

House of Representatives, April 2, 1998. The Committee on Judiciary reported through REP. LAWLOR, 99th DIST., Chairman of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING CORPORATIONS AND OTHER BUSINESS ORGANIZATIONS.

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

1 Section 1. Section 33-602 of the general
2 statutes is repealed and the following is
3 substituted in lieu thereof:

4 As used in sections 33-600 to 33-998,
5 inclusive, AS AMENDED:

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

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

13 (3) "Certificate of incorporation" means the
14 original certificate of incorporation or restated
15 certificate of incorporation, and all amendments
16 thereto, and all certificates of merger or
17 consolidation. In the case of a specially
18 chartered corporation, "certificate of
19 incorporation" means the special charter of the
20 corporation, including any portions of the
21 charters of its predecessor companies which have
22 continuing effect, and any amendments to the

23 charter made by special act or pursuant to general
24 law. In the case of a corporation formed before
25 January 1, 1961, or of a specially chartered
26 corporation, "certificate of incorporation"
27 includes those portions of any other corporate
28 instruments or resolutions of current application
29 in which are set out provisions of the sort which
30 either (A) are required by sections 33-600 to
31 33-998, inclusive, AS AMENDED, to be embodied in
32 the certificate of incorporation or (B) are
33 expressly permitted by sections 33-600 to 33-998,
34 inclusive, AS AMENDED, to be operative only if
35 included in the certificate of incorporation. It
36 also includes what were, prior to January 1, 1961,
37 designated at law as agreements of association,
38 articles of incorporation, charters and other such
39 terms.

40 (4) "Conspicuous" means so written that a
41 reasonable person against whom the writing is to
42 operate should have noticed it. For example,
43 printing in italics or boldface or contrasting
44 color, or typing in capitals or underlined, is
45 conspicuous.

46 (5) "Corporation" or "domestic corporation"
47 means a corporation with capital stock, which is
48 not a foreign corporation, incorporated under the
49 laws of this state, whether general law or special
50 act and whether before or after January 1, 1997.

51 (6) "Deliver" [includes] MEANS any method
52 [that is] OF DELIVERY used in conventional
53 commercial practice [for furnishing information
54 that allows for retention, retrieval and
55 reproduction of the information by the person for
56 whom it is furnished] INCLUDING DELIVERY BY HAND,
57 MAIL, COMMERCIAL DELIVERY AND ELECTRONIC
58 TRANSMISSION.

59 (7) "Distribution" means a direct or indirect
60 transfer of money or other property, except its
61 own shares, or incurrence of indebtedness by a
62 corporation to or for the benefit of its
63 shareholders in respect of any of its shares. A
64 distribution may be in the form of a declaration
65 or payment of a dividend; a purchase, redemption
66 or other acquisition of shares; a distribution of
67 indebtedness; or otherwise.

68 (8) "Document" includes anything delivered to
69 the office of the Secretary of the State for
70 filing under sections 33-600 to 33-998, inclusive.

71 (9) "Effective date of notice" is defined in
72 section 33-603.

73 (10) "ELECTRONIC TRANSMISSION" OR
74 "ELECTRONICALLY TRANSMITTED" MEANS ANY PROCESS OF
75 COMMUNICATION NOT DIRECTLY INVOLVING THE PHYSICAL
76 TRANSFER OF PAPER THAT IS SUITABLE FOR THE
77 RETENTION, RETRIEVAL AND REPRODUCTION OF
78 INFORMATION BY THE RECIPIENT.

79 [(10)] (11) "Employee" includes an officer
80 but not a director. A director may accept duties
81 that make him also an employee.

82 [(11)] (12) "Entity" includes a corporation
83 and foreign corporation; nonprofit corporation;
84 profit and nonprofit unincorporated association;
85 business trust, estate, partnership, limited
86 liability company, trust and two or more persons
87 having a joint or common economic interest; and
88 state, United States or foreign government.

89 [(12)] (13) "Foreign corporation" means a
90 corporation incorporated under a law other than
91 the law of this state.

92 [(13)] (14) "Governmental subdivision"
93 includes authority, county, district and
94 municipality.

95 [(14)] (15) "Includes" denotes a partial
96 definition.

97 [(15)] (16) "Individual" includes the estate
98 of an incompetent or deceased individual.

99 [(16)] (17) "Means" denotes an exhaustive
100 definition.

101 [(17)] (18) "Notice" is defined in section
102 33-603.

103 [(18)] (19) "Person" includes individual and
104 entity.

105 [(19)] (20) "Principal office" of a domestic
106 corporation means the address of the principal
107 office of such corporation in this state, if any,
108 as the same appears in the last annual report, if
109 any, filed by such corporation with the Secretary
110 of the State. If no principal office so appears,
111 the corporation's "principal office" means the
112 address in this state of the corporation's
113 registered agent for service as last shown on the
114 records of the Secretary of the State. In the case
115 of a domestic corporation which has not filed such
116 an annual report or appointment of registered
117 agent for service, the "principal office" means
118 the address of the principal place of business of

119 such corporation in this state, if any, and if
120 such corporation has no place of business in this
121 state, its "principal office" shall be the office
122 of the Secretary of the State.

123 [(20)] (21) "Proceeding" includes civil suit
124 and criminal, administrative and investigatory
125 action.

126 [(21)] (22) "Record date" means the date
127 established under sections 33-665 to 33-687,
128 inclusive, or sections 33-695 to 33-727,
129 inclusive, on which a corporation determines the
130 identity of its shareholders and their
131 shareholdings for purposes of sections 33-600 to
132 33-998, inclusive, AS AMENDED. The determinations
133 shall be made as of the close of business on the
134 record date unless another time for doing so is
135 specified when the record date is fixed.

136 [(22)] (23) "Secretary" means the corporate
137 officer to whom under the bylaws or by the board
138 of directors is delegated responsibility under
139 subsection (c) of section 33-763 for custody of
140 the minutes of the meetings of the board of
141 directors and of the shareholders and for
142 authenticating records of the corporation.

143 [(23)] (24) "Secretary of the State" means
144 the Secretary of the State of Connecticut.

145 [(24)] (25) "Shares" means the units into
146 which the proprietary interests in a corporation
147 are divided.

148 [(25)] (26) "Shareholder" means the person in
149 whose name shares are registered in the records of
150 a corporation or the beneficial owner of shares to
151 the extent of the rights granted by a nominee
152 certificate on file with a corporation.

153 (27) "SIGN" OR "SIGNATURE" INCLUDES ANY
154 MANUAL, FACSIMILE, CONFORMED OR ELECTRONIC
155 SIGNATURE.

156 [(26)] (28) "State", when referring to a part
157 of the United States, includes a state and
158 commonwealth, and their agencies and governmental
159 subdivisions, and a territory and insular
160 possession, and their agencies and governmental
161 subdivisions, of the United States.

162 [(27)] (29) "Subscriber" means a person who
163 subscribes for shares in a corporation, whether
164 before or after incorporation.

165 [(28)] (30) "Transmitted by electronic means"

166 means any process of communication not involving
167 principally the physical transfer of paper.

168 [(29)] (31) "United States" includes any
169 district, authority, bureau, commission,
170 department and other agency of the United States.

171 [(30)] (32) "Voting group" means all shares
172 of one or more classes or series that under the
173 certificate of incorporation or sections 33-600 to
174 33-998, inclusive, AS AMENDED, are entitled to
175 vote and be counted together collectively on a
176 matter at a meeting of shareholders. All shares
177 entitled by the certificate of incorporation or
178 said sections to vote generally on the matter are
179 for that purpose a single voting group.

180 Sec. 2. Section 33-603 of the general
181 statutes, as amended by sections 1 and 2 of public
182 act 97-246, is repealed and the following is
183 substituted in lieu thereof:

184 (a) Notice under sections 33-600 to 33-998,
185 inclusive, AS AMENDED, shall be in writing unless
186 oral notice is reasonable under the circumstances.
187 Notice [transmitted or received electronically is
188 in writing and is written notice if it is
189 accomplished in a manner that is suitable for
190 retention, retrieval and reproduction of the
191 notice by the recipient] BY ELECTRONIC
192 TRANSMISSION IS WRITTEN NOTICE.

193 (b) Notice may be communicated in person, BY
194 MAIL OR OTHER METHOD OF DELIVERY, OR by telephone,
195 [telegraph, teletype or other form of wire or
196 wireless communication, or by mail or private
197 carrier] VOICE MAIL OR OTHER ELECTRONIC MEANS. If
198 these forms of personal notice are impracticable,
199 notice may be communicated by a newspaper of
200 general circulation in the area where published or
201 by radio, television or other form of public
202 broadcast communication.

203 (c) Written notice by a domestic or foreign
204 corporation to its shareholder, if in a
205 comprehensible form, is effective (1) upon deposit
206 in the United States mail, as evidenced by the
207 postmark, if mailed postage prepaid and correctly
208 addressed to the shareholder's address shown in
209 the corporation's current record of shareholders,
210 OR (2) when ELECTRONICALLY transmitted [by
211 facsimile or other electronic means if
212 transmitted] to the shareholder in [the] A manner
213 authorized by the shareholder. [for purposes of

214 facsimile or electronic transmission, as the case
215 may be.]

216 (d) Written notice to a domestic or foreign
217 corporation authorized to transact business in
218 this state may be addressed to its registered
219 agent at its registered office or to the
220 corporation or its secretary at its principal
221 office shown in its most recent annual report or,
222 in the case of a foreign corporation that has not
223 yet delivered an annual report, in its application
224 for a certificate of authority.

225 (e) Except as provided in subsection (c),
226 written notice, if in a comprehensible form, is
227 effective at the earliest of the following: (1)
228 When received; (2) five days after its deposit in
229 the United States mail, [as evidenced by the
230 postmark,] if mailed postage prepaid and correctly
231 addressed; or (3) on the date shown on the return
232 receipt, if sent by registered or certified mail
233 or a commercial delivery service, return receipt
234 requested, and the receipt is signed by or on
235 behalf of the addressee.

236 (f) Oral notice is effective when
237 communicated if communicated in a comprehensible
238 manner.

