent" of a
1517 corporation means a person that owns, directly or indirectly, through
1518 one or more wholly owned subsidiaries, all of the outstanding shares
1519 of that corporation; (D) shares tendered in response to the offer shall
1520 be deemed to have been "purchased" in accordance with the offer at
1521 the earliest time as of which (i) the offeror has irrevocably accepted
1522 those shares for payment, and (ii) either (I) in the case of shares
1523 represented by certificates, the offeror, or the offeror's designated
1524 depository or other agent, has physically received the certificates
1525 representing those shares, or (II) in the case of shares without
1526 certificates, those shares have been transferred into the account of the
1527 offeror or its designated depository or other agent, or an agent's
1528 message relating to those shares has been received by the offeror or its

1529 designated depository or other agent; and (E) "wholly owned
1530 subsidiary" of a person means an entity of or in which that person
1531 owns, directly or indirectly, through one or more wholly owned
1532 subsidiaries, all of the outstanding shares or interests.

1533 (12) Unless the certificate of incorporation otherwise provides, (A)
1534 approval of a plan of share exchange by the shareholders of a domestic
1535 corporation is not required if the corporation is the acquiring
1536 corporation in the share exchange; and (B) shares not to be exchanged
1537 under the plan of share exchange are not entitled to vote on the plan.

1538 [(9)] (13) Notwithstanding any provision of subdivision (5) of this
1539 section, [to the contrary,] a plan of merger or share exchange of a
1540 corporation which was incorporated under the laws of this state,
1541 whether under chapter 599 of the general statutes, revision of 1958,
1542 revised to January 1, 1995, or any other general law or special act, prior
1543 to January 1, 1997, to be authorized by such corporation, shall be
1544 approved by (A) the affirmative vote of at least two-thirds of the
1545 voting power of each voting group entitled to vote thereon unless (i)
1546 the certificate of incorporation expressly provides otherwise, [provided
1547 if such corporation is the surviving corporation of such merger and
1548 such plan of merger will not effect any change in or amendment to the
1549 certificate of incorporation of such corporation and the shares to be
1550 issued under the plan of merger could have been issued by the board
1551 of directors of such corporation without further authorization of the
1552 shareholders of such corporation, then the provisions of this
1553 subdivision shall not require approval of such plan of merger or share
1554 exchange by the corporation's shareholders] or (ii) approval by the
1555 corporation's shareholders of the plan of merger or share exchange is
1556 not required under either subdivision (8) or (10) of this section, and (B)
1557 the affirmative vote of at least two-thirds of the voting power of each
1558 class of stock of such corporation outstanding prior to January 1, 1997,
1559 and not otherwise entitled to vote thereon, unless (i) the certificate of
1560 incorporation expressly provides otherwise; [provided if such
1561 corporation is the surviving corporation of such merger and such plan

1562 of merger or share exchange does not contain any provisions which, if
1563 contained in a proposed amendment to the certificate of incorporation
1564 of such corporation, would entitle any class or series of shareholders of
1565 such surviving corporation to vote as a class or series as provided in
1566 subsection (f) of section 33-797 or section 33-798, then the provisions of
1567 this subdivision shall not require approval of such plan of merger or
1568 share exchange by the holders of such class or series not otherwise
1569 entitled to vote thereon] or (ii) approval by the corporation's
1570 shareholders of the plan of merger or share exchange is not required
1571 under either subdivision (8) or (10) of this section.

1572 Sec. 49. Section 33-856 of the general statutes is repealed and the
1573 following is substituted in lieu thereof (*Effective October 1, 2017*):

1574 (a) A shareholder is entitled to appraisal rights, and to obtain
1575 payment of the fair value of that shareholder's shares, in the event of
1576 any of the following corporate actions:

1577 (1) Consummation of a merger to which the corporation is a party
1578 (A) if shareholder approval is required for the merger by section 33-
1579 817 [and the shareholder is entitled to vote on the merger] or would be
1580 required but for the provisions of subdivision (10) of section 33-817,
1581 except that appraisal rights shall not be available to any shareholder of
1582 the corporation with respect to shares of any class or series that remain
1583 outstanding after consummation of the merger, or (B) if the
1584 corporation is a subsidiary and the merger is governed by section 33-
1585 818;

1586 (2) Consummation of a share exchange to which the corporation is a
1587 party [as the corporation whose shares will be acquired, if the
1588 shareholder is entitled to vote on the exchange] the shares of which
1589 will be acquired, except that appraisal rights shall not be available to
1590 any shareholder of the corporation with respect to any class or series of
1591 shares of the corporation that is not [exchanged] acquired in the share
1592 exchange;

1593 (3) Consummation of a disposition of assets pursuant to section 33-
1594 831 if the shareholder is entitled to vote on the disposition, except that
1595 appraisal rights shall not be available to any shareholder of the
1596 corporation with respect to shares of any class or series if (A) under the
1597 terms of the corporate action approved by the shareholders there is to
1598 be distributed to shareholders in cash [its] the corporation's net assets,
1599 in excess of a reasonable amount reserved to meet claims of the type
1600 described in sections 33-886 and 33-887, (i) within one year after the
1601 shareholders' approval of the action, and (ii) in accordance with their
1602 respective interests determined at the time of such distribution, and (B)
1603 the disposition of assets is not an interested transaction;

1604 (4) An amendment of the certificate of incorporation with respect to
1605 a class or series of shares that reduces the number of shares of a class
1606 or series owned by the shareholder to a fraction of a share if the
1607 corporation has the obligation or right to repurchase the fractional
1608 share so created;

1609 (5) If the corporation is not a benefit corporation, as defined in
1610 section 33-1351, (A) an amendment of the certificate of incorporation to
1611 state that the corporation is a benefit corporation; (B) consummation of
1612 a merger to which the corporation is a party in which the surviving
1613 [entity] corporation will be a benefit corporation or in which shares in
1614 the corporation will be converted into a right to receive shares of a
1615 benefit corporation; or (C) consummation of a share exchange to which
1616 the corporation is a party and the shares of the corporation will be
1617 exchanged for shares of a benefit corporation; or

1618 (6) Any other merger, share exchange, disposition of assets or
1619 amendment to the certificate of incorporation; in each case to the
1620 extent provided by the certificate of incorporation, the bylaws or a
1621 resolution of the board of directors.

1622 (b) Notwithstanding subsection (a) of this section, the availability of
1623 appraisal rights under subdivisions (1) to (5), inclusive, of subsection

1624 (a) of this section shall be limited in accordance with the following
1625 provisions:

1626 (1) Appraisal rights shall not be available for the holders of shares of
1627 any class or series of shares which is:

1628 (A) A covered security under Section 18(b)(1)(A) or (B) of the
1629 Securities Act of 1933, as amended;

1630 (B) Traded in an organized market and has at least two thousand
1631 shareholders and a market value of at least twenty million dollars,
1632 exclusive of the value of such shares held by the corporation's
1633 subsidiaries, senior executives [,] and directors and by any beneficial
1634 shareholders and any voting trust beneficial owner owning more than
1635 ten per cent of such shares; or

1636 (C) Issued by an open-end management investment company
1637 registered with the Securities and Exchange Commission under the
1638 Investment Company Act of 1940 and which may be redeemed at the
1639 option of the holder at net asset value.

1640 (2) The applicability of subdivision (1) of this subsection shall be
1641 determined as of: (A) The record date fixed to determine the
1642 shareholders entitled to receive notice of the meeting of shareholders
1643 to act upon the corporate action requiring appraisal rights or, in the
1644 case of an offer made pursuant to subdivision (10) of section 33-817,
1645 the date of such offer; or (B) [the day before the effective date of such
1646 corporate action if there is no meeting of shareholders] if there is no
1647 meeting of shareholders and no offer made pursuant to subdivision
1648 (10) of section 33-817, the day before the consummation of the
1649 corporate action or effective date of the amendment of the certificate of
1650 incorporation, as applicable.

