



Rep. Barbara Flynn Currie

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1 AMENDMENT TO SENATE BILL 1098

2 AMENDMENT NO. _____. Amend Senate Bill 1098 on page 1 by
3 replacing line 5 with the following:

4 "by changing Sections 8.65, 12.40, 12.45, and 12.80 as follows:

5 (805 ILCS 5/8.65) (from Ch. 32, par. 8.65)

6 Sec. 8.65. Liability of directors in certain cases.

7 (a) In addition to any other liabilities imposed by law
8 upon directors of a corporation, they are liable as follows:

9 (1) The directors of a corporation who vote for or
10 assent to any distribution prohibited by Section 9.10 of
11 this Act shall be jointly and severally liable to the
12 corporation for the amount of such distribution.

13 (2) If a dissolved corporation shall proceed to bar any
14 known claims against it under Section 12.75, the directors
15 of such corporation who fail to take reasonable steps to
16 cause the notice required by Section 12.75 of this Act to

1 be given to any known creditor of such corporation shall be
2 jointly and severally liable to such creditor for all loss
3 and damage occasioned thereby.

4 (3) Unless dissolution is subsequently revoked
5 pursuant to Section 12.25 of this Act, the ~~The~~ directors of
6 a corporation that carries on its business after the filing
7 by the Secretary of State of articles of dissolution with
8 respect to a voluntary dissolution authorized as provided
9 by this Act, otherwise than ~~so far as may be~~ necessary or
10 appropriate to wind up and liquidate its business and
11 affairs ~~for the winding up thereof,~~ shall be jointly and
12 severally liable to the creditors of such corporation for
13 all debts and liabilities of the corporation incurred in so
14 carrying on its business. Directors of a corporation that
15 carries on its business during a period of administrative
16 dissolution shall not be liable under this paragraph (a) (3)
17 if the Secretary of State subsequently files an application
18 for reinstatement under subsection (c) of Section 12.45,
19 which reinstatement shall have the effect described in
20 subsection (d) of Section 12.45.

21 (b) A director of a corporation who is present at a meeting
22 of its board of directors at which action on any corporate
23 matter is taken is conclusively presumed to have assented to
24 the action taken unless his or her dissent is entered in the
25 minutes of the meeting or unless he or she files his or her
26 written dissent to such action with the person acting as the

1 secretary of the meeting before the adjournment thereof or
2 forwards such dissent by registered or certified mail to the
3 secretary of the corporation immediately after the adjournment
4 of the meeting. Such right to dissent does not apply to a
5 director who voted in favor of such action.

6 (c) A director shall not be liable for a distribution of
7 assets to the shareholders of a corporation in excess of the
8 amount authorized by Section 9.10 of this Act if he or she
9 relied and acted in good faith upon a balance sheet and profit
10 and loss statement of the corporation represented to him or her
11 to be correct by the president or the officer of such
12 corporation having charge of its books of account, or certified
13 by an independent public or certified public accountant or firm
14 of such accountants to fairly reflect the financial condition
15 of such corporation, nor shall he or she be so liable if in
16 good faith in determining the amount available for any such
17 dividend or distribution he or she considered the assets to be
18 of their book value.

19 (d) Any director against whom a claim is asserted under
20 this Section and who is held liable thereon, is entitled to
21 contribution from the other directors who are likewise liable
22 thereon.

23 Any director against whom a claim is asserted for the
24 improper distribution of assets of a corporation and who is
25 held liable thereon, is entitled to contribution from the
26 shareholders who knowingly accepted or received any such

1 distribution in proportion to the amounts received by them
2 respectively.

3 (Source: P.A. 84-924.)

4 (805 ILCS 5/12.40) (from Ch. 32, par. 12.40)

5 Sec. 12.40. Procedure for administrative dissolution.

6 (a) After the Secretary of State determines that one or
7 more grounds exist under Section 12.35 for the administrative
8 dissolution of a corporation, he or she shall send by regular
9 mail to each delinquent corporation a Notice of Delinquency to
10 its registered office, or, if the corporation has failed to
11 maintain a registered office, then to the president or other
12 principal officer at the last known office of said officer.