239 (g) If sections 33-600 to 33-998, inclusive,
240 AS AMENDED, prescribe notice requirements for
241 particular circumstances, those requirements
242 govern. If a certificate of incorporation or bylaw
243 prescribes notice requirements, not inconsistent
244 with this section or other provisions of said
245 sections, those requirements govern.

246 (h) In computing the period of time of any
247 notice required or permitted to be given by
248 sections 33-600 to 33-998, inclusive, AS AMENDED,
249 or under the provisions of the certificate of
250 incorporation or bylaws of a corporation or of a
251 resolution of shareholders or directors, the day
252 on which the notice is given shall be excluded,
253 and the day on which the matter noticed is to
254 occur shall be included, in the absence of a
255 contrary provision.

256 Sec. 3. Subsection (a) of section 33-696 of
257 the general statutes is repealed and the following
258 is substituted in lieu thereof:

259 (a) A corporation shall hold a special
260 meeting of shareholders: (1) On call of its board
261 of directors or the person or persons authorized

262 to do so by the certificate of incorporation or
263 bylaws; or (2) if the holders of at least ten per
264 cent of all the votes entitled to be cast on any
265 issue proposed to be considered at the proposed
266 special meeting sign, date and deliver to the
267 [corporation's secretary] CORPORATION one or more
268 written demands for the meeting describing the
269 purpose or purposes for which it is to be held,
270 except that (A) THE CERTIFICATE OF INCORPORATION
271 MAY FIX A LOWER PERCENTAGE OR A HIGHER PERCENTAGE
272 NOT EXCEEDING TWENTY-FIVE PER CENT OF ALL THE
273 VOTES ENTITLED TO BE CAST ON ANY ISSUE PROPOSED TO
274 BE CONSIDERED AT SUCH MEETING AND (B) if the
275 corporation has a class of voting stock registered
276 pursuant to Section 12 of the Securities Exchange
277 Act of 1934, as amended from time to time, and no
278 person held ten per cent or more of such votes on
279 February 1, 1988, the corporation need not hold
280 such meeting except upon demand of the holders of
281 not less than thirty-five per cent of such votes.
282 Sec. 4. Section 33-698 of the general
283 statutes is repealed and the following is
284 substituted in lieu thereof:

285 (a) Any action which, under any provision of
286 sections 33-600 to 33-998, inclusive, AS AMENDED,
287 may be taken at a meeting of shareholders may be
288 taken without a meeting as follows: (1) By
289 [consent] ONE OR MORE CONSENTS in writing, setting
290 forth the action so taken or to be taken, BEARING
291 THE DATE OF SIGNATURE AND signed by all of the
292 persons who would be entitled to vote upon such
293 action at a meeting, or by their duly authorized
294 attorneys, which action for purposes of this
295 section is hereafter referred to as "unanimous
296 written consent"; or (2) if the certificate of
297 incorporation so provides, by [consent] ONE OR
298 MORE CONSENTS in writing, BEARING THE DATE OF
299 SIGNATURE AND setting forth the action to be
300 taken, signed by persons holding such designated
301 proportion, not less than a majority, of the
302 voting power of shares, or of the shares of any
303 particular class, entitled to vote thereon or to
304 take such action, as may be provided in the
305 certificate of incorporation, or their duly
306 authorized attorneys; except that directors may
307 not be elected by action of shareholders without a
308 meeting of shareholders other than by unanimous
309 written consent, or pursuant to a plan of merger.

310 If action is proposed to be taken by written
311 consent of less than all of such persons, or their
312 duly authorized attorneys, notice in writing of
313 such proposed action shall be given to each person
314 who would be entitled to vote thereon at a meeting
315 held for that purpose. Such notice shall be given
316 in the manner of giving notice of a meeting of
317 shareholders not less than twenty days nor more
318 than fifty days before the date any such consents
319 are to become effective. If not less than five
320 days before the date any such consents are to
321 become effective, the secretary of the corporation
322 shall have received from such persons, or their
323 duly authorized attorneys, holding not less than
324 one-tenth of the voting power of all shares
325 entitled to vote at such a meeting, a demand in
326 writing that such action not be taken by written
327 consent, all persons to whom such notice was given
328 shall be so notified, and the corporation shall
329 not take such proposed action except at a meeting
330 of shareholders. The secretary shall file such
331 consent or consents, or certify the tabulation of
332 such consents and file such certificate, with the
333 minutes of the meetings of the shareholders. [Any
334 consent or consents which become effective as
335 provided herein shall have the same force and
336 effect as a vote of shareholders at a meeting duly
337 held, and may be stated as such in any certificate
338 or document filed under sections 33-600 to 33-998,
339 inclusive.]

340 (b) If not otherwise fixed under section
341 33-697 or 33-701, the record date for determining
342 shareholders entitled to take action without a
343 meeting is the date the first shareholder signs
344 the consent under subsection (a) of this section.
345 NO WRITTEN CONSENT SHALL BE EFFECTIVE TO TAKE THE
346 CORPORATE ACTION REFERRED TO THEREIN UNLESS,
347 WITHIN SIXTY DAYS OF THE EARLIEST DATE APPEARING
348 ON A CONSENT DELIVERED TO THE CORPORATION IN THE
349 MANNER REQUIRED BY THIS SECTION, WRITTEN CONSENTS
350 SIGNED BY SHAREHOLDERS SUFFICIENT IN NUMBER TO
351 TAKE CORPORATE ACTION ARE RECEIVED BY THE
352 CORPORATION. A WRITTEN CONSENT MAY BE REVOKED BY A
353 WRITING TO THAT EFFECT RECEIVED BY THE CORPORATION
354 PRIOR TO THE RECEIPT BY THE CORPORATION OF
355 UNREVOKED WRITTEN CONSENTS SUFFICIENT IN NUMBER TO
356 TAKE CORPORATE ACTION.

357 (c) A consent signed under this section has
358 the effect of a meeting vote and may be described
359 as such in any document.

360 Sec. 5. (NEW) (a) At each meeting of
361 shareholders, a chairperson shall preside. The
362 chairperson shall be appointed as provided in the
363 bylaws or, in the absence of such provision, by
364 the board of directors.

365 (b) The chairperson, unless the certificate
366 of incorporation or bylaws provide otherwise,
367 shall determine the order of business and shall
368 have the authority to establish rules for the
369 conduct of the meeting.

370 (c) Any rules adopted for, and the conduct
371 of, the meeting shall be fair to shareholders.

372 (d) The chairperson of the meeting shall
373 announce at the meeting when the polls close for
374 each matter voted upon. If no announcement is
375 made, the polls shall be deemed to have closed
376 upon the final adjournment of the meeting. After
377 the polls close, no ballots, proxies or votes, nor
378 any revocations or changes thereto, may be
379 accepted.

380 Sec. 6. Section 33-706 of the general
381 statutes is repealed and the following is
382 substituted in lieu thereof:

383 (a) A shareholder may vote his shares in
384 person or by proxy.

385 (b) A shareholder OR HIS AGENT OR
386 ATTORNEY-IN-FACT may appoint a proxy to vote or
387 otherwise act for [him] THE SHAREHOLDER by signing
388 an appointment form [, either personally or by his
389 attorney-in-fact] OR BY AN ELECTRONIC TRANSMISSION
390 OF THE APPOINTMENT. AN ELECTRONIC TRANSMISSION
391 MUST CONTAIN OR BE ACCOMPANIED BY INFORMATION FROM
392 WHICH ONE CAN DETERMINE THAT THE SHAREHOLDER, THE
393 SHAREHOLDER'S AGENT OR THE SHAREHOLDER'S
394 ATTORNEY-IN-FACT AUTHORIZED THE ELECTRONIC
395 TRANSMISSION.

396 (c) An appointment of a proxy is effective
397 when A SIGNED APPOINTMENT FORM OR AN ELECTRONIC
398 TRANSMISSION OF THE APPOINTMENT IS received by the
399 [secretary or other officer or agent] INSPECTOR OF
400 ELECTION OR THE OFFICER OR AGENT OF THE
401 CORPORATION authorized to tabulate votes. A
402 photographic or similar reproduction of an
403 appointment, or a telegram, cablegram, facsimile
404 transmission, wireless or similar transmission of

405 an appointment received by such person shall be
406 sufficient to effect such appointment. An
407 appointment is valid for eleven months unless a
408 longer period is expressly provided in the
409 appointment. [form.]

410 (d) An appointment of a proxy is revocable
411 [by the shareholder] unless the appointment form
412 [conspicuously] OR ELECTRONIC TRANSMISSION OF THE
413 APPOINTMENT states that it is irrevocable and the
414 appointment is coupled with an interest.
415 Appointments coupled with an interest include the
416 appointment of: (1) A pledgee; (2) a person who
417 purchased or agreed to purchase the shares; (3) a
418 creditor of the corporation who extended it credit
419 under terms requiring the appointment; (4) an
420 employee of the corporation whose employment
421 contract requires the appointment; or (5) a party
422 to a voting agreement created under section
423 33-716.

424 (e) The death or incapacity of the
425 shareholder appointing a proxy does not affect the
426 right of the corporation to accept the proxy's
427 authority unless notice of the death or incapacity
428 is received by the secretary or other officer or
429 agent authorized to tabulate votes before the
430 proxy exercises his authority under the
431 appointment.

432 (f) An appointment made irrevocable under
433 subsection (d) of this section is revoked when the
434 interest with which it is coupled is extinguished.

435 (g) A transferee for value of shares subject
436 to an irrevocable appointment may revoke the
437 appointment if he did not know of its existence
438 when he acquired the shares and the existence of
439 the irrevocable appointment was not noted
440 conspicuously on the certificate representing the
441 shares or on the information statement for shares
442 without certificates.

443 (h) Subject to section 33-708, AS AMENDED BY
444 THIS ACT, and to any express limitation on the
445 proxy's authority [appearing on the face of]
446 STATED IN the appointment form OR ELECTRONIC
447 TRANSMISSION OF THE APPOINTMENT, a corporation is
448 entitled to accept the proxy's vote or other
449 action as that of the shareholder making the
450 appointment.