1651 (3) Subdivision (1) of this subsection shall not be applicable and
1652 appraisal rights shall be available pursuant to subsection (a) of this
1653 section for the holders of any class or series of shares (A) who are

1654 required by the terms of the corporate action requiring appraisal rights
1655 to accept for such shares anything other than cash or shares of any
1656 class or any series of shares of any corporation, or any other
1657 proprietary interest of any other entity, that satisfies the standards set
1658 forth in subdivision (1) of this subsection at the time the corporate
1659 action becomes effective, or (B) in the case of the consummation of a
1660 disposition of assets pursuant to section 33-831, unless [such] the cash,
1661 shares or proprietary interests received in the disposition are, under
1662 the terms of the corporate action approved by the shareholders, to be
1663 distributed to the shareholders, as part of a distribution to
1664 shareholders of the net assets of the corporation in excess of a
1665 reasonable amount to meet claims of the type described in sections 33-
1666 886 and 33-887, (i) not later than one year after the shareholders'
1667 approval of the action, and (ii) in accordance with their respective
1668 interests determined at the time of the distribution.

1669 (4) Subdivision (1) of this subsection shall not be applicable and
1670 appraisal rights shall be available pursuant to subsection (a) of this
1671 section for the holders of any class or series of shares where the
1672 corporate action is an interested transaction.

1673 (c) Notwithstanding any other provision of this section, the
1674 certificate of incorporation as originally filed or any amendment
1675 [thereto] to the certificate of incorporation may limit or eliminate
1676 appraisal rights for any class or series of preferred shares, [but] except
1677 that (1) no such limitation or elimination shall be effective if the class
1678 or series does not have the right to vote separately as a voting group,
1679 alone or as part of a group, on the action, and (2) any such limitation or
1680 elimination contained in an amendment to the certificate of
1681 incorporation that limits or eliminates appraisal rights for any of such
1682 shares that are outstanding immediately [prior to] before the effective
1683 date of such amendment or that the corporation is or may be required
1684 to issue or sell thereafter pursuant to any conversion, exchange or
1685 other right existing immediately before the effective date of such
1686 amendment shall not apply to any corporate action that becomes

1687 effective within one year of [that date] the effective date of such
1688 amendment if such action would otherwise afford appraisal rights.

1689 (d) Where the right to be paid the value of shares is made available
1690 to a shareholder by this section, such remedy shall be the exclusive
1691 remedy as holder of such shares against the corporate actions
1692 described in this section, whether or not the shareholder proceeds as
1693 provided in sections 33-855 to 33-872, inclusive.

1694 Sec. 50. Section 33-860 of the general statutes is repealed and the
1695 following is substituted in lieu thereof (*Effective October 1, 2017*):

1696 (a) Where any corporate action specified in subsection (a) of section
1697 33-856 is to be submitted to a vote at a shareholders' meeting, the
1698 meeting notice, or where no approval of such action is required
1699 pursuant to subdivision (10) of section 33-817, the offer made pursuant
1700 to subdivision (10) of section 33-817 must state that the corporation has
1701 concluded that the [shareholders] appraisal rights are, are not or may
1702 be [entitled to assert appraisal rights] available under sections 33-855
1703 to 33-872, inclusive. If the corporation concludes that appraisal rights
1704 are or may be available, a copy of sections 33-855 to 33-872, inclusive,
1705 must accompany the meeting notice or offer sent to those record
1706 shareholders entitled to exercise appraisal rights.

1707 (b) In a merger pursuant to section 33-818, the parent corporation
1708 [must] shall notify in writing all record shareholders of the subsidiary
1709 who are entitled to assert appraisal rights that the corporate action
1710 became effective. Such notice [must] shall be sent within ten days after
1711 the corporate action became effective and include the materials
1712 described in section 33-862.

1713 (c) Where any corporate action specified in subsection (a) of section
1714 33-856 is to be approved by written consent of the shareholders
1715 pursuant to section 33-698:

1716 (1) Written notice that appraisal rights are, are not or may be

1717 available [must] shall be sent to each record shareholder from whom a
1718 consent is solicited at the time consent of such shareholder is first
1719 solicited and, if the corporation has concluded that appraisal rights are
1720 or may be available, the notice must be accompanied by a copy of
1721 sections 33-855 to 33-872, inclusive; and

1722 (2) Written notice that appraisal rights are, are not or may be
1723 available must be delivered together with the notice to nonconsenting
1724 and nonvoting [and nonconsenting] shareholders required by
1725 subsections (e) and (f) of section 33-698, may include the materials
1726 described in section 33-862 and, if the corporation has concluded that
1727 appraisal rights are or may be available, must be accompanied by a
1728 copy of sections 33-855 to 33-872, inclusive.

1729 (d) Where [any] corporate action [specified] described in subsection
1730 (a) of section 33-856 is proposed, or a merger pursuant to section 33-
1731 818 is effected, the notice referred to in subsection (a) or (c) of this
1732 section, if the corporation concludes that appraisal rights are or may be
1733 available, and in subsection (b) of this section, shall be accompanied
1734 by:

1735 (1) [The annual financial statements specified in subsection (a) of
1736 section 33-951] Financial statements of the corporation that issued the
1737 shares that may be subject to appraisal, [which shall be as of a date]
1738 consisting of a balance sheet as of the end of the fiscal year ending not
1739 more than sixteen months before the date of the notice, [and shall
1740 comply with subsection (b) of section 33-951, except that,] an income
1741 statement for that fiscal year and a cash flow statement for that fiscal
1742 year, provided if such [annual] financial statements are not reasonably
1743 available, the corporation shall provide reasonably equivalent financial
1744 information; and

1745 (2) The latest [available quarterly] interim financial statements of
1746 such corporation, if any.

1747 (e) The right to receive the information described in subsection (d)

1748 of this section may be waived in writing by a shareholder before or
1749 after the corporate action.

1750 Sec. 51. Section 33-861 of the general statutes is repealed and the
1751 following is substituted in lieu thereof (*Effective October 1, 2017*):

1752 (a) If a corporate action specified in subsection (a) of section 33-856
1753 is submitted to a vote at a shareholders' meeting, a shareholder who
1754 wishes to assert appraisal rights with respect to any class or series of
1755 shares: (1) ~~[Must]~~ Shall deliver to the corporation, before the vote is
1756 taken, written notice of the shareholder's intent to demand payment if
1757 the proposed action is effectuated, and (2) ~~[must]~~ shall not vote, or
1758 cause or permit to be voted, any shares of such class or series in favor
1759 of the proposed action.

1760 (b) If a corporate action specified in subsection (a) of section 33-856
1761 is to be approved by ~~[less than unanimous]~~ written consent, a
1762 shareholder who wishes to assert appraisal rights with respect to any
1763 class or series of shares ~~[must]~~ shall not sign a consent in favor of the
1764 proposed action with respect to that class or series of shares.

1765 (c) If a corporate action specified in subsection (a) of section 33-856
1766 does not require shareholder approval pursuant to subdivision (10) of
1767 section 33-817, a shareholder who wishes to assert appraisal rights
1768 with respect to any class or series of shares (1) shall deliver to the
1769 corporation before the shares are purchased pursuant to the offer
1770 written notice of the shareholder's intent to demand payment if the
1771 proposed action is effected; and (2) shall not tender, or cause to permit
1772 to be tendered, any shares of such class or series in response to such
1773 offer.

1774 ~~[(c)]~~ (d) A shareholder who fails to satisfy the requirements of
1775 subsection (a), ~~[or]~~ (b) or (c) of this section is not entitled to payment
1776 under sections 33-855 to 33-872, inclusive.

1777 Sec. 52. Section 33-862 of the general statutes is repealed and the

1778 following is substituted in lieu thereof (*Effective October 1, 2017*):

1779 (a) If [proposed] a corporate action requiring appraisal rights under
1780 subsection (a) of section 33-856 becomes effective, the corporation
1781 [must send] shall deliver a written appraisal notice and the form
1782 required by [subdivision (1) of] subsection (b) of this section to all
1783 shareholders who [satisfied] satisfy the requirements of subsection (a),
1784 (b) or (c) of section 33-861. In the case of a merger under section 33-818,
1785 the parent [must] shall deliver an appraisal notice and form to all
1786 record shareholders who may be entitled to assert appraisal rights.