13 (b) If the corporation does not correct the default
14 described in paragraphs (a) through (e) of Section 12.35 within
15 90 days following such notice, the Secretary of State shall
16 thereupon dissolve the corporation by issuing a certificate of
17 dissolution that recites the ground or grounds for dissolution
18 and its effective date. If the corporation does not correct the
19 default described in paragraphs (f) through (h) of Section
20 12.35, within 30 days following such notice, the Secretary of
21 State shall thereupon dissolve the corporation by issuing a
22 certificate of dissolution as herein prescribed. The Secretary
23 of State shall file the original of the certificate in his or
24 her office and mail one copy to the corporation at its
25 registered office or, if the corporation has failed to maintain

1 a registered office, then to the president or other principal
2 officer at the last known office of said officer.

3 (c) The administrative dissolution of a corporation
4 terminates its corporate existence and such a dissolved
5 corporation shall not thereafter carry on any business,
6 provided however, that such a dissolved corporation may take
7 all action authorized under Section 12.75 or as otherwise
8 necessary or appropriate to wind up and liquidate its business
9 and affairs under Section 12.30.

10 (Source: P.A. 96-1121, eff. 1-1-11.)

11 (805 ILCS 5/12.45) (from Ch. 32, par. 12.45)

12 Sec. 12.45. Reinstatement following administrative
13 dissolution.

14 (a) A domestic corporation administratively dissolved
15 under Section 12.40 may be reinstated by the Secretary of State
16 following the date of issuance of the certificate of
17 dissolution upon:

18 (1) The filing of an application for reinstatement.

19 (2) The filing with the Secretary of State by the
20 corporation of all reports then due and theretofore
21 becoming due.

22 (3) The payment to the Secretary of State by the
23 corporation of all fees, franchise taxes, and penalties
24 then due and theretofore becoming due.

25 (b) The application for reinstatement shall be executed and

1 filed in duplicate in accordance with Section 1.10 of this Act
2 and shall set forth:

3 (1) The name of the corporation at the time of the
4 issuance of the certificate of dissolution.

5 (2) If such name is not available for use as determined
6 by the Secretary of State at the time of filing the
7 application for reinstatement, the name of the corporation
8 as changed, provided however, and any change of name is
9 properly effected pursuant to Section 10.05 and Section
10 10.30 of this Act.

11 (3) The date of the issuance of the certificate of
12 dissolution.

13 (4) The address, including street and number, or rural
14 route number of the registered office of the corporation
15 upon reinstatement thereof, and the name of its registered
16 agent at such address upon the reinstatement of the
17 corporation, provided however, that any change from either
18 the registered office or the registered agent at the time
19 of dissolution is properly reported pursuant to Section
20 5.10 of this Act.

21 (c) When a dissolved corporation has complied with the
22 provisions of this Section the Secretary of State shall file
23 the application for reinstatement.

24 (d) Upon the filing of the application for reinstatement,
25 the corporate existence for all purposes shall be deemed to
26 have continued without interruption from the date of the

1 issuance of the certificate of dissolution, and the corporation
2 shall stand revived with such powers, duties and obligations as
3 if it had not been dissolved; and all acts and proceedings of
4 its ~~officers, directors and~~ shareholders, directors, officers,
5 employees, and agents, acting or purporting to act in that
6 capacity as such, and which would have been legal and valid but
7 for such dissolution, shall stand ratified and confirmed.

8 (e) Without limiting the generality of subsection (d), upon
9 the filing of the application for reinstatement, no
10 shareholder, director, or officer shall be personally liable,
11 under Section 8.65 of this Act or otherwise, for the debts and
12 liabilities of the corporation incurred during the period of
13 administrative dissolution by reason of the fact that the
14 corporation was administratively dissolved at the time the
15 debts or liabilities were incurred.