451 Sec. 7. Subsections (d) and (e) of section

452 33-708 of the general statutes are repealed and
453 the following is substituted in lieu thereof:

454 (d) The corporation and its officer or agent
455 who accepts or rejects a vote, consent, waiver or
456 proxy appointment in good faith and in accordance
457 with the standards of this section OR SUBSECTION
458 (b) OF SECTION 33-706, AS AMENDED BY THIS ACT, are
459 not liable in damages to the shareholder for the
460 consequences of the acceptance or rejection.

461 (e) Corporate action based on the acceptance
462 or rejection of a vote, consent, waiver or proxy
463 appointment under this section OR SUBSECTION (b)
464 OF SECTION 33-706, AS AMENDED BY THIS ACT, is
465 valid unless a court of competent jurisdiction
466 determines otherwise.

467 Sec. 8. (NEW) (a) A corporation having any
468 shares listed on a national securities exchange or
469 regularly traded in a market maintained by one or
470 more members of a national or affiliated
471 securities association shall, and any other
472 corporation may, appoint one or more inspectors to
473 act at a meeting of shareholders and make a
474 written report of the inspectors' determinations.
475 Each inspector shall take and sign an oath
476 faithfully to execute the duties of inspector with
477 strict impartiality and according to the best of
478 the inspector's ability.

479 (b) The inspectors shall (1) ascertain the
480 number of shares outstanding and the voting power
481 of each; (2) determine the shares represented at a
482 meeting; (3) determine the validity of proxies and
483 ballots; (4) count all votes; and (5) determine
484 the result.

485 (c) An inspector may be an officer or
486 employee of the corporation.

487 Sec. 9. Subsection (a) of section 33-773 of
488 the general statutes, as amended by section 15 of
489 public act 97-246, is repealed and the following
490 is substituted in lieu thereof:

491 (a) A corporation may, before final
492 disposition of a proceeding, advance funds to pay
493 for or reimburse the reasonable expenses incurred
494 by a director who is a party to a proceeding
495 because he is a director if he delivers to the
496 corporation: (1) A written affirmation of his good
497 faith belief that he has met the relevant standard
498 of conduct described in section 33-771, AS
499 AMENDED, or that the proceeding involves conduct

500 for which liability has been [eliminated] LIMITED
501 under a provision of the certificate of
502 incorporation as authorized by subdivision (4) of
503 subsection (b) of section 33-636, AS AMENDED; and
504 (2) his written undertaking to repay any funds
505 advanced if he is not entitled to mandatory
506 indemnification under section 33-772, AS AMENDED,
507 and it is ultimately determined under section
508 33-774, AS AMENDED, or SECTION 33-775, AS AMENDED,
509 that he has not met the relevant standard of
510 conduct described in section 33-771, AS AMENDED.

511 Sec. 10. Subsection (b) of section 33-865 of
512 the general statutes is repealed and the following
513 is substituted in lieu thereof:

514 (b) The payment shall be accompanied by: (1)
515 The corporation's balance sheet as of the end of a
516 fiscal year ending not more than sixteen months
517 before the date of payment, an income statement
518 for that year, a statement of changes in
519 shareholders' equity for that year and the latest
520 available interim financial statements, if any;
521 (2) a statement of the corporation's estimate of
522 the fair value of the shares; (3) an explanation
523 of how the interest was calculated; (4) a
524 statement of the dissenter's right to demand
525 payment under section [33-860] 33-868; and (5) a
526 copy of sections 33-855 to 33-872, inclusive.

527 Sec. 11. (NEW) (a) When the directors or
528 officers of a domestic or foreign corporation that
529 is required to file an annual report pursuant to
530 subsection (a) of section 33-953 of the general
531 statutes change after the corporation has filed
532 its most current annual report and not later than
533 thirty days preceding the month during which the
534 corporation's next annual report becomes due, the
535 corporation shall file with the Secretary of the
536 State an interim notice of change of director or
537 officer that sets forth: (1) The name of the
538 corporation, and (2) the names, titles and
539 respective business and residence addresses of any
540 new director or officer and the names and titles
541 of any director or officer who has ceased to hold
542 office. If good cause is shown, the Secretary of
543 the State may accept business addresses in lieu of
544 business and residence addresses of the directors
545 and officers of the corporation. For purposes of
546 this section, a showing of good cause shall
547 include, but not be limited to, a showing that

548 public disclosure of the residence addresses of
549 the corporation's directors and officers may
550 expose the personal security of such directors and
551 officers to significant risk.

552 (b) Any changes to the directors or officers
553 of a domestic or foreign corporation that occur
554 within the thirty-day period preceding the month
555 during which the corporation's annual report
556 becomes due shall be reflected on such
557 corporation's next annual report filed pursuant to
558 section 33-953 of the general statutes.

559 Sec. 12. (NEW) (a) When the directors or
560 officers of a domestic or foreign corporation that
561 is required to file an annual report pursuant to
562 subsection (a) of section 33-1243 of the general
563 statutes change after the corporation has filed
564 its most current annual report and not later than
565 thirty days preceding the month during which the
566 corporation's next annual report becomes due, the
567 corporation shall file with the Secretary of the
568 State an interim notice of change of director or
569 officer that sets forth: (1) The name of the
570 corporation, and (2) the names, titles and
571 respective business and residence addresses of any
572 new director or officer and the names and titles
573 of any director or officer who has ceased to hold
574 office. If good cause is shown, the Secretary of
575 the State may accept business addresses in lieu of
576 business and residence addresses of the directors
577 and officers of the corporation. For purposes of
578 this section, a showing of good cause shall
579 include, but not be limited to, a showing that
580 public disclosure of the residence addresses of
581 the corporation's directors and officers may
582 expose the personal security of such directors and
583 officers to significant risk.

584 (b) Any changes to the directors or officers
585 of a domestic or foreign corporation that occur
586 within the thirty-day period preceding the month
587 during which the corporation's annual report
588 becomes due shall be reflected on such
589 corporation's next annual report filed pursuant to
590 section 33-1243 of the general statutes.

591 Sec. 13. Section 33-617 of the general
592 statutes is repealed and the following is
593 substituted in lieu thereof:

594 (a) The Secretary of the State shall charge
595 and collect the following fees for filing

596 documents and issuing certificates and remit them
597 to the Treasurer for the use of the state: (1)
598 Filing application to reserve, register, renew or
599 cancel registration of corporate name, thirty
600 dollars; (2) filing transfer of reserved corporate
601 name, thirty dollars; (3) filing certificate of
602 incorporation, including appointment of registered
603 agent, fifty dollars; (4) filing change of address
604 of registered agent or change of registered agent,
605 twenty-five dollars; (5) filing notice of
606 resignation of registered agent, twenty-five
607 dollars; (6) filing amendment to certificate of
608 incorporation, fifty dollars; (7) filing restated
609 certificate of incorporation, fifty dollars; (8)
610 filing certificate of merger or share exchange,
611 thirty dollars; (9) filing certificate of
612 correction, fifty dollars; (10) filing certificate
613 of surrender of special charter and adoption of
614 general certificate of incorporation, fifty
615 dollars; (11) filing certificate of dissolution,
616 twenty-five dollars; (12) filing certificate of
617 revocation of dissolution, twenty-five dollars;
618 (13) filing annual report, seventy-five dollars
619 except as otherwise provided in sections 33-953
620 and 33-954; (14) filing application of foreign
621 corporation for certificate of authority to
622 transact business in this state and issuing
623 certificate of authority, fifty dollars; (15)
624 filing application of foreign corporation for
625 amended certificate of authority to transact
626 business in this state and issuing amended
627 certificate of authority, fifty dollars; (16)
628 filing application for withdrawal of foreign
629 corporation and issuing certificate of withdrawal,
630 fifty dollars; (17) filing application for
631 reinstatement, seventy-five dollars; [and] (18)
632 filing a corrected annual report, fifty dollars;
633 AND (19) FILING AN INTERIM NOTICE OF CHANGE OF
634 DIRECTOR OR OFFICER, TEN DOLLARS.

635 Sec. 14. Subsection (d) of section 33-921 of
636 the general statutes, as amended by section 1 of
637 public act 97-228, is repealed and the following
638 is substituted in lieu thereof:

639 (d) A foreign corporation is liable to this
640 state, for the years or parts thereof during which
641 it transacted business in this state without a
642 certificate of authority, in an amount equal to
643 (1) all fees and taxes which would have been

644 imposed by law upon such corporation had it duly
645 applied for and received such certificate of
646 authority to transact business in this state and
647 (2) all interest and penalties imposed by law for
648 failure to pay such fees and taxes. A foreign
649 corporation is further liable to this state, for
650 each month or part thereof during which it
651 transacted business without a certificate of
652 authority, in an amount equal to one hundred
653 sixty-five dollars, except that a foreign
654 corporation which has obtained a certificate of
655 authority [to transact] NOT LATER THAN NINETY DAYS
656 AFTER IT HAS COMMENCED TRANSACTING business in
657 this state shall not be liable for such monthly
658 penalty. [for the first three months or part
659 thereof during which it transacted business
660 without such certificate.] Such fees and penalties
661 may be levied by the Secretary of the State. The
662 Attorney General shall bring such action as he may
663 deem necessary to recover any amounts due the
664 state under the provisions of this subsection
665 including an action to restrain a foreign
666 corporation against which fees and penalties have
667 been imposed pursuant to this subsection from
668 transacting business in this state until such time
669 as such fees and penalties have been paid.