1787 (b) The appraisal notice [must] shall be delivered no earlier than the
1788 date the corporate action specified in subsection (a) of section 33-856
1789 became effective and no later than ten days after such date, and [shall]
1790 must:

1791 (1) Supply a form that (A) specifies the first date of any
1792 announcement to shareholders made [prior to] before the date the
1793 corporate action became effective of the principal terms of the
1794 proposed corporate action, (B) if such announcement was made,
1795 requires the shareholder asserting appraisal rights to certify whether
1796 beneficial ownership of those shares for which appraisal rights are
1797 asserted was acquired before that date, and (C) requires the
1798 shareholder asserting appraisal rights to certify that such shareholder
1799 did not vote for or consent to the transaction as to the class or series of
1800 shares for which appraisal is sought;

1801 (2) State:

1802 (A) Where the form [must] shall be sent and where certificates for
1803 certificated shares [must] shall be deposited and the date by which
1804 those certificates must be deposited, which date may not be earlier
1805 than the date [for receiving] by which the corporation must receive the
1806 required form under subparagraph (B) of this subdivision;

1807 (B) A date by which the corporation must receive the form which

1808 date may not be fewer than forty nor more than sixty days after the
1809 date the appraisal notice under subsection (a) of this section is sent,
1810 and state that the shareholder shall have waived the right to demand
1811 appraisal with respect to the shares unless the form is received by the
1812 corporation by such specified date;

1813 (C) The corporation's estimate of the fair value of the shares;

1814 (D) That, if requested in writing, the corporation will provide, to the
1815 shareholder so requesting, within ten days after the date specified in
1816 subparagraph (B) of this subdivision, the number of shareholders who
1817 return the forms by the specified date and the total number of shares
1818 owned by them; and

1819 (E) The date by which the notice to withdraw under section 33-863
1820 must be received, which date must be within twenty days after the
1821 date specified in subparagraph (B) of this subdivision; and

1822 (3) Be accompanied by a copy of sections 33-855 to 33-872, inclusive.

1823 Sec. 53. (NEW) (*Effective October 1, 2017*) (a) The certificate of
1824 incorporation or the bylaws of a corporation may require that any or
1825 all internal corporate claims be brought exclusively in any specified
1826 court or courts of this state and, if so specified, in any additional courts
1827 in this state or in any other jurisdictions with which the corporation
1828 has a reasonable relationship.

1829 (b) A provision of the certificate of incorporation or the bylaws
1830 adopted under subsection (a) of this section shall not have the effect of
1831 conferring jurisdiction on any court or over any person or claim, and
1832 shall not apply if none of the courts specified by such provision have
1833 the requisite personal and subject matter jurisdiction. If the court or
1834 courts of this state specified in a provision adopted under subsection
1835 (a) of this section do not have the requisite personal and subject matter
1836 jurisdiction and another court of this state does have such jurisdiction,
1837 then the internal corporate claim may be brought in such other court of

1838 this state, notwithstanding that such other court of this state is not
1839 specified in such provision, and in any other court specified in such
1840 provision that has the requisite jurisdiction.

1841 (c) No provision of the certificate of incorporation or the bylaws
1842 may prohibit bringing an internal corporate claim in the courts of this
1843 state or require such claims to be determined by arbitration.

1844 (d) As used in this section, "internal corporate claim" means, (1) any
1845 claim that is based upon a violation of a duty under the laws of this
1846 state by a current or former director, officer or shareholder in such
1847 capacity, (2) any derivative action or proceeding brought on behalf of
1848 the corporation, (3) any action asserting a claim arising pursuant to
1849 any provision of sections 33-600 to 33-998, inclusive, or the certificate
1850 of incorporation or bylaws, or (4) any action asserting a claim
1851 governed by the internal affairs doctrine that is not included in
1852 subdivisions (1) to (3), inclusive, of this subsection.

1853 Sec. 54. Section 33-602 of the general statutes is repealed and the
1854 following is substituted in lieu thereof (*Effective October 1, 2017*):

1855 As used in sections 33-600 to 33-998, inclusive:

1856 (1) "Address" means location as described by the full street number,
1857 if any, street, city or town, state or country and not a mailing address
1858 such as a post office box.

1859 (2) "Authorized shares" means the shares of all classes a domestic or
1860 foreign corporation is authorized to issue.

1861 (3) "Beneficial shareholder" means a person who owns the beneficial
1862 interest in shares, which may be a record shareholder or a person on
1863 whose behalf shares are registered in the name of an intermediary or
1864 nominee.

1865 [(3)] (4) "Certificate of incorporation" means the original certificate
1866 of incorporation or restated certificate of incorporation, and all

1867 amendments thereto, and all certificates of merger or consolidation. In
1868 the case of a specially chartered corporation, "certificate of
1869 incorporation" means the special charter of the corporation, including
1870 any portions of the charters of its predecessor companies which have
1871 continuing effect, and any amendments to the charter made by special
1872 act or pursuant to general law. In the case of a corporation formed
1873 before January 1, 1961, or of a specially chartered corporation,
1874 "certificate of incorporation" includes those portions of any other
1875 corporate instruments or resolutions of current application in which
1876 are set out provisions of the sort which either (A) are required by
1877 sections 33-600 to 33-998, inclusive, to be embodied in the certificate of
1878 incorporation, or (B) are expressly permitted by sections 33-600 to 33-
1879 998, inclusive, to be operative only if included in the certificate of
1880 incorporation. It also includes what were, prior to January 1, 1961,
1881 designated at law as agreements of association, articles of
1882 incorporation, charters and other such terms.

1883 [(4)] (5) "Conspicuous" means so written, displayed or presented
1884 that a reasonable person against whom the writing is to operate should
1885 have noticed it. For example, text in italics, boldface, contrasting color,
1886 capitals or underlined is conspicuous.

1887 [(5)] (6) "Corporation" or "domestic corporation" means a stock
1888 corporation, [with capital stock,] which is not a foreign corporation,
1889 incorporated under the laws of this state, whether general law or
1890 special act and whether before or after January 1, 1997.

1891 [(6)] (7) "Deliver" or "delivery" means any method of delivery used
1892 in conventional commercial practice including delivery by hand, mail,
1893 commercial delivery and, if authorized in accordance with section 33-
1894 603, electronic transmission.

1895 [(7)] (8) "Distribution" means a direct or indirect transfer of money
1896 or other property, except its own shares, or incurrence of indebtedness
1897 by a corporation to or for the benefit of its shareholders in respect of

1898 any of its shares. A distribution may be in the form of a declaration or
1899 payment of a dividend; a purchase, redemption or other acquisition of
1900 shares; a distribution of indebtedness; or otherwise.

1901 [(8)] (9) "Document" means (A) any tangible medium on which
1902 information is inscribed, and includes any writing or written
1903 instrument, or (B) an electronic record.

1904 (10) "Domestic", with respect to an entity, means an entity governed
1905 as to its internal affairs by the law of this state.

1906 [(9)] (11) "Effective date of notice" is defined in section 33-603.

1907 [(10)] (12) (A) "Electronic" means relating to technology having
1908 electrical, digital, magnetic, wireless, optical, electromagnetic or
1909 similar capabilities.

1910 (B) "Electronic record" means information that is stored in an
1911 electronic or other medium and is retrievable in paper form through an
1912 automated process used in conventional commercial practice, unless
1913 otherwise authorized in accordance with subsection (j) of section 33-
1914 603.

1915 (C) "Electronic transmission" or "electronically transmitted" means
1916 any form or process of communication not directly involving the
1917 physical transfer of paper or another tangible medium, which (i) is
1918 suitable for the retention, retrieval and reproduction of information by
1919 the recipient, and (ii) is retrievable in paper form by the recipient
1920 through an automated process used in conventional commercial
1921 practice, unless otherwise authorized in accordance with subsection (j)
1922 of section 33-603.

1923 [(11)] (13) "Employee" includes an officer but not a director. A
1924 director may accept duties that make him also an employee.

1925 [(12)] (14) "Entity" includes a corporation and foreign corporation;
1926 nonprofit corporation; profit and nonprofit unincorporated

1927 association; business trust, estate, partnership, limited liability
1928 company, trust and two or more persons having a joint or common
1929 economic interest; and state, United States or foreign government.