16 (Source: P.A. 96-328, eff. 8-11-09.)"; and

17 on page 2 by inserting immediately below line 1 the following:

18 "Section 10. The General Not For Profit Corporation Act of
19 1986 is amended by changing Sections 108.65, 112.40, and 112.45
20 as follows:

21 (805 ILCS 105/108.65) (from Ch. 32, par. 108.65)

22 Sec. 108.65. Liability of directors in certain cases.

23 (a) In addition to any other liabilities imposed by law

1 upon directors of a corporation, they are liable as follows:

2 (1) The directors of a corporation who vote for or
3 assent to any distribution not authorized by Section 109.10
4 or Article 12 of this Act shall be jointly and severally
5 liable to the corporation for the amount of such
6 distribution.

7 (2) If a dissolved corporation shall proceed to bar any
8 known claims against it under Section 112.75 of this Act,
9 the directors of such corporation who fail to take
10 reasonable steps to cause the notice required by Section
11 112.75 of this Act to be given to any known creditor of
12 such corporation shall be jointly and severally liable to
13 such creditor for all loss and damage occasioned thereby.

14 (3) Unless dissolution is subsequently revoked
15 pursuant to Section 112.25 of this Act, the ~~The~~ directors
16 of a corporation that conducts its affairs after the filing
17 by the Secretary of State of articles of dissolution with
18 respect to a voluntary dissolution authorized as provided
19 by this Act, otherwise than ~~so far as may be~~ necessary or
20 appropriate to wind up and liquidate its affairs ~~for the~~
21 ~~winding up thereof,~~ shall be jointly and severally liable
22 to the creditors of such corporation for all debts and
23 liabilities of the corporation incurred in so conducting
24 its affairs. Directors of a corporation that conducts its
25 affairs during a period of administrative dissolution
26 shall not be liable under this paragraph (a)(3) if the

1 Secretary of State subsequently files an application for
2 reinstatement under subsection (c) of Section 112.45,
3 which reinstatement shall have the effect described in
4 subsection (d) of Section 112.45.

5 (b) A director of a corporation who is present at a meeting
6 of its board of directors at which action on any corporate
7 matter is taken is conclusively presumed to have assented to
8 the action taken unless his or her dissent or abstention is
9 entered in the minutes of the meeting or unless he or she files
10 his or her written dissent or abstention to such action with
11 the person acting as the secretary of the meeting before the
12 adjournment thereof or forwards such dissent or abstention by
13 registered or certified mail to the secretary of the
14 corporation immediately after the adjournment of the meeting.
15 Such right to dissent or abstain does not apply to a director
16 who voted in favor of such action.

17 (c) A director shall not be liable for a distribution of
18 assets to any person in excess of the amount authorized by
19 Section 109.10 or Article 12 of this Act if he or she relied
20 and acted in good faith upon a balance sheet and profit and
21 loss statement of the corporation represented to him or her to
22 be correct by the president or the officer of such corporation
23 having charge of its books of account, or certified by an
24 independent public or certified public accountant or firm of
25 such accountants to fairly reflect the financial condition of
26 such corporation, nor shall he or she be so liable if in good

1 faith in determining the amount available for any such
2 distribution he or she considered the assets to be of their
3 book value.

4 (d) Any director against whom a claim is asserted under
5 this Section and who is held liable thereon, is entitled to
6 contribution from the other directors who are likewise liable
7 thereon. Any director against whom a claim is asserted for the
8 improper distribution of assets of a corporation, and who is
9 held liable thereon, is entitled to contribution from the
10 persons who knowingly accepted or received any such
11 distribution in proportion to the amounts received by them
12 respectively.

13 (Source: P.A. 84-1423.)

14 (805 ILCS 105/112.40) (from Ch. 32, par. 112.40)

15 Sec. 112.40. Procedure for administrative dissolution.

16 (a) After the Secretary of State determines that one or
17 more grounds exist under Section 112.35 of this Act for the
18 administrative dissolution of a corporation, he or she shall
19 send by regular mail to each delinquent corporation a Notice of
20 Delinquency to its registered office, or, if the corporation
21 has failed to maintain a registered office, then to the
22 president or other principal officer at the last known office
23 of said officer.