670 Sec. 15. Subsection (a) of section 33-922 of
671 the general statutes, as amended by section 30 of
672 public act 97-246, is repealed and the following
673 is substituted in lieu thereof:

674 (a) A foreign corporation may apply for a
675 certificate of authority to transact business in
676 this state by delivering an application to the
677 Secretary of the State for filing. The application
678 shall set forth: (1) The name of the foreign
679 corporation or, if its name is unavailable for use
680 in this state, a corporate name that satisfies the
681 requirements of section 33-925; (2) the name of
682 the state or country under whose law it is
683 incorporated; (3) its date of incorporation and
684 period of duration; (4) the street address of its
685 principal office; (5) the address of its
686 registered office in this state and the name of
687 its registered agent at that office; and (6) the
688 names and respective business and residence
689 addresses of the directors and officers of the
690 foreign corporation, except that [where] IF good
691 cause is shown, the Secretary of the State may

692 accept business addresses in lieu of business and
693 residence addresses of the directors and officers
694 of the corporation. FOR PURPOSES OF THIS SECTION,
695 A SHOWING OF GOOD CAUSE SHALL INCLUDE, BUT NOT BE
696 LIMITED TO, A SHOWING THAT PUBLIC DISCLOSURE OF
697 THE RESIDENCE ADDRESSES OF THE CORPORATION'S
698 DIRECTORS AND OFFICERS MAY EXPOSE THE PERSONAL
699 SECURITY OF SUCH DIRECTORS AND OFFICERS TO
700 SIGNIFICANT RISK.

701 Sec. 16. Subsection (c) of section 33-953 of
702 the general statutes is repealed and the following
703 is substituted in lieu thereof:

704 (c) Each biennial or annual report shall set
705 forth as of a date which complies with subsection
706 (d) of this section and which is specified in such
707 report: (1) The name of the corporation; (2) the
708 principal office of the corporation or, in the
709 case of a foreign corporation (A) the address of
710 the principal office of the corporation in the
711 state under the laws of which it is incorporated,
712 (B) the address of the executive offices of the
713 corporation and (C) the address of the principal
714 office of the corporation in this state, if any;
715 and (3) the names and respective business and
716 residence addresses of the directors and officers
717 of the corporation, except that [where] IF good
718 cause is shown, the Secretary of the State may
719 accept business addresses in lieu of business and
720 residence addresses of the directors and officers
721 of the corporation. For purposes of [sections
722 33-600 to 33-998, inclusive,] THIS SECTION, A
723 SHOWING OF good cause shall include, but not be
724 limited to, a showing that public disclosure of
725 the residence addresses of the corporation's
726 DIRECTORS AND officers [and directors] may expose
727 the personal security of such DIRECTORS AND
728 officers [and directors] to significant risk.

729 Sec. 17. Subsection (a) of section 33-1013 of
730 the general statutes, as amended by section 44 of
731 public act 97-246, is repealed and the following
732 is substituted in lieu thereof:

733 (a) The Secretary of the State shall charge
734 and collect the following fees for filing
735 documents and issuing certificates and remit them
736 to the Treasurer for the use of the state: (1)
737 FILING APPLICATION TO RESERVE, REGISTER, RENEW OR
738 CANCEL REGISTRATION OF CORPORATE NAME, THIRTY
739 DOLLARS; (2) FILING TRANSFER OF RESERVED CORPORATE

740 NAME, THIRTY DOLLARS; [(1) Filing] (3) FILING a
741 certificate of incorporation, including
742 appointment of registered agent, ten dollars;
743 [(2)] (4) filing change of address of registered
744 agent or change of registered agent, ten dollars;
745 [(3)] (5) filing notice of resignation of
746 registered agent in duplicate, ten dollars; [(4)]
747 (6) filing certificate of amendment to certificate
748 of incorporation, ten dollars; [(5)] (7) filing
749 restated certificate of incorporation, ten
750 dollars; [(6)] (8) filing certificate of merger,
751 ten dollars; [(7)] (9) filing certificate of
752 correction, ten dollars; [(8)] (10) filing
753 certificate of surrender of special charter and
754 adoption of certificate of incorporation, ten
755 dollars; [(9)] (11) filing certificate of
756 dissolution, ten dollars; [(10) filing certificate
757 of administrative dissolution, ten dollars] (12)
758 FILING CERTIFICATE OF REVOCATION OF DISSOLUTION,
759 TEN DOLLARS; [(11)] (13) filing annual report,
760 twenty-five dollars; [(12)] (14) filing
761 application of foreign corporation for certificate
762 of authority to conduct affairs in this state and
763 issuing certificate of authority, twenty dollars;
764 [(13)] (15) filing application of foreign
765 corporation for amended certificate of authority
766 to conduct affairs in this state and issuing
767 amended certificate of authority, twenty dollars;
768 [(14)] (16) filing application for withdrawal of
769 foreign corporation and issuing certificate of
770 withdrawal, twenty dollars; [(15)] (17) filing
771 certificate of reinstatement, including
772 appointment of registered agent, fifty-five
773 dollars; [and (16)] (18) filing a corrected annual
774 report, twenty-five dollars; AND (19) FILING AN
775 INTERIM NOTICE OF CHANGE OF DIRECTOR OR OFFICER,
776 TEN DOLLARS.

777 Sec. 18. Subsection (d) of section 33-1211 of
778 the general statutes, as amended by section 2 of
779 public act 97-228, is repealed and the following
780 is substituted in lieu thereof:

781 (d) A foreign corporation is liable to this
782 state, for the years or parts thereof during which
783 it conducted affairs in this state without a
784 certificate of authority, in an amount equal to
785 (1) all fees and taxes which would have been
786 imposed by law upon such corporation had it duly
787 applied for and received such certificate of

788 authority to conduct affairs in this state and (2)
789 all interest and penalties imposed by law for
790 failure to pay such fees and taxes. A foreign
791 corporation is further liable to this state, for
792 each month or part thereof during which it
793 conducted affairs in this state without a
794 certificate of authority, in an amount equal to
795 one hundred sixty-five dollars, except that a
796 foreign corporation which has obtained a
797 certificate of authority [to conduct] NOT LATER
798 THAN NINETY DAYS AFTER IT HAS COMMENCED CONDUCTING
799 affairs in this state shall not be liable for such
800 monthly penalty. [for the first three months or
801 part thereof during which it conducted affairs
802 without such certificate.] Such fees and penalties
803 may be levied by the Secretary of the State. The
804 Attorney General shall bring such action as he may
805 deem necessary to recover any amounts due the
806 state under the provisions of this subsection
807 including an action to restrain a foreign
808 corporation against which fees and penalties have
809 been imposed pursuant to this subsection from
810 conducting affairs in this state until such time
811 as such fees and penalties have been paid.

812 Sec. 19. Subsection (a) of section 33-1212 of
813 the general statutes, as amended by section 74 of
814 public act 97-246, is repealed and the following
815 is substituted in lieu thereof:

816 (a) A foreign corporation may apply for a
817 certificate of authority to conduct affairs in
818 this state by delivering an application to the
819 Secretary of the State for filing. The application
820 shall set forth: (1) The name of the foreign
821 corporation or, if its name is unavailable for use
822 in this state, a corporate name that satisfies the
823 requirements of section 33-1215; (2) the name of
824 the state or country under whose law it is
825 incorporated; (3) its date of incorporation and
826 period of duration; (4) the street address of its
827 principal office; (5) the address of its
828 registered office in this state and the name of
829 its registered agent at that office; and (6) the
830 names and respective business and residence
831 addresses of the directors and officers of the
832 foreign corporation, except that [where] IF good
833 cause is shown, the Secretary of the State may
834 accept business addresses in lieu of business and
835 residence addresses of the directors and officers

836 of the corporation. [or, if there is no business
837 address for any such person, the residence
838 address, of its current directors and officers.]
839 FOR PURPOSES OF THIS SECTION, A SHOWING OF GOOD
840 CAUSE SHALL INCLUDE, BUT NOT BE LIMITED TO, A
841 SHOWING THAT PUBLIC DISCLOSURE OF THE RESIDENCE
842 ADDRESSES OF THE CORPORATION'S DIRECTORS AND
843 OFFICERS MAY EXPOSE THE PERSONAL SECURITY OF SUCH
844 DIRECTORS AND OFFICERS TO SIGNIFICANT RISK.

845 Sec. 20. Subsection (c) of section 33-1243 of
846 the general statutes is repealed and the following
847 is substituted in lieu thereof:

848 (c) Each biennial or annual report shall set
849 forth as of a date which complies with subsection
850 (d) of this section and which is specified in such
851 report: (1) The name of the corporation and, in
852 the case of a foreign corporation, the state under
853 the laws of which it is incorporated; (2) the
854 principal office of the corporation or, in the
855 case of a foreign corporation (A) the address of
856 the principal office of the corporation in the
857 state under the laws of which it is incorporated,
858 (B) the address of the executive offices of the
859 corporation, and (C) the address of the principal
860 office of the corporation in this state, if any;
861 and (3) the names and respective business and
862 residence addresses of the directors and officers
863 of the corporation, except that [where] IF good
864 cause is shown, the Secretary of the State may
865 accept business addresses in lieu of business and
866 residence addresses of the directors and officers
867 of the corporation. For purposes of [sections
868 33-1000 to 33-1290, inclusive,] THIS SECTION, A
869 SHOWING OF good cause shall include, but not be
870 limited to, a showing that public disclosure of
871 the residence addresses of the corporation's
872 DIRECTORS AND officers [and directors] may expose
873 the personal security of such DIRECTORS AND
874 officers [and directors] to significant risk.

875 Sec. 21. Subsection (c) of section 34-506 of
876 the general statutes is repealed and the following
877 is substituted in lieu thereof:

878 (c) The name of each statutory trust as set
879 forth in its certificate of trust shall contain
880 one or more of the following words: "Statutory
881 Trust", "Limited Liability Trust", "Limited",
882 ["ST", "S.T.",] "LLT", "L.L.T.", or "Ltd.".