1930 [(13)] (15) "Expenses" means reasonable expenses of any kind that
1931 are incurred in connection with a matter including, but not limited to,
1932 reasonable counsel fees.

1933 [(14)] (16) "Facts objectively ascertainable" outside of a plan or filed
1934 document is defined in subsection (l) of section 33-608.

1935 (17) "Foreign", with respect to an entity, means an entity governed
1936 as to its internal affairs by the laws of a jurisdiction other than this
1937 state.

1938 [(15)] (18) "Foreign corporation" means a corporation incorporated
1939 under a law other than the law of this state.

1940 [(16)] (19) "Governmental subdivision" includes authority, county,
1941 district and municipality.

1942 [(17)] (20) "Includes" denotes a partial definition.

1943 [(18)] (21) "Individual" includes the estate of an incompetent or
1944 deceased individual.

1945 [(19)] (22) "Means" denotes an exhaustive definition.

1946 (23) "Merger" means a transaction pursuant to section 33-815.

1947 [(20)] (24) "Notice" is defined in section 33-603.

1948 [(21)] (25) "Person" includes individual and entity.

1949 [(22)] (26) "Principal office" of a domestic corporation means the
1950 address of the principal office of such corporation in this state, if any,
1951 as the same appears in the last annual report, if any, filed by such
1952 corporation with the Secretary of the State. If no principal office so

1953 appears, the corporation's "principal office" means the address in this
1954 state of the corporation's registered agent for service as last shown on
1955 the records of the Secretary of the State. In the case of a domestic
1956 corporation which has not filed such an annual report or appointment
1957 of registered agent for service, the "principal office" means the address
1958 of the principal place of business of such corporation in this state, if
1959 any, and if such corporation has no place of business in this state, its
1960 "principal office" shall be the office of the Secretary of the State.

1961 [(23)] (27) "Proceeding" includes civil suit and criminal,
1962 administrative and investigatory action.

1963 [(24)] (28) "Public corporation" means a corporation that has shares
1964 listed on a national securities exchange or regularly traded in a market
1965 maintained by one or more members of a national or affiliated
1966 securities association.

1967 [(25)] (29) "Qualified director" is defined in section 33-605.

1968 [(26)] (30) "Record date" means the date established under sections
1969 33-665 to 33-687, inclusive, or sections 33-695 to 33-727, inclusive, on
1970 which a corporation determines the identity of its shareholders and
1971 their shareholdings for purposes of sections 33-600 to 33-998, inclusive.
1972 The determinations shall be made as of the close of business on the
1973 record date unless another time for doing so is specified when the
1974 record date is fixed.

1975 [(27)] (31) "Secretary" means the corporate officer to whom under
1976 the bylaws or by the board of directors is delegated responsibility
1977 under subsection (c) of section 33-763 for custody of the minutes of the
1978 meetings of the board of directors and of the shareholders and for
1979 authenticating records of the corporation.

1980 [(28)] (32) "Secretary of the State" means the Secretary of the State of
1981 Connecticut.

1982 (33) "Share exchange" means a transaction pursuant to section 33-
1983 816.

1984 [(29) "Shares" means the units into which the proprietary interests in
1985 a corporation are divided.]

1986 [(30)] ~~(34)~~ "Shareholder" means the person in whose name shares are
1987 registered in the records of a corporation or the beneficial owner of
1988 shares to the extent of the rights granted by a nominee certificate on
1989 file with a corporation.

1990 (35) "Shares" means the units into which the proprietary interests in
1991 a corporation are divided.

1992 [(31)] ~~(36)~~ "Sign" or "signature" means, with present intent to
1993 authenticate or adopt a document: (A) To execute or adopt a tangible
1994 symbol to a document, and includes any manual, facsimile or
1995 conformed signature; or (B) to attach to or logically associate with an
1996 electronic transmission an electronic sound, symbol or process, and
1997 includes an electronic signature in an electronic transmission.

1998 [(32)] ~~(37)~~ "State", when referring to a part of the United States,
1999 includes a state and commonwealth, and their agencies and
2000 governmental subdivisions, and a territory and insular possession, and
2001 their agencies and governmental subdivisions, of the United States.

2002 [(33)] ~~(38)~~ "Subscriber" means a person who subscribes for shares in
2003 a corporation, whether before or after incorporation.

2004 [(34)] ~~(39)~~ "United States" includes any district, authority, bureau,
2005 commission, department and other agency of the United States.

2006 (40) "Unrestricted voting trust beneficial owner" means, with respect
2007 to any shareholder rights, a voting trust beneficial owner whose
2008 entitlement to exercise the shareholder right in question is not
2009 inconsistent with the voting trust agreement.

2010 [(35)] (41) "Voting group" means all shares of one or more classes or
2011 series that under the certificate of incorporation or sections 33-600 to
2012 33-998, inclusive, are entitled to vote and be counted together
2013 collectively on a matter at a meeting of shareholders. All shares
2014 entitled by the certificate of incorporation or said sections to vote
2015 generally on the matter are for that purpose a single voting group.

2016 [(36)] (42) "Voting power" means the current power to vote in the
2017 election of directors.

2018 (43) "Voting trust beneficial owner" means an owner of a beneficial
2019 interest in shares of the corporation held in a voting trust established
2020 pursuant to subsection (a) of section 33-715.

2021 [(37)] (44) "Writing" or "written" means any information in the form
2022 of a document.

2023 Sec. 55. Section 33-814 of the general statutes is repealed and the
2024 following is substituted in lieu thereof (*Effective October 1, 2017*):

2025 As used in this section and sections 33-815 to 33-821a, inclusive:

2026 (1) "Acquired corporation" means the domestic or foreign
2027 corporation that will have all of one or more classes or series of its
2028 shares acquired in a share exchange.

2029 (2) "Acquiring corporation" means the domestic or foreign
2030 corporation that will acquire all of one or more classes or series of
2031 shares of the acquired corporation in a share exchange.

2032 [(1)] (3) "Interests" means the proprietary interests in an other entity.

2033 [(2) "Merger" means a business combination pursuant to section 33-
2034 815.]

2035 [(3)] (4) "Organizational documents" means the basic document or
2036 documents that create, or determine the internal governance of, an

2037 other entity.

2038 [(4)] (5) "Other entity" means any association or legal entity, other
2039 than a domestic or foreign corporation, organized to conduct business,
2040 including, but not limited to, a partnership, limited partnership,
2041 limited liability partnership, limited liability company, joint venture,
2042 joint stock company, business trust, statutory trust and real estate
2043 investment trust.

2044 [(5)] (6) "Party to a merger" means any domestic or foreign
2045 corporation or other entity that will merge under a plan of merger.

2046 [(6)] (7) "Party to a share exchange" means any domestic or foreign
2047 corporation or other entity that will: (A) Acquire shares or interests of
2048 another corporation or an other entity in a share exchange; or (B) have
2049 all of its shares or interests or all of one or more classes or series of its
2050 shares or interests acquired in a share exchange.

2051 [(7) "Share exchange" means a business combination pursuant to
2052 section 33-816.]

2053 (8) "Survivor" means, in a merger, the corporation or other entity
2054 into which one or more other corporations or other entities are merged.
2055 A survivor of a merger may preexist the merger or be created by the
2056 merger.

2057 Sec. 56. Section 33-855 of the general statutes is repealed and the
2058 following is substituted in lieu thereof (*Effective October 1, 2017*):

2059 As used in sections 33-855 to 33-872, inclusive:

2060 (1) "Affiliate" means a person that directly or indirectly through one
2061 or more intermediaries controls, is controlled by or is under common
2062 control with another person or is a senior executive thereof. For
2063 purposes of subdivision (4) of subsection (b) of section 33-856, a person
2064 is deemed to be an affiliate of its senior executives.

2065 [(2) "Beneficial shareholder" means a person who is the beneficial
2066 owner of shares held in a voting trust or by a nominee on the beneficial
2067 owner's behalf.]

2068 [(3)] (2) "Corporation" means the issuer of the shares held by a
2069 shareholder demanding appraisal and, for purposes of sections 33-862
2070 to 33-872, inclusive, includes the surviving entity in a merger.

2071 [(4)] (3) "Fair value" means the value of the corporation's shares
2072 determined: (A) Immediately before the effectuation of the corporate
2073 action to which the shareholder objects, (B) using customary and
2074 current valuation concepts and techniques generally employed for
2075 similar businesses in the context of the transaction requiring appraisal,
2076 and (C) without discounting for lack of marketability or minority
2077 status except, if appropriate, for amendments to the certificate of
2078 incorporation pursuant to subdivision (5) of subsection (a) of section
2079 33-856.

2080 [(5)] (4) "Interest" means interest from the effective date of the
2081 corporate action until the date of payment, at the rate of interest on
2082 judgments in this state on the effective date of the corporate action.

2083 [(6)] (5) "Interested transaction" means a corporate action specified
2084 in subsection (a) of section 33-856, other than a merger pursuant to
2085 section 33-818, involving an interested person in which any of the
2086 shares or assets of the corporation are being acquired or converted. As
2087 used in this definition: (A) "Interested person" means a person, or an
2088 affiliate of a person, who at any time during the one-year period
2089 immediately preceding approval by the board of directors of the
2090 corporate action: (i) Was the beneficial owner of twenty per cent or
2091 more of the voting power of the corporation, excluding any shares
2092 acquired pursuant to an offer for all shares having voting power if the
2093 offer was made within one year prior to the corporate action for
2094 consideration of the same kind and of a value equal to or less than that
2095 paid in connection with the corporate action; (ii) had the power,

2096 contractually or otherwise, to cause the appointment or election of
2097 twenty-five per cent or more of the directors to the board of directors
2098 of the corporation; or (iii) was a senior executive or director of the
2099 corporation or a senior executive of any affiliate thereof, and that
2100 senior executive or director will receive, as a result of the corporate
2101 action, a financial benefit not generally available to other shareholders
2102 as such, other than: (I) Employment, consulting, retirement or similar
2103 benefits established separately and not as part of or in contemplation
2104 of the corporate action; or (II) employment, consulting, retirement or
2105 similar benefits established in contemplation of, or as part of, the
2106 corporate action that are not more favorable than those existing before
2107 the corporate action or, if more favorable, that have been approved on
2108 behalf of the corporation in the same manner as is provided in section
2109 33-783; or (III) in the case of a director of the corporation who will, in
2110 the corporate action, become a director of the acquiring entity in the
2111 corporate action or one of its affiliates, rights and benefits as a director
2112 that are provided on the same basis as those afforded by the acquiring
2113 entity generally to other directors of such entity or such affiliate; and
2114 (B) "beneficial owner" means any person who, directly or indirectly,
2115 through any contract, arrangement or understanding, other than a
2116 revocable proxy, has or shares the power to vote, or to direct the
2117 voting of, shares; except that a member of a national securities
2118 exchange is not deemed to be a beneficial owner of securities held
2119 directly or indirectly by it on behalf of another person solely because
2120 the member is the record holder of the securities if the member is
2121 precluded by the rules of the exchange from voting without instruction
2122 on contested matters or matters that may affect substantially the rights
2123 or privileges of the holders of the securities to be voted. When two or
2124 more persons agree to act together for the purpose of voting their
2125 shares of the corporation, each member of the group formed thereby is
2126 deemed to have acquired beneficial ownership, as of the date of the
2127 agreement, of all voting shares of the corporation beneficially owned
2128 by any member of the group.

2129 [(7)] (6) "Preferred shares" means a class or series of shares whose
2130 holders have preference over any other class or series with respect to
2131 distributions.

2132 [(8)] (7) "Record shareholder" means the person in whose name
2133 shares are registered in the records of the corporation or the beneficial
2134 owner of shares to the extent of the rights granted by a nominee
2135 certificate on file with the corporation.

2136 [(9)] (8) "Senior executive" means the chief executive officer, chief
2137 operating officer, chief financial officer and any individual in charge of
2138 a principal business unit or function.

2139 [(10)] (9) "Shareholder" means both a record shareholder and a
2140 beneficial shareholder.

2141 Sec. 57. Subdivision (2) of subsection (a) of section 33-1358 of the
2142 general statutes is repealed and the following is substituted in lieu
2143 thereof (*Effective October 1, 2017*):

2144 (2) May consider (A) in the circumstances described in subsection
2145 [(d)] (g) of section 33-756, the interests referred to in said subsection,
2146 and (B) other pertinent factors or the interests of any other group that
2147 the board of directors, any committee of the board and the directors of
2148 the benefit corporation deem appropriate; and

2149 Sec. 58. Subdivision (12) of section 34-243a of the general statutes is
2150 repealed and the following is substituted in lieu thereof (*Effective July*
2151 *1, 2017*):

2152 (12) "Limited liability company", except in the phrase "foreign
2153 limited liability company" and when used in sections 34-279 to 34-279i,
2154 inclusive, means an entity formed under sections 34-243 to 34-283d,
2155 inclusive, or which becomes subject to said sections under the
2156 Connecticut Entity Transactions Act, or section 34-243i or 34-279h.

2157 Sec. 59. Subsection (g) of section 34-243h of the general statutes is

2158 repealed and the following is substituted in lieu thereof (*Effective July*
2159 *1, 2017*):

2160 (g) No limited liability company may be formed under the
2161 provisions of sections 34-243 to 34-283d, inclusive, for the purpose of
2162 transacting the business of an insurance company or a surety or
2163 indemnity company, unless (1) it is an affiliate of an insurance
2164 company chartered by, incorporated, organized or constituted within
2165 or under the laws of this state; and (2) at the time of the filing of its
2166 certificate of [formation] organization, there is also filed a certificate
2167 issued by the Insurance Commissioner, pursuant to section 33-646,
2168 authorizing the formation of the limited liability company. No limited
2169 liability company formed under the provisions of sections 34-243 to 34-
2170 283d, inclusive, shall have power to transact in this state the business
2171 of any insurance company or a surety or indemnity company until it
2172 has procured a license from the Insurance Commissioner in accordance
2173 with the provisions of section 38a-41.

2174 Sec. 60. Section 34-243p of the general statutes is repealed and the
2175 following is substituted in lieu thereof (*Effective July 1, 2017*):

2176 (a) A registered agent may resign as an agent for a limited liability
2177 company or registered foreign limited liability company by delivering
2178 to the Secretary of the State for filing a certificate of resignation that
2179 states: (1) The name of the limited liability company or registered
2180 foreign limited liability company; (2) the name of the agent; (3) that the
2181 agent resigns from serving as registered agent for the limited liability
2182 company or registered foreign limited liability company; and (4) the
2183 address of the limited liability company or registered foreign limited
2184 liability company to which the agent will send the notice required by
2185 subsection (c) of this section.

2186 (b) A certificate of resignation takes effect on the earlier of: (1) The
2187 thirty-first day after the day on which it is filed by the Secretary of the
2188 State; or (2) the date a new registered agent is designated for the

2189 limited liability company or registered foreign limited liability
2190 company.

2191 (c) A registered agent shall immediately furnish to the limited
2192 liability company or registered foreign limited liability company notice
2193 in a record of the date on which the certificate of resignation was filed.

2194 (d) When a certificate of resignation takes effect, the registered agent
2195 ceases to have responsibility under sections 34-243 to 34-283d,
2196 inclusive, for any matter thereafter tendered to it as agent for the
2197 limited liability company or registered foreign limited liability
2198 company. The resignation does not affect any contractual rights the
2199 limited liability company or registered foreign limited liability
2200 company has against the agent or that the agent has against the limited
2201 liability company or registered foreign limited liability company.

2202 [(e) A registered agent may resign with respect to a limited liability
2203 company or registered foreign limited liability company whether or
2204 not the limited liability company or registered foreign limited liability
2205 company is in good standing.]