883 Sec. 22. Subsection (a) of section 34-509 of
884 the general statutes is repealed and the following
885 is substituted in lieu thereof:

886 (a) The Secretary of the State shall charge
887 and collect the following fees and remit them to
888 the Treasurer for the use of the state: (1) For
889 filing of an application for reservation of name,
890 and application for renewal of reservation, or
891 notice of transfer or cancellation of reservation
892 pursuant to section 34-506, thirty dollars; (2)
893 for filing of a certificate of trust, a
894 certificate of amendment, a restated certificate
895 of trust, a certificate of cancellation or a
896 certificate of merger or consolidation, sixty
897 dollars; (3) for preparing and furnishing a copy
898 of any certificate filed relating to a statutory
899 trust: For each copy of each such document thereof
900 regardless of the number of pages, twenty dollars;
901 for affixing his certification thereto, five
902 dollars; (4) FOR PREPARING AND FURNISHING A
903 CERTIFICATE OF EXISTENCE OR AUTHORIZATION, TWENTY
904 DOLLARS; (5) FOR PREPARING AND FURNISHING A
905 CERTIFICATE OF EXISTENCE OR AUTHORIZATION
906 REFLECTING ANY AND ALL CHANGES OF NAME AND THE
907 DATE OR DATES OF FILING THEREOF, FORTY DOLLARS;
908 and [(4)] (6) for other services for which fees
909 are not provided by the general statutes, the
910 Secretary of the State may charge such fees as
911 will in his judgment cover the cost of the
912 services provided.

913 Sec. 23. Subsection (e) of section 34-381 of
914 the general statutes, as amended by section 3 of
915 public act 97-228, is repealed and the following
916 is substituted in lieu thereof:

917 (e) A foreign limited partnership which
918 transacts business in this state without
919 registering with the Secretary of the State as
920 required by this chapter shall be liable to this
921 state, for each year or part thereof during which
922 it transacted business in this state without being
923 registered with said secretary, in an amount equal
924 to: (1) All fees and taxes which would have been
925 imposed by law upon such limited partnership had
926 it duly applied for and received such registration
927 to transact business in this state and (2) all
928 interest and penalties imposed by law for failure
929 to pay such fees and taxes. A foreign limited
930 partnership is further liable to this state, for

931 each month or part thereof during which it
932 [transacts] TRANSACTED business in this state
933 without registering with the Secretary of the
934 State, in an amount equal to one hundred
935 sixty-five dollars, except that a foreign limited
936 partnership which has registered with said
937 secretary NOT LATER THAN NINETY DAYS AFTER IT HAS
938 COMMENCED TRANSACTING BUSINESS IN THIS STATE shall
939 not be liable for such monthly penalty. [for the
940 first three months or part thereof during which it
941 transacted business without being registered with
942 said secretary.] Such fees and penalties may be
943 levied by [said secretary] THE SECRETARY OF THE
944 STATE.

945 Sec. 24. Subsection (c) of section 34-430 of
946 the general statutes, as amended by section 4 of
947 public act 97-228, is repealed and the following
948 is substituted in lieu thereof:

949 (c) A foreign registered limited liability
950 partnership which transacts business in this state
951 without filing a certificate of authority under
952 section 34-429 shall be liable to this state, for
953 each year or part thereof during which it
954 transacted business in this state without such
955 certificate, in an amount equal to: (1) All fees
956 and taxes which would have been imposed by law
957 upon such registered limited liability partnership
958 had it duly applied for and received such
959 authority to transact business in this state and
960 (2) all interest and penalties imposed by law for
961 failure to pay such fees and taxes. A foreign
962 registered limited liability partnership is
963 further liable to this state, for each month or
964 part thereof during which it transacted business
965 in this state without filing a certificate of
966 authority under section 34-429, in an amount equal
967 to one hundred sixty-five dollars, except that a
968 foreign registered limited liability partnership
969 which has filed a certificate of authority [to
970 transact] WITH THE SECRETARY OF THE STATE NOT
971 LATER THAN NINETY DAYS AFTER IT HAS COMMENCED
972 TRANSACTING business in this state shall not be
973 liable for such monthly penalty. [for the first
974 three months or part thereof during which it
975 transacted business without such certificate.]
976 Such fees and penalties may be levied by the
977 Secretary of the State. The Attorney General may

978 bring proceedings to recover all amounts due this
979 state under the provisions of this subsection.

980 Sec. 25. Subsection (d) of section 34-233 of
981 the general statutes, as amended by section 5 of
982 public act 97-228, is repealed and the following
983 is substituted in lieu thereof:

984 (d) A foreign limited liability company which
985 transacts business in this state without a valid
986 certificate of registration shall be liable to
987 this state, for each year or part thereof during
988 which it transacted business in this state without
989 such certificate, in an amount equal to: (1) All
990 fees and taxes which would have been imposed by
991 law upon such limited liability company had it
992 duly applied for and received such registration to
993 transact business in this state and (2) all
994 interest and penalties imposed by law for failure
995 to pay such fees and taxes. [Such fees and
996 penalties may be levied by said secretary.] A
997 foreign limited liability company is further
998 liable to this state, for each month or part
999 thereof during which it transacted business in
1000 this state without a valid certificate of
1001 registration, in an amount equal to one hundred
1002 sixty-five dollars, except that a foreign limited
1003 liability company which has registered with the
1004 Secretary of the State [to transact] NOT LATER
1005 THAN NINETY DAYS AFTER IT HAS COMMENCED
1006 TRANSACTING business in this state shall not be
1007 liable for such monthly penalty. [for the first
1008 three months or part thereof during which it
1009 transacted business without such certificate.]
1010 SUCH FEES AND PENALTIES MAY BE LEVIED BY THE
1011 SECRETARY OF THE STATE. The Attorney General may
1012 bring proceedings to recover all amounts due this
1013 state under the provisions of this subsection.

1014 Sec. 26. Subsection (d) of section 34-539 of
1015 the general statutes, as amended by section 6 of
1016 public act 97-228, is repealed and the following
1017 is substituted in lieu thereof:

1018 (d) A foreign statutory trust which transacts
1019 business in this state without a valid certificate
1020 of registration shall be liable to this state, for
1021 each year or part thereof during which it
1022 transacted business in this state without such
1023 certificate, in an amount equal to: (1) All fees
1024 and taxes which would have been imposed by law
1025 upon such statutory trust had it duly applied for

1026 and received such registration to transact
1027 business in this state and (2) all interest and
1028 penalties imposed by law for failure to pay such
1029 fees and taxes. A foreign statutory trust is
1030 further liable to this state, for each month or
1031 part thereof during which it transacted business
1032 without a valid certificate of registration, in an
1033 amount equal to one hundred sixty-five dollars,
1034 except that a foreign statutory trust which has
1035 registered with the Secretary of the State [to
1036 transact] NOT LATER THAN NINETY DAYS AFTER IT HAS
1037 COMMENCED TRANSACTING business in this state shall
1038 not be liable for such monthly penalty. [for the
1039 first three months or part thereof during which it
1040 transacted business without such certificate.]
1041 Such fees and penalties may be levied by the
1042 Secretary of the State. The Attorney General may
1043 bring proceedings to recover all amounts due this
1044 state under the provisions of this subsection.

1045 Sec. 27. Section 20-306a of the general
1046 statutes is repealed and the following is
1047 substituted in lieu thereof:

1048 (a) The practice of or the offer to practice
1049 professional engineering in this state by
1050 individual licensed professional engineers or the
1051 practice of or the offer to practice land
1052 surveying in this state by individual licensed
1053 land surveyors under the corporate form or by a
1054 corporation OR LIMITED LIABILITY COMPANY, a
1055 material part of the business of which includes
1056 engineering or land surveying, is permitted,
1057 provided such personnel of such corporation OR
1058 LIMITED LIABILITY COMPANY as act in its behalf as
1059 engineers or land surveyors are licensed or
1060 exempted from licensure under the provisions of
1061 this chapter, and provided such corporation OR
1062 LIMITED LIABILITY COMPANY has been issued a
1063 certificate of registration by the board as
1064 provided herein. No such corporation OR LIMITED
1065 LIABILITY COMPANY shall be relieved of
1066 responsibility for the conduct or acts of its
1067 agents, employees or officers by reason of its
1068 compliance with the provisions of this section,
1069 nor shall any individual practicing engineering or
1070 land surveying be relieved of responsibility for
1071 engineering or land surveying services performed
1072 by reason of his employment or relationship with
1073 such corporation OR LIMITED LIABILITY COMPANY. All

1074 final drawings, specifications, plots, reports or
1075 other engineering or land surveying papers or
1076 documents involving the practice of engineering or
1077 land surveying which are prepared or approved by
1078 any such corporation OR LIMITED LIABILITY COMPANY
1079 or engineer or land surveyor for use of or for
1080 delivery to any person or for public record within
1081 this state shall be dated and bear the signature
1082 and seal of the engineer or land surveyor who
1083 prepared them or under whose supervision they were
1084 prepared.

1085 (b) A qualifying corporation OR LIMITED
1086 LIABILITY COMPANY desiring a certificate of
1087 registration shall file with the board an
1088 application upon a form prescribed by the
1089 Department of Consumer Protection accompanied by
1090 an application fee of four hundred fifty dollars.
1091 Each such certificate shall expire annually and
1092 shall be renewable annually upon payment of a fee
1093 of three hundred dollars. If all requirements of
1094 this chapter are met, the board shall authorize
1095 the department to issue to such corporation OR
1096 LIMITED LIABILITY COMPANY a certificate of
1097 registration within thirty days of such
1098 application; provided the board may refuse to
1099 authorize the issuance of a certificate if any
1100 facts exist which would entitle the board to
1101 suspend or revoke an existing certificate.

1102 (c) Each such corporation OR LIMITED
1103 LIABILITY COMPANY shall file with the board a
1104 designation of an individual or individuals
1105 licensed to practice engineering or land surveying
1106 in this state who shall be in charge of
1107 engineering or land surveying by such corporation
1108 OR LIMITED LIABILITY COMPANY in this state. Such
1109 corporation OR LIMITED LIABILITY COMPANY shall
1110 notify the board of any change in such designation
1111 within thirty days after such change becomes
1112 effective.