2206 Sec. 61. Section 34-243u of the general statutes is repealed and the
2207 following is substituted in lieu thereof (*Effective July 1, 2017*):

2208 The Secretary of the State shall charge and collect the following fees
2209 and remit them to the Treasurer for the use of the state:

2210 (a) Fees for filing documents and issuing certificates: (1) Filing an
2211 application to reserve a limited liability company name or to cancel a
2212 reserved limited liability company name, sixty dollars; (2) filing a
2213 transfer of reserved limited liability company name, sixty dollars; (3)
2214 filing a certificate of organization, including appointment of registered
2215 agent, one hundred twenty dollars; (4) filing a change of address of
2216 agent certificate or change of agent certificate, fifty dollars; (5) filing a
2217 notice of resignation of registered agent, fifty dollars; (6) filing an
2218 amendment to certificate of organization, one hundred twenty dollars;

2219 (7) filing a restated certificate of organization, one hundred twenty
2220 dollars; (8) filing a certificate of merger, sixty dollars; (9) filing a
2221 certificate of interest exchange, sixty dollars; (10) filing a certificate of
2222 abandonment, fifty dollars; (11) filing a certificate of reinstatement, one
2223 hundred twenty dollars; (12) filing a foreign registration [statement]
2224 certificate by a foreign limited liability company to transact business in
2225 this state, one hundred twenty dollars; (13) filing an application of
2226 foreign limited liability company for amended foreign registration
2227 [statement] certificate, one hundred twenty dollars; (14) filing a
2228 [statement] certificate of withdrawal of [foreign limited liability
2229 company] registration under section 34-275h, as amended by this act,
2230 one hundred twenty dollars; (15) filing an annual report, twenty
2231 dollars; (16) filing an interim notice of change of manager or member,
2232 twenty dollars; (17) filing a registration of name or a [removal] renewal
2233 of registration of name, sixty dollars; (18) filing a statement of
2234 correction, one hundred dollars; and (19) filing a transfer of
2235 registration, sixty dollars plus the qualification fee.

2236 (b) Miscellaneous charges: (1) At the time of any service of process
2237 on the Secretary of the State as registered agent of a limited liability
2238 company, which amount may be recovered as taxable costs by the
2239 party to the suit or action causing such service to be made if such party
2240 prevails in the suit or action, the plaintiff in the process so served shall
2241 pay fifty dollars; (2) for preparing and furnishing a copy of any
2242 document, instrument or paper filed or recorded relating to a limited
2243 liability company: For each copy of each such document thereof
2244 regardless of the number of pages, forty dollars; for affixing his
2245 certification thereto, fifteen dollars; (3) for the issuance of a
2246 [certification] certificate of legal existence of a domestic or registered
2247 foreign limited liability company, fifty dollars; (4) for the issuance of a
2248 certificate of legal existence of a domestic or registered foreign limited
2249 liability company which certificate may reflect any and all changes of
2250 limited liability company names and the dates of filing thereof, fifty
2251 dollars; (5) for the issuance of a certificate of legal existence of a

2252 domestic limited liability company reflecting [articles] certificates
2253 effecting fundamental changes to certificate of organization and the
2254 date or dates of filing thereof, one hundred dollars; and (6) for other
2255 services for which fees are not provided by the general statutes, the
2256 Secretary of the State may charge such fees as will in the judgment of
2257 the Secretary of the State cover the cost of the services provided.

2258 (c) The tax imposed under chapter 219 shall not be imposed upon
2259 any transaction for which a fee is charged under the provisions of this
2260 section.

2261 Sec. 62. Subsection (c) of section 34-247 of the general statutes is
2262 repealed and the following is substituted in lieu thereof (*Effective July*
2263 *1, 2017*):

2264 (c) A certificate of organization may contain statements as to matters
2265 other than those required by subsection (b) of this section, but may not
2266 vary or otherwise affect the provisions specified in subsection (c) of
2267 section 34-243d in a manner inconsistent with said section. [However,
2268 a statement in a certificate of organization is not effective as a
2269 statement of authority.]

2270 Sec. 63. Subsection (a) of section 34-247d of the general statutes is
2271 repealed and the following is substituted in lieu thereof (*Effective July*
2272 *1, 2017*):

2273 (a) If a record delivered to the Secretary of the State for filing under
2274 sections 34-243 to 34-283d, inclusive, and filed by the Secretary of the
2275 State contains inaccurate information, a person that suffers loss by
2276 reliance on the information may recover damages for the loss from: (1)
2277 A person that signed the record or caused another to sign it on the
2278 person's behalf, and knew the information to be inaccurate at the time
2279 the record was signed; and (2) subject to subsection (b) of this section, a
2280 member of a member-managed limited liability company or the
2281 manager of a manager-managed limited liability company, if: (A) The
2282 record was delivered for filing on behalf of the company; and (B) the

2283 member or manager had notice of the inaccuracy for a reasonably
2284 sufficient time before the information was relied upon so that, before
2285 the reliance, the member or manager reasonably could have:

2286 (i) Effected an amendment under section 34-247a;

2287 (ii) Filed a petition under section 34-247c; or

2288 (iii) Delivered to the Secretary of the State for filing a [statement of]
2289 change of address of agent certificate or a change of agent certificate
2290 under section 34-243o or a statement of correction under section 34-
2291 247h.

2292 Sec. 64. Section 34-247f of the general statutes is repealed and the
2293 following is substituted in lieu thereof (*Effective July 1, 2017*):

2294 Except as provided in section 34-247g and subject to the provisions
2295 of subsection (c) of section 34-247h, a certificate of organization is
2296 effective and a foreign registration [statement] certificate is effective on
2297 the date and at the time of its filing by the Secretary of the State, as
2298 provided in section 34-247e. Each other record filed under sections 34-
2299 243 to 34-283d, inclusive, is effective on the later of:

2300 (1) On the date and at the time of its filing by the Secretary of the
2301 State, as provided in section 34-247e;

2302 (2) On the date of filing and at the time specified in the record as its
2303 effective time, if later than the time under subdivision (1) of this
2304 section;

2305 (3) At a specified delayed effective date and time, which may not be
2306 more than ninety days after the date of filing; or

2307 (4) If a delayed effective date is specified, but no time is specified, at
2308 12:01 a.m. on the date specified, which may not be more than ninety
2309 days after the date of filing.

2310 Sec. 65. Section 34-247g of the general statutes is repealed and the
2311 following is substituted in lieu thereof (*Effective July 1, 2017*):

2312 (a) A record delivered to the Secretary of the State for filing may be
2313 withdrawn before it takes effect by delivering to the Secretary of the
2314 State for filing a [statement] certificate of withdrawal.

2315 (b) A [statement] certificate of withdrawal must: (1) Identify the
2316 record to be withdrawn; and (2) if signed by fewer than all the persons
2317 that signed the record being withdrawn, state that the record is
2318 withdrawn in accordance with the agreement of all the persons that
2319 signed the record or as otherwise provided in the operating agreement
2320 of the limited liability company.

2321 (c) On filing by the Secretary of the State of a [statement] certificate
2322 of withdrawal, the action or transaction evidenced by the original
2323 record shall not take effect.

2324 Sec. 66. Section 34-247j of the general statutes is repealed and the
2325 following is substituted in lieu thereof (*Effective July 1, 2017*):

2326 [(a)] On request of any person, the Secretary of the State shall issue a
2327 certificate of [good standing] legal existence for a domestic or
2328 registered foreign limited liability company; [or a certificate of
2329 registration for a registered foreign limited liability company] A
2330 certificate issued by the Secretary of the State under this section may
2331 be relied upon as conclusive evidence of the facts set forth in the
2332 certificate.

2333 [(b)] A certificate issued under subsection (a) of this section must
2334 state:

2335 (1) The limited liability company's name or the registered foreign
2336 limited liability company's name used in this state;

2337 (2) In the case of a limited liability company, that: (A) No statement
2338 of dissolution, statement of administrative dissolution or statement of

2339 termination has been filed; (B) the records of the Secretary of the State
2340 do not otherwise reflect that the company has been dissolved or
2341 terminated; (C) the limited liability company has filed all annual
2342 reports due through the date of the certificate in compliance with
2343 section 34-247k; and (D) a proceeding is not pending under section 34-
2344 267g; and

2345 (3) In the case of a registered foreign limited liability company, that:
2346 (A) It is registered to do business in this state; and (B) the registered
2347 foreign limited liability company has filed all annual reports due
2348 through the date of the certificate in compliance with section 34-247k.

2349 (c) A certificate issued by the Secretary of the State under subsection
2350 (a) of this section may be relied upon as conclusive evidence of the
2351 facts set forth in the certificate.]

2352 Sec. 67. Subdivision (5) of subsection (a) of section 34-247k of the
2353 general statutes is repealed and the following is substituted in lieu
2354 thereof (*Effective July 1, 2017*):

2355 (5) In the case of a foreign limited liability company, any alternate
2356 name adopted under section 34-275e, its governing jurisdiction and
2357 [any alternate name adopted under subsection (a) of section 34-275e] if
2358 the law of the governing jurisdiction requires the company to maintain
2359 an office in that jurisdiction, the street and mailing addresses of the
2360 required office.

2361 Sec. 68. Subsections (f) and (g) of section 34-275a of the general
2362 statutes are repealed and the following is substituted in lieu thereof
2363 (*Effective July 1, 2017*):

2364 (f) A foreign limited liability company, by transacting business in
2365 this state without a foreign registration [statement] certificate, appoints
2366 the Secretary of the State as its agent for service of process with respect
2367 to a cause of action arising out of the transaction of business in this
2368 state. Such foreign limited liability company may be served in the

2369 manner provided in subsection (b) of section 34-243r.

2370 (g) A foreign limited liability company which transacts business in
2371 this state without a valid foreign registration [statement] certificate
2372 shall be liable to this state, for each year or part thereof during which it
2373 transacted business in this state without such certificate, in an amount
2374 equal to: (1) All fees and taxes which would have been imposed by law
2375 upon such limited liability company had it duly applied for and
2376 received such registration to transact business in this state, and (2) all
2377 interest and penalties imposed by law for failure to pay such fees and
2378 taxes. A foreign limited liability company is further liable to this state,
2379 for each month or part thereof during which it transacted business in
2380 this state without a valid foreign registration [statement] certificate, in
2381 an amount equal to three hundred dollars, except that a foreign limited
2382 liability company which has registered with the Secretary of the State
2383 not later than ninety days after it has commenced transacting business
2384 in this state shall not be liable for such monthly penalty. Such fees and
2385 penalties may be levied by the Secretary of the State. The Attorney
2386 General may bring proceedings to recover all amounts due this state
2387 under the provisions of this subsection.

2388 Sec. 69. Section 34-275b of the general statutes is repealed and the
2389 following is substituted in lieu thereof (*Effective July 1, 2017*):

2390 To register to do business in this state, a foreign limited liability
2391 company must deliver a foreign registration [statement] certificate to
2392 the Secretary of the State for filing. The [statement] certificate shall set
2393 forth:

2394 (1) The name of the company and, if the name does not comply with
2395 section 34-243k, an alternate name adopted pursuant to subsection (a)
2396 of section 34-275e;

2397 (2) That the company is a foreign limited liability company;

2398 (3) The name of the company's governing jurisdiction;

2399 (4) The street and mailing addresses of the company's principal
2400 office and, if the law of the governing jurisdiction requires the
2401 company to maintain an office in that jurisdiction, the street and
2402 mailing addresses of the required office;

2403 (5) The name and address of the agent in this state for service of
2404 process on the foreign limited liability company required to be
2405 maintained by [subdivision (4) of subsection (b) of section 34-247]
2406 section 34-243n and an acceptance of such appointment signed by the
2407 agent appointed if other than the Secretary of the State;

2408 (6) The name and respective business and residence addresses of a
2409 manager or a member of the foreign limited liability company, except
2410 that, if good cause is shown, the Secretary of the State may accept a
2411 business address in lieu of business and residence addresses of such
2412 manager or member. For the purposes of this subdivision, a showing
2413 of good cause shall include, but need not be limited to, a showing that
2414 public disclosure of the residence address of the manager or member
2415 of the foreign limited liability company may expose the personal
2416 security of such manager or member to significant risk; and

2417 (7) The electronic mail address, if any, of the foreign limited liability
2418 company.

2419 Sec. 70. Section 34-275c of the general statutes is repealed and the
2420 following is substituted in lieu thereof (*Effective July 1, 2017*):

2421 A registered foreign limited liability company shall deliver to the
2422 Secretary of the State for filing an amendment to its foreign
2423 registration [statement] certificate if there is a change in: (1) The name
2424 of the company; or (2) the company's governing jurisdiction. [; (3) an
2425 address required by subdivision (4) of section 34-275b; or (4) the
2426 information required by subdivision (5) of section 34-275b.]

2427 Sec. 71. Section 34-275f of the general statutes is repealed and the
2428 following is substituted in lieu thereof (*Effective July 1, 2017*):

2429 (a) When a registered foreign limited liability company has merged
2430 into a foreign [entity] limited liability company that is not registered to
2431 transact business in this state, [or has converted to a foreign entity
2432 required to register with the Secretary of the State to transact business
2433 in this state,] the nonregistered foreign [entity] limited liability
2434 company shall deliver to the Secretary of the State for filing an
2435 application for transfer of registration. The application must state:

2436 (1) The name of the registered foreign limited liability company
2437 before the merger or conversion;

2438 (2) That before the merger or conversion the registration pertained
2439 to a foreign limited liability company;

2440 (3) The name of the applicant foreign [entity] limited liability
2441 company into which the foreign limited liability company has merged,
2442 [or to which it has been converted,] and, if the name does not comply
2443 with section 34-243k, an alternate name adopted pursuant to
2444 subsection (a) of section 34-275e;

2445 (4) The [type of entity of the applicant foreign entity and its]
2446 governing jurisdiction of the applicant foreign limited liability
2447 company;

2448 (5) The street and mailing addresses of the principal office of the
2449 applicant foreign [entity] limited liability company and, if the law of
2450 the [entity's] foreign limited liability company's governing jurisdiction
2451 requires the [entity] foreign limited liability company to maintain an
2452 office in that jurisdiction, the street and mailing addresses of that
2453 office;

2454 (6) The name and [street and mailing addresses of the applicant
2455 foreign entity's registered agent in this state] address of the agent in
2456 this state for service of process on the foreign limited liability company
2457 required to be maintained by subsection (b) of section 34-247, as
2458 amended by this act;

2459 (7) The name and respective business and residence addresses of a
2460 manager or a member of the foreign limited liability company, except
2461 that, if good cause is shown, the Secretary of the State may accept a
2462 business address in lieu of business and residence addresses of such
2463 manager or member. For purposes of this subdivision, a showing of
2464 good cause shall include, but not be limited to, a showing that public
2465 disclosure of the residence address of the manager or member of the
2466 foreign limited liability company may expose the personal security of
2467 such manager or member to significant risk; and

2468 (8) The electronic mail address, if any, of the foreign limited liability
2469 company.

2470 (b) When an application for transfer of registration takes effect, the
2471 registration of the foreign limited liability company to transact
2472 business in this state is transferred without interruption to the foreign
2473 [entity] limited liability company into which the foreign company has
2474 merged. [or to which it has been converted.]

2475 Sec. 72. Section 34-275g of the general statutes is repealed and the
2476 following is substituted in lieu thereof (*Effective July 1, 2017*):

2477 (a) The foreign registration [statement] certificate of a foreign
2478 limited liability company to transact business in this state may be
2479 revoked by the Secretary of the State upon the conditions provided in
2480 this section when: (1) The foreign limited liability company has failed
2481 to file its annual report with the Secretary of the State; (2) a wilful
2482 misrepresentation has been made of any material matter in any
2483 application, report, affidavit or other document, submitted by such
2484 foreign limited liability company pursuant to sections 34-275 to 34-
2485 275i, inclusive; (3) the foreign limited liability company is exceeding
2486 the authority conferred upon it by said sections; or (4) the foreign
2487 limited liability company is without an agent upon whom process may
2488 be served in this state for sixty days or more.

2489 (b) On the happening of an event set forth in subdivision (1), (2), (3)

2490 or (4) of subsection (a) of this section, the Secretary of the State shall
2491 give not less than twenty days' written notice to the foreign limited
2492 liability company that the Secretary intends to revoke the foreign
2493 registration [statement] certificate of such foreign limited liability
2494 company for one of said causes, specifying the same. Such notice shall
2495 be given by registered or certified mail addressed to the foreign
2496 limited liability company at its address as last shown on the records of
2497 the Secretary of the State. If, before expiration of the time set forth in
2498 the notice, the foreign limited liability company establishes to the
2499 satisfaction of the Secretary of the State that the stated cause for the
2500 revocation of its foreign registration [statement] certificate did not exist
2501 at the time the notice was mailed or, if it did exist at said time, has
2502 been cured, the Secretary of the State shall take no further action.
2503 Otherwise, on the expiration of the time set forth in the notice, the
2504 Secretary shall revoke the foreign registration [statement] certificate of
2505 such foreign limited liability company to transact business in this state.