1113 Sec. 28. Section 20-306b of the general
1114 statutes is repealed and the following is
1115 substituted in lieu thereof:

1116 (a) One or more architects, each of whom is
1117 licensed under the provisions of chapter 390, one
1118 or more professional engineers or one or more land
1119 surveyors each of whom is licensed under the
1120 provisions of this chapter, may form a corporation
1121 OR LIMITED LIABILITY COMPANY for the joint

1122 practice of architecture, professional engineering
1123 and land surveying services, or for the joint
1124 practice of architecture and professional
1125 engineering services, or for the joint practice of
1126 architecture and land surveying services, or for
1127 the joint practice of professional engineering and
1128 land surveying services, provided (1) persons
1129 licensed as architects, engineers or land
1130 surveyors under chapter 390 or this chapter
1131 together own not less than two-thirds of the
1132 voting stock of the corporation OR NOT LESS THAN
1133 TWO-THIRDS OF THE VOTING INTERESTS OF THE LIMITED
1134 LIABILITY COMPANY, and the members of each
1135 profession forming the corporation OR LIMITED
1136 LIABILITY COMPANY together own at least twenty per
1137 cent of the voting stock of the corporation OR AT
1138 LEAST TWENTY PER CENT OF THE VOTING INTERESTS OF
1139 THE LIMITED LIABILITY COMPANY, (2) the personnel
1140 in responsible charge of the practice of
1141 architecture for such corporation OR LIMITED
1142 LIABILITY COMPANY shall be licensed under said
1143 chapter 390 and the personnel in responsible
1144 charge of the practice of engineering or land
1145 surveying for such corporation OR LIMITED
1146 LIABILITY COMPANY shall be licensed under this
1147 chapter, and (3) such corporation OR LIMITED
1148 LIABILITY COMPANY has been issued a joint
1149 certificate of registration by the Department of
1150 Consumer Protection at the direction of the
1151 Architectural Licensing Board and the appropriate
1152 members of the Board of Examiners for Professional
1153 Engineers and Land Surveyors designated to
1154 administer the provisions of this chapter with
1155 respect to professional engineers or land
1156 surveyors. Such corporation OR LIMITED LIABILITY
1157 COMPANY shall, upon request by the Architectural
1158 Licensing Board or the Board of Examiners for
1159 Professional Engineers and Land Surveyors, provide
1160 the requesting board with information concerning
1161 its officers, directors, MEMBERS, beneficial
1162 owners and all other aspects of its business
1163 organization. Corporations for joint practice in
1164 existence as of July 1, 1992, may continue to be
1165 governed by the provisions of this subsection as
1166 revised to 1989, provided the certificate issued
1167 under this section did not expire more than two
1168 years before that date.

1169 (b) Application by such corporation OR
1170 LIMITED LIABILITY COMPANY shall be made to both
1171 boards jointly on a form prescribed by said
1172 department and accompanied by an application fee
1173 of four hundred fifty dollars. Each such
1174 certificate shall expire annually but shall be
1175 renewable upon payment of a fee of three hundred
1176 dollars, if all requirements of said chapter 390
1177 and this chapter with respect to corporate OR
1178 LIMITED LIABILITY COMPANY practice are met. The
1179 boards by joint action may refuse to authorize the
1180 issuance or renewal of a certificate if any facts
1181 exist which would entitle the boards to suspend or
1182 revoke an existing certificate.

1183 (c) Any corporation OR LIMITED LIABILITY
1184 COMPANY issued a certificate under this section
1185 shall be required to comply with all provisions of
1186 chapter 390 and this chapter with respect to
1187 corporate OR LIMITED LIABILITY COMPANY practice.

1188 (d) No such corporation OR LIMITED LIABILITY
1189 COMPANY shall be relieved of responsibility for
1190 the conduct or acts of its agents, employees,
1191 MEMBERS or officers by reason of its compliance
1192 with the provisions of this section, nor shall any
1193 individual practicing architecture, engineering or
1194 land surveying be relieved of responsibility for
1195 services performed by reason of his employment or
1196 relationship with such corporation OR LIMITED
1197 LIABILITY COMPANY.

1198 (e) All fees collected under this section
1199 shall be paid to the State Treasurer for deposit
1200 in the General Fund.

1201 (f) The Commissioner of Consumer Protection,
1202 with the advice and assistance of the
1203 Architectural Licensing Board and the appropriate
1204 members of the Board of Examiners for Professional
1205 Engineers and Land Surveyors designated to
1206 administer the provisions of this chapter with
1207 respect to professional engineers or land
1208 surveyors, shall adopt and promulgate regulations
1209 to carry out the administration of this section,
1210 in accordance with chapter 54.

1211 Sec. 29. Section 33-660 of the general
1212 statutes, as amended by section 7 of public act
1213 97-246, is repealed and the following is
1214 substituted in lieu thereof:

1215 (a) Each corporation that is required to file
1216 an annual report as provided in section 33-953

1217 shall continuously maintain in this state: (1) A
1218 registered office that may be the same as any of
1219 its places of business; and (2) a registered agent
1220 at such registered office, who may be: (A) A
1221 natural person who is a resident in this state;
1222 (B) a domestic corporation; [or] (C) a corporation
1223 not organized under the laws of this state and
1224 which has procured a certificate of authority to
1225 transact business or conduct its affairs in this
1226 state; (D) A DOMESTIC LIMITED LIABILITY COMPANY;
1227 OR (E) A LIMITED LIABILITY COMPANY NOT ORGANIZED
1228 UNDER THE LAWS OF THIS STATE AND WHICH HAS
1229 PROCURED A CERTIFICATE OF AUTHORITY TO TRANSACT
1230 BUSINESS OR CONDUCT ITS AFFAIRS IN THIS STATE. If
1231 a natural person is appointed as the registered
1232 agent, such appointment shall include such
1233 person's written consent to the appointment and
1234 the residence address of such person.

1235 (b) In addition to persons or entities who
1236 may act as a registered agent pursuant to
1237 subsection (a) of this section, a foreign
1238 corporation may appoint the Secretary of the State
1239 and his successors in office to act as its
1240 registered agent.

1241 Sec. 30. Section 33-1050 of the general
1242 statutes, as amended by section 48 of public act
1243 97-246, is repealed and the following is
1244 substituted in lieu thereof:

1245 (a) Each corporation that is required to file
1246 an annual report as provided in section 33-1243
1247 shall continuously maintain in this state: (1) A
1248 registered office that may be the same as any of
1249 its places of business; and (2) a registered agent
1250 at such registered office, who may be: (A) A
1251 natural person who is a resident in this state;
1252 (B) a domestic corporation or business
1253 corporation; [or] (C) a foreign corporation or
1254 foreign business corporation which has procured a
1255 certificate of authority to transact business or
1256 conduct affairs in this state; (D) A DOMESTIC
1257 LIMITED LIABILITY COMPANY; OR (E) A LIMITED
1258 LIABILITY COMPANY NOT ORGANIZED UNDER THE LAWS OF
1259 THIS STATE AND WHICH HAS PROCURED A CERTIFICATE OF
1260 AUTHORITY TO TRANSACT BUSINESS OR CONDUCT AFFAIRS
1261 IN THIS STATE. If a natural person is appointed as
1262 the registered agent, such appointment shall
1263 include such person's written consent to the

1264 appointment and the residence address of such
1265 person.

1266 (b) In addition to persons or entities who
1267 may act as a registered agent pursuant to
1268 subsection (a) of this section, a foreign
1269 corporation may appoint the Secretary of the State
1270 and his successors in office to act as its
1271 registered agent.

1272 Sec. 31. Subsection (a) of section 34-105 of
1273 the general statutes is repealed and the following
1274 is substituted in lieu thereof:

1275 (a) Any process, notice or demand in
1276 connection with any action or proceeding required
1277 or permitted by law to be served upon a limited
1278 liability company which is subject to the
1279 provisions of section 34-104, may be served upon
1280 the limited liability company's statutory agent
1281 for service by any proper officer or other person
1282 lawfully empowered to make service BY LEAVING A
1283 TRUE AND ATTESTED COPY OF THE PROCESS, NOTICE OR
1284 DEMAND WITH SUCH AGENT OR, IN THE CASE OF AN AGENT
1285 WHO IS A NATURAL PERSON, BY LEAVING IT AT SUCH
1286 AGENT'S USUAL PLACE OF ABODE IN THIS STATE.

1287 Sec. 32. Subdivision (2) of section 34-501 of
1288 the general statutes is repealed and the following
1289 is substituted in lieu thereof:

1290 (2) "Statutory trust" or "domestic statutory
1291 trust" means an unincorporated association which
1292 (A) is created by a trust instrument under which
1293 property is or will be held, managed,
1294 administered, controlled, invested, reinvested or
1295 operated, or business or professional activities
1296 are carried on or will be carried on, by a trustee
1297 or trustees for the benefit of such person or
1298 persons as are or may become entitled to a
1299 beneficial interest in the trust property,
1300 including but not limited to a trust of the type
1301 known at common law as a "business trust" or
1302 "Massachusetts trust" or "grantor trust", or a
1303 trust qualifying as a real estate investment trust
1304 under Section 856 et seq., of the United States
1305 Internal Revenue Code of 1986, or any subsequent
1306 corresponding internal revenue code of the United
1307 States, as from time to time amended, or a trust
1308 qualifying as a real estate mortgage investment
1309 conduit under Section 860D of the United States
1310 Internal Revenue Code of 1986, or any subsequent
1311 corresponding internal revenue code of the United

1312 States, as from time to time amended, and (B)
1313 files a certificate of trust pursuant to section
1314 34-503. Any such association organized before or
1315 after October 1, 1997, shall be a statutory trust
1316 and a separate legal entity. [A statutory trust
1317 may be organized to carry on any lawful business
1318 or activity, whether or not conducted for profit,
1319 and for any lawful purpose, including, without
1320 limitation, holding or otherwise taking title to
1321 property, whether in an active, passive or
1322 custodial capacity.]

1323 Sec. 33. (NEW) A statutory trust may be
1324 organized to carry on any lawful business or
1325 activity, whether or not conducted for profit, and
1326 for any lawful purpose, including, without
1327 limitation, holding or otherwise taking title to
1328 property, whether in an active, passive or
1329 custodial capacity.

1330 Sec. 34. Section 34-507 of the general
1331 statutes is repealed and the following is
1332 substituted in lieu thereof:

1333 [(a) No trustee of a statutory trust shall be
1334 required to be a resident of, or have a principal
1335 place of business in, this state.]

1336 [(b)] (a) Each statutory trust shall have and
1337 maintain a statutory agent for service in this
1338 state, as provided in this section. A statutory
1339 agent for service shall be either (1) a natural
1340 person who is a resident of this state; (2) a
1341 domestic corporation, a domestic limited liability
1342 company or a domestic statutory trust; or (3) any
1343 corporation, limited liability company or business
1344 trust not organized under the laws of this state
1345 and which has procured a certificate of authority
1346 to transact business or conduct affairs in this
1347 state.

1348 [(c)] (b) A statutory trust's statutory agent
1349 for service shall be appointed by filing with the
1350 Secretary of the State a written appointment in
1351 such form as the Secretary of the State shall
1352 prescribe setting forth: (1) The name of the
1353 statutory trust; (2) the name of the statutory
1354 agent for service; and (3) if the statutory agent
1355 is a natural person, the business and residence
1356 thereof; if the statutory agent is a corporation,
1357 limited liability company or business trust not
1358 organized under the laws of this state, the
1359 address of the principal office thereof in this

1360 state, if any. In each case, the address shall
1361 include the street and number or other particular
1362 designation. Each written appointment shall also
1363 be signed by the statutory agent for service
1364 therein appointed.

1365 [(d)] (c) If a statutory agent for service
1366 dies, dissolves, removes from the state or
1367 resigns, the statutory trust shall forthwith
1368 appoint another statutory agent for service. If
1369 the statutory agent for service changes his or its
1370 address within the state from that appearing upon
1371 the record in the office of the Secretary of the
1372 State, the statutory trust shall forthwith file
1373 with the Secretary of the State notice of the new
1374 address. A statutory agent for service may resign
1375 by filing with the Secretary of the State a signed
1376 statement in duplicate to that effect. The
1377 Secretary of the State shall forthwith file one
1378 copy and mail the other copy of the statement to
1379 the statutory trust at its principal office. Upon
1380 expiration of thirty days after such filing, the
1381 resignation shall be effective and the authority
1382 of such statutory agent for service shall
1383 terminate. The Secretary of the State shall be the
1384 statutory agent for service during such periods of
1385 time when the statutory trust has no other
1386 statutory agent for service in this state. A
1387 statutory trust may revoke the appointment of a
1388 statutory agent for service by making a new
1389 appointment as provided in this section and any
1390 new appointment so made shall revoke all
1391 appointments theretofore made.

1392 Sec. 35. Section 34-508 of the general
1393 statutes is repealed and the following is
1394 substituted in lieu thereof:

1395 [(a)] (a) A statutory trust shall have the power
1396 to sue and be sued in its own name. In furtherance
1397 of the foregoing, a statutory trust may be sued
1398 for debts and other obligations or liabilities
1399 contracted or incurred by the trustees, or by the
1400 duly authorized agents of such trustees, in the
1401 performance of their respective duties under the
1402 governing instrument of the statutory trust, and
1403 for any damages to persons or property resulting
1404 from the negligence of such trustees or agents
1405 acting in the performance of such respective
1406 duties. The property of a statutory trust shall be
1407 subject to attachment and execution as if it were

1408 a domestic corporation. Notwithstanding the
1409 foregoing provisions of this section, in the event
1410 that the governing instrument of a statutory
1411 trust, including a statutory trust which is a
1412 registered investment company under the Investment
1413 Company Act of 1940, as amended, 15 USC Sections
1414 80a-1 et seq., creates one or more series as
1415 provided in subdivision (2) of subsection (b) of
1416 section 34-517, and (1) separate and distinct
1417 records are maintained for any such series and the
1418 assets associated with any such series are held
1419 and accounted for separately from the assets of
1420 the statutory trust, or any other series thereof,
1421 (2) the governing instrument so provides, and (3)
1422 notice of the limitation on liabilities of series
1423 as referenced in this sentence is set forth in the
1424 certificate of trust of the statutory trust, then
1425 the debts, liabilities, obligations and expenses
1426 incurred, contracted for or otherwise existing
1427 with respect to a particular series shall be
1428 enforceable against the assets of such series only
1429 and not against the assets of the statutory trust
1430 generally.]

1431 [(b)] (a) A trustee of a statutory trust may
1432 be served with process in all civil actions or
1433 proceedings brought in this state involving or
1434 relating to the activities of the statutory trust
1435 or a violation by a trustee of a duty to the
1436 statutory trust or to any beneficial owner,
1437 whether or not the trustee is a trustee at the
1438 time suit is commenced. Every resident or
1439 nonresident of this state who accepts election or
1440 appointment or serves as a trustee of a statutory
1441 trust shall, by such acceptance or service, be
1442 deemed thereby to have consented to the
1443 appointment of the statutory agent of such
1444 statutory trust required by section 34-507, AS
1445 AMENDED, or, if there is none, the Secretary of
1446 the State, as such person's agent upon whom
1447 service of process may be made, as provided in
1448 this section. Such acceptance or service shall
1449 signal the consent of such trustee that any
1450 process when so served shall be of the same legal
1451 force and validity as if served upon such trustee
1452 within this state and such appointment of such
1453 statutory agent or, if there is none, the
1454 Secretary of the State, shall be irrevocable. NO
1455 TRUSTEE OF A STATUTORY TRUST SHALL BE REQUIRED TO

1456 BE A RESIDENT OF, OR HAVE A PRINCIPAL PLACE OF
1457 BUSINESS IN, THIS STATE.

1458 [(c)] (b) Any process, notice or demand in
1459 connection with any action or proceeding required
1460 or permitted by law to be served upon a statutory
1461 trust may be served upon the statutory trust's
1462 statutory agent for service by any proper officer
1463 or other person lawfully empowered to make
1464 service.

1465 [(d)] (c) If it appears from the records of
1466 the Secretary of the State that a statutory trust
1467 has failed to appoint or maintain a statutory
1468 agent for service, or if it appears by affidavit
1469 endorsed on the return of the officer or other
1470 proper person directed to serve any process,
1471 notice or demand upon such statutory trust's
1472 statutory agent for service appearing on the
1473 records of the Secretary of the State that such
1474 agent cannot, with reasonable diligence, be found
1475 at the address shown on such records as the
1476 agent's address, service of such process, notice
1477 or demand on such statutory trust may, when timely
1478 made, be made by such officer or other proper
1479 person by: (1) Leaving a true and attested copy
1480 thereof together with the required fee at the
1481 office of the Secretary of the State or depositing
1482 the same in the United States mails, by registered
1483 or certified mail, postage prepaid, addressed to
1484 such office; and (2) depositing in the United
1485 States mails, by registered or certified mail,
1486 postage prepaid, a true and attested copy thereof,
1487 together with a statement by such officer that
1488 service is being made pursuant to this section,
1489 addressed to such statutory trust at its principal
1490 office.

1491 [(e)] (d) The Secretary of the State shall
1492 file the copy of each process, notice or demand
1493 received by him as provided in subsection [(d)]
1494 (c) of this section and keep a record of the day
1495 and hour of such receipt. Service made as provided
1496 in this section shall be effective as of such day
1497 and hour.

1498 [(f)] (e) In the governing instrument of the
1499 statutory trust or other writing, a trustee may
1500 consent to be subject to the nonexclusive
1501 jurisdiction of the courts of, or arbitration in,
1502 a specified jurisdiction, or the exclusive
1503 jurisdiction of the courts of, or the exclusivity

1504 of arbitration in, this state, and to be served
1505 with legal process in the manner prescribed in
1506 such governing instrument of the statutory trust
1507 or other writing.

1508 [(g)] (f) Nothing contained in this section
1509 shall limit or affect the right to serve any
1510 process, notice or demand required or permitted by
1511 law to be served upon a statutory trust in any
1512 other manner permitted by law on or after October
1513 1, 1997. This section is an extension of, and not
1514 a limitation upon, the right otherwise existing of
1515 service of legal process upon nonresidents.

1516 [(h)] (g) The Superior Court may make all
1517 necessary rules respecting the form of process,
1518 the manner of issuance and return thereof and such
1519 other rules which may be necessary to implement
1520 this section and are not inconsistent with this
1521 section.

1522 [(i)] (h) A general or limited partnership,
1523 corporation or other nonnatural person formed or
1524 organized under the laws of any foreign country or
1525 other foreign jurisdiction or the laws of the
1526 United States or any state other than the state of
1527 Connecticut shall not be deemed to be doing
1528 business in this state solely by reason of its
1529 being a trustee of a statutory trust.

1530 Sec. 36. (NEW) A statutory trust shall have
1531 the power to sue and be sued in its own name. In
1532 furtherance of the foregoing, a statutory trust
1533 may be sued for debts and other obligations or
1534 liabilities contracted or incurred by the
1535 trustees, or by the duly authorized agents of such
1536 trustees, in the performance of their respective
1537 duties under the governing instrument of the
1538 statutory trust, and for any damages to persons or
1539 property resulting from the negligence of such
1540 trustees or agents acting in the performance of
1541 such respective duties. The property of a
1542 statutory trust shall be subject to attachment and
1543 execution as if it were a domestic corporation.
1544 Notwithstanding the foregoing provisions of this
1545 section, in the event that the governing
1546 instrument of a statutory trust, including a
1547 statutory trust which is a registered investment
1548 company under the Investment Company Act of 1940,
1549 as amended, 15 USC Sections 80a-1 et seq., creates
1550 one or more series as provided in subdivision (2)
1551 of subsection (b) of section 34-517 of the general

1552 statutes, and (1) separate and distinct records
1553 are maintained for any such series and the assets
1554 associated with any such series are held and
1555 accounted for separately from the assets of the
1556 statutory trust, or any other series thereof, (2)
1557 the governing instrument so provides, and (3)
1558 notice of the limitation on liabilities of series
1559 as referenced in this sentence is set forth in the
1560 certificate of trust of the statutory trust, then
1561 the debts, liabilities, obligations and expenses
1562 incurred, contracted for or otherwise existing
1563 with respect to a particular series shall be
1564 enforceable against the assets of such series only
1565 and not against the assets of the statutory trust
1566 generally.