2506 (c) Upon revoking the foreign registration [statement] certificate of
2507 any foreign limited liability company, the Secretary of the State shall
2508 file a certificate of revocation in his office and shall: (1) Mail a copy
2509 thereof to such foreign limited liability company at its address as last
2510 shown on the Secretary's records; and (2) cause notice of the filing of
2511 such certificate of revocation to be posted on the office of the Secretary
2512 of the State's Internet web site for a period of sixty days following the
2513 date on which the Secretary of the State files the certificate of
2514 revocation. The filing of such certificate of revocation shall cause the
2515 authority of a foreign limited liability company to transact business in
2516 this state to cease. Notwithstanding the filing of the certificate of
2517 revocation, the appointment by a foreign limited liability company of
2518 [an attorney] a registered agent upon whom process may be served
2519 shall continue in force as long as any liability remains outstanding
2520 against the foreign limited liability company in this state.

2521 Sec. 73. Subsection (a) of section 34-275h of the general statutes is
2522 repealed and the following is substituted in lieu thereof (*Effective July*

2523 1, 2017):

2524 (a) A registered foreign limited liability company may withdraw its
2525 registration by delivering a [statement] certificate of withdrawal of
2526 registration to the Secretary of the State for filing. The [statement]
2527 certificate of withdrawal of registration must state: (1) The name of the
2528 company and its governing jurisdiction; (2) that the company is not
2529 transacting business in this state and that it withdraws its registration
2530 to transact business in this state; (3) that the company revokes the
2531 authority of its registered agent to accept service on its behalf in this
2532 state; (4) that the company surrenders its authority to transact business
2533 in this state; and (5) an address to which service of process may be
2534 made under subsection (b) of this section.

2535 Sec. 74. Section 34-279i of the general statutes is repealed and the
2536 following is substituted in lieu thereof (*Effective July 1, 2017*):

2537 (a) Unless otherwise provided in the certificate of organization or
2538 operating agreement of the limited liability company, a plan of merger
2539 must be consented to by two-thirds in interest of the members of the
2540 limited liability company.

2541 (b) Subject to any contractual rights, after a merger is approved, and
2542 at any time before [articles] a certificate of merger [are delivered to the
2543 Secretary of the State for filing under section 34-279j] becomes
2544 effective, a merging limited liability company may amend the plan of
2545 merger or abandon the merger: (1) As provided in the plan; or (2)
2546 except as otherwise prohibited in the plan, with the same consent as
2547 was required to approve the plan.

2548 Sec. 75. Subsection (d) of section 34-279j of the general statutes is
2549 repealed and the following is substituted in lieu thereof (*Effective July*
2550 *1, 2017*):

2551 (d) [Each merging] The surviving limited liability company shall
2552 deliver the certificate of merger for filing in the office of the Secretary

2553 of the State.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2017</i>	New section
Sec. 2	<i>October 1, 2017</i>	New section
Sec. 3	<i>October 1, 2017</i>	New section
Sec. 4	<i>October 1, 2017</i>	New section
Sec. 5	<i>October 1, 2017</i>	New section
Sec. 6	<i>October 1, 2017</i>	New section
Sec. 7	<i>October 1, 2017</i>	New section
Sec. 8	<i>October 1, 2017</i>	New section
Sec. 9	<i>October 1, 2017</i>	New section
Sec. 10	<i>October 1, 2017</i>	New section
Sec. 11	<i>October 1, 2017</i>	New section
Sec. 12	<i>October 1, 2017</i>	New section
Sec. 13	<i>October 1, 2017</i>	New section
Sec. 14	<i>October 1, 2017</i>	New section
Sec. 15	<i>October 1, 2017</i>	New section
Sec. 16	<i>October 1, 2017</i>	New section
Sec. 17	<i>October 1, 2017</i>	New section
Sec. 18	<i>October 1, 2017</i>	New section
Sec. 19	<i>October 1, 2017</i>	New section
Sec. 20	<i>October 1, 2017</i>	New section
Sec. 21	<i>October 1, 2017</i>	New section
Sec. 22	<i>October 1, 2017</i>	New section
Sec. 23	<i>October 1, 2017</i>	New section
Sec. 24	<i>October 1, 2017</i>	New section
Sec. 25	<i>October 1, 2017</i>	New section
Sec. 26	<i>October 1, 2017</i>	New section
Sec. 27	<i>October 1, 2017</i>	New section
Sec. 28	<i>October 1, 2017</i>	New section
Sec. 29	<i>October 1, 2017</i>	New section
Sec. 30	<i>October 1, 2017</i>	New section
Sec. 31	<i>October 1, 2017</i>	New section
Sec. 32	<i>October 1, 2017</i>	New section
Sec. 33	<i>October 1, 2017</i>	New section
Sec. 34	<i>October 1, 2017</i>	33-756

Sec. 35	<i>October 1, 2017</i>	New section
Sec. 36	<i>October 1, 2017</i>	New section
Sec. 37	<i>October 1, 2017</i>	New section
Sec. 38	<i>October 1, 2017</i>	New section
Sec. 39	<i>October 1, 2017</i>	New section
Sec. 40	<i>October 1, 2017</i>	New section
Sec. 41	<i>October 1, 2017</i>	New section
Sec. 42	<i>October 1, 2017</i>	New section
Sec. 43	<i>October 1, 2017</i>	New section
Sec. 44	<i>October 1, 2017</i>	33-605(a)
Sec. 45	<i>October 1, 2017</i>	33-636
Sec. 46	<i>October 1, 2017</i>	33-781(5)
Sec. 47	<i>October 1, 2017</i>	33-785
Sec. 48	<i>October 1, 2017</i>	33-817
Sec. 49	<i>October 1, 2017</i>	33-856
Sec. 50	<i>October 1, 2017</i>	33-860
Sec. 51	<i>October 1, 2017</i>	33-861
Sec. 52	<i>October 1, 2017</i>	33-862
Sec. 53	<i>October 1, 2017</i>	New section
Sec. 54	<i>October 1, 2017</i>	33-602
Sec. 55	<i>October 1, 2017</i>	33-814
Sec. 56	<i>October 1, 2017</i>	33-855
Sec. 57	<i>October 1, 2017</i>	33-1358(a)(2)
Sec. 58	<i>July 1, 2017</i>	34-243a(12)
Sec. 59	<i>July 1, 2017</i>	34-243h(g)
Sec. 60	<i>July 1, 2017</i>	34-243p
Sec. 61	<i>July 1, 2017</i>	34-243u
Sec. 62	<i>July 1, 2017</i>	34-247(c)
Sec. 63	<i>July 1, 2017</i>	34-247d(a)
Sec. 64	<i>July 1, 2017</i>	34-247f
Sec. 65	<i>July 1, 2017</i>	34-247g
Sec. 66	<i>July 1, 2017</i>	34-247j
Sec. 67	<i>July 1, 2017</i>	34-247k(a)(5)
Sec. 68	<i>July 1, 2017</i>	34-275a(f) and (g)
Sec. 69	<i>July 1, 2017</i>	34-275b
Sec. 70	<i>July 1, 2017</i>	34-275c
Sec. 71	<i>July 1, 2017</i>	34-275f
Sec. 72	<i>July 1, 2017</i>	34-275g
Sec. 73	<i>July 1, 2017</i>	34-275h(a)

Sec. 74	July 1, 2017	34-279i
Sec. 75	July 1, 2017	34-279;(d)

Statement of Purpose:

To: (1) Adopt the Uniform Limited Liability Company Protected Series Act; (2) make various revisions to the Connecticut Business Corporation Act that are consistent with the Model Business Corporation Act revised to 2016; and (3) make minor revisions to the Connecticut Uniform Limited Liability Company Act.

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