1567 Sec. 37. This act shall take effect July 1,
1568 1998.

1569 STATEMENT OF LEGISLATIVE COMMISSIONERS: In
1570 subsections (b), (d) and (h) of section 6,
1571 "ELECTRONIC TRANSMISSION OF THE APPOINTMENT" was
1572 substituted for "ELECTRONIC TRANSMISSION" for
1573 clarity and consistency, and in the prefatory
1574 language to section 24, "section 34-430, as
1575 amended by section 4 of public act 97-228," was
1576 substituted for "section 34-81k" for accuracy of
1577 reference.

1578 JUD COMMITTEE VOTE: YEA 39 NAY 0 JFS-LCO

* * * * *

"THE FOLLOWING FISCAL IMPACT STATEMENT AND BILL ANALYSIS ARE PREPARED FOR THE BENEFIT OF MEMBERS OF THE GENERAL ASSEMBLY, SOLELY FOR PURPOSES OF INFORMATION, SUMMARIZATION AND EXPLANATION AND DO NOT REPRESENT THE INTENT OF THE GENERAL ASSEMBLY OR EITHER HOUSE THEREOF FOR ANY PURPOSE."

* * * * *

FISCAL IMPACT STATEMENT - BILL NUMBER SHB 5694

STATE IMPACT	Revenue Gain/Loss, see explanation below
MUNICIPAL IMPACT	None
STATE AGENCY(S)	Secretary of the State

EXPLANATION OF ESTIMATES:

STATE IMPACT: Since the fee for incorporating as a partnership or limited liability corporation are the same, allowing certain professionals to form limited liability corporations, is not expected to have an impact on the revenue collected by the Secretary of the State. As of January, 1998, 406 corporations of this type were registered with the Department of Consumer Protection. If they all incorporated as a LLC the corporation tax revenue loss is expected to be between \$100,000 and \$1,000,000.

Requiring that stock and nonstock corporations file interim notices of changes of directors or officers could result in a minimal revenue gain.

In addition, establishing filing fees for nonprofit corporations is expected to result in a revenue gain. The exact extent of the revenue gain cannot be determined at this time.

* * * * *

OLR BILL ANALYSIS

sHB 5694

AN ACT CONCERNING CORPORATIONS AND OTHER BUSINESS ORGANIZATIONS

SUMMARY: This bill makes numerous changes to laws dealing with corporations, limited liability companies, and statutory trusts.

It establishes rules for how a shareholder's meeting must be conducted, including voting rules allowing corporations that are not publicly traded to make it easier or harder to call special meetings. It requires publicly traded corporations to appoint inspectors for shareholders' meetings to deal with voting issues. The bill makes several changes relating to the appointment of a proxy, including allowing it to be done by electronic transmission. It establishes certain rules for shareholder actions without a meeting through consents to action. It requires corporations to file with the secretary of the state an interim notice of changes of their directors or officers. The bill permits a limited liability company (LLC) to act as a registered agent for service of process for a stock or nonstock corporation and specifies how process may be served on an LLC's agent.

The bill authorizes professional engineers or land surveyors to form an LLC to the same extent and under the same conditions that they may form a corporation. It authorizes the joint practice of architects, professional engineers, and land surveyors through an LLC to the same extent and under the same conditions that they may do so through a corporation. The bill eliminates the 90-day grace period from the penalty that applies to foreign corporations, limited partnerships, limited liability partnerships, LLCs, and statutory trusts that operate in Connecticut without registering with the secretary of the state within 90 days after they start operating here.

The bill also makes numerous changes to the corporation laws relating to fees for filing certain nonstock corporation documents with the secretary of the state and the duty of corporations to report the residence address of their officials. Also, the bill makes

several technical changes concerning sending notices and other communications by e-mail and other forms of electronic communications.

Finally, the bill removes from the list of acceptable trust designations "ST" or "S.T."

EFFECTIVE DATE: July 1, 1998

FURTHER EXPLANATION

Calling Shareholders Meetings

The bill allows stock corporations that are not publicly traded to make it easier or more difficult for shareholders to call for a special meeting. Currently such corporations must call a special meeting if the holders of at least 10% of the votes call for it. The bill eliminates the 10% requirement and instead allows a corporation's certificate of incorporation to fix any percentage up to 25%.

Conduct of Shareholders Meetings

The bill requires a chairperson to preside at each shareholders' meeting. The board of directors appoints the chairperson unless a different method is established in the corporation's bylaws. Unless the certificate of incorporation or by laws provide otherwise, the chairperson determines the order of business and has the authority to establish rules to conduct the meeting. The bill requires rules of conduct adopted for the meeting, as well as the conduct of the meeting itself, to be fair to shareholders. He must announce at the meeting when the polls close for each matter voted upon. If no announcement is made, the polls are deemed to have closed when the meeting is adjourned. After the polls close, no ballots, proxies, or votes, or any changes to them, may be accepted.

The bill requires publicly traded corporations to appoint one or more inspectors to act at a shareholders' meeting. Their duties include counting the votes and determining the number of shares outstanding and the voting power of each, the shares represented at a meeting, the validity of proxies and ballots, and the voting results. Inspectors must take and sign an oath faithfully to execute their duties

with strict impartiality and to the best of their ability. Inspectors may be officers or employees of the corporation.

This duty to appoint inspectors applies only to corporations with shares listed on a national securities exchange or regularly traded in a market maintained by one or more members of a national association. The bill authorizes, but does not require, all other corporations to appoint inspectors.

Appointment of a Proxy

The bill allows a shareholder, his agent, or attorney in fact to appoint a proxy by an electronic transmission which contains or is accompanied by information from which one can determine that the shareholder, agent, or attorney-in-fact authorized the transmission. The bill defines "electronic transmission" as any communication process not directly involving the physical transfer of paper that is suitable for the retention, retrieval, and reproduction of information by the recipient.

The bill requires that, in order to be accepted, a proxy appointment form or electronic transmission be signed. The bill defines "sign" or "signature" as any manual, facsimile, conformed, or electronic signature. It eliminates the requirement that a statement indicating a proxy is irrevocable be conspicuous in order for that statement to be effective.

Shareholders Actions Without a Meeting

Under current law, any corporate action that may be taken at a shareholders' meeting may be taken without a meeting if the shareholders consent. The bill requires that each consent contain the date it was signed. Under the bill, no written consent is effective to authorize the corporate action it refers to unless the corporation receives, within 60 days of the earliest date appearing on a consent delivered to it, written consents signed by enough shareholders to take corporate action. A written consent can be revoked by a writing to that effect received by the corporation before it receives enough unrevoked written consents to take the action.

Interim Notices of Changes Directors or Officers

The bill requires a stock or nonstock corporation to file interim notices of changes of directors or officers with the secretary of the state if these changes occur more than 30 days before the month during which its next annual report becomes due. The fee for filing such notice is \$10. The notice must include (1) the corporation's name; (2) the name, title, and business and residence address of any new director or officer; and (3) the name and title of any director or officer who no longer holds office.

If good cause is shown, the secretary of the state may accept business addresses only, instead of both business and residential addresses. Under the bill, good cause includes, but is not limited to, a showing that public disclosure of the residences may expose their personal security to significant risk.

Any change of officers or directors occurring within the 30-day period must be reflected on the corporation's next annual report.

Practice of Engineering or Land Surveying by LLCs

The bill allows the practice of professional engineering by licensed engineers or the practice of land surveying by licensed land surveyors through an LLC if (1) a material part of the business includes engineering or surveying, (2) those who work on its behalf are licensed engineers or land surveyors or exempt from licensure, and (3) the LLC has been issued a certificate of registration by the Board of Examiners for Professional Engineers and Land Surveyors.

The engineers and surveyors are not relieved of responsibility for the engineering or land surveying services they perform. All final documents they prepare must have their signature and seal.

An LLC desiring registration must file an application with the board and a \$450 application fee. The registration expires annually and is renewable upon payment of a \$300 fee. The LLC must file with the board a designation of an individual or individuals licensed to practice who are in charge of engineering or land surveying. The LLC must notify the board of any change

within 30 days after it becomes effective.

Joint Architects, Engineers, and Land Surveyors LLC

The bill authorizes licensed architects, professional engineers, or land surveyors to form an LLC for the joint practice of these services if: (1) people with such licenses together own at least two-thirds of the LLC's voting interests, (2) members of each profession forming the LLC together own at least 20% of its voting interests, (3) the personnel in charge of the practice of each discipline is licensed to do so, and (4) the LLC has been issued a joint certificate of registration by the Department of Consumer Protection. The LLC must, upon request by the licensing board, provide information concerning its officers, members, beneficial owners, and all other aspects of its business organization.

The LLC must apply to both licensing boards (architects and engineers and land surveyors) accompanied by a fee of \$450. The registration is annually renewable for a \$300 fee.

No architect, engineer, or land surveyor is relieved of responsibility for services he performed because of his relationship with the LLC.

Monthly Penalty for Unrequested Foreign Business

Under current law, foreign (out-of-state) businesses that operate in Connecticut without registering with the secretary of the state are exempt from the \$165 penalty for operating without registering for the first three months they operate without registration. The bill instead exempts them from the monthly penalty only if they register within 90 days after they start transacting business here. Foreign businesses include corporations, limited liability partnerships, LLCs, and statutory trusts.

Nonprofit Corporation - Filing Fees

The bill authorizes the secretary of the state to charge and collect the following fees for filing documents for and issuing certificates to nonprofit corporations:

Application to reserve, register, renew, or cancel corporate name registration	\$30
Transfer of reserved corporate name	\$30
Certificate of revocation of dissolution	\$10
Interim notice of change of directors or officers	\$10

Service of Process on an LLC

The bill specifies that process may be served on an LLC's agent for service of process by either leaving a copy with the agent, or if the agent is a person, by leaving it at the usual place he resides in Connecticut.

Foreign Corporations - Residence Addresses

By law, the secretary of the state may allow a stock or nonstock foreign corporation to apply for a certificate of authority to transact business in Connecticut without providing the residence addresses of its directors and officers if good cause is shown. The bill specifies that good cause includes, but is not limited to, a showing that public disclosure of these residence addresses might expose their personal security to a significant risk.

COMMITTEE ACTION

Judiciary Committee

Joint Favorable Report
Yea 39 Nay 0