24 (b) If the corporation does not correct the default within
25 90 days following such notice, the Secretary of State shall

1 thereupon dissolve the corporation by issuing a certificate of
2 dissolution that recites the ground or grounds for dissolution
3 and its effective date. The Secretary of State shall file the
4 original of the certificate in his or her office and mail one
5 copy to the corporation at its registered office or, if the
6 corporation has failed to maintain a registered office, then to
7 the president or other principal officer at the last known
8 office of said officer.

9 (c) The administrative dissolution of a corporation
10 terminates its corporate existence and such a dissolved
11 corporation shall not thereafter carry on any affairs, provided
12 however, that such a dissolved corporation may take all action
13 authorized under Section 112.75 of this Act or as otherwise
14 necessary or appropriate to wind up and liquidate its affairs
15 under Section 112.30 of this Act.

16 (Source: P.A. 96-1121, eff. 1-1-11.)

17 (805 ILCS 105/112.45) (from Ch. 32, par. 112.45)

18 Sec. 112.45. Reinstatement following administrative
19 dissolution.

20 (a) A domestic corporation administratively dissolved
21 under Section 112.40 of this Act may be reinstated by the
22 Secretary of State following the date of issuance of the
23 certificate of dissolution upon:

24 (1) The filing of an application for reinstatement;

25 (2) The filing with the Secretary of State by the

1 corporation of all reports then due and theretofore
2 becoming due;

3 (3) The payment to the Secretary of State by the
4 corporation of all fees and penalties then due and
5 theretofore becoming due.

6 (b) The application for reinstatement shall be executed and
7 filed in duplicate in accordance with Section 101.10 of this
8 Act and shall set forth:

9 (1) The name of the corporation at the time of the
10 issuance of the certificate of dissolution;

11 (2) If such name is not available for use as determined
12 by the Secretary of State at the time of filing the
13 application for reinstatement, the name of the corporation
14 as changed; provided, however, that any change of name is
15 properly effected pursuant to Section 110.05 and Section
16 110.30 of this Act;

17 (3) The date of the issuance of the certificate of
18 dissolution;

19 (4) The address, including street and number, or rural
20 route number, of the registered office of the corporation
21 upon reinstatement thereof, and the name of its registered
22 agent at such address upon the reinstatement of the
23 corporation, provided however, that any change from either
24 the registered office or the registered agent at the time
25 of dissolution is properly reported pursuant to Section
26 105.10 of this Act.

1 (c) When a dissolved corporation has complied with the
2 provisions of this Section, the Secretary of State shall file
3 the application for reinstatement.

4 (d) Upon the filing of the application for reinstatement,
5 the corporate existence for all purposes shall be deemed to
6 have continued without interruption from the date of the
7 issuance of the certificate of dissolution, and the corporation
8 shall stand revived with such powers, duties and obligations as
9 if it had not been dissolved; and all acts and proceedings of
10 its shareholders, members, officers, employees, and agents
11 ~~officers, directors and members~~, acting or purporting to act in
12 that capacity as such, and which would have been legal and
13 valid but for such dissolution, shall stand ratified and
14 confirmed.

15 (e) Without limiting the generality of subsection (d), upon
16 filing of the application for reinstatement, no shareholder,
17 director, or officer shall be personally liable, under Section
18 108.65 of this Act or otherwise, for the debts and liabilities
19 of the corporation incurred during the period of administrative
20 dissolution by reason of the fact that the corporation was
21 administratively dissolved at the time the debts or liabilities
22 were incurred.

23 (Source: P.A. 94-605, eff. 1-1-06.)

24 Section 15. The Limited Liability Company Act is amended by
25 changing Sections 35-30 and 35-40 as follows:

1 (805 ILCS 180/35-30)

2 Sec. 35-30. Procedure for administrative dissolution.

3 (a) After the Secretary of State determines that one or
4 more grounds exist under Section 35-25 for the administrative
5 dissolution of a limited liability company, the Secretary of
6 State shall send a notice of delinquency by regular mail to
7 each delinquent limited liability company at its registered
8 office or, if the limited liability company has failed to
9 maintain a registered office, then to the last known address
10 shown on the records of the Secretary of State for the
11 principal place of business of the limited liability company.

12 (b) If the limited liability company does not correct the
13 default described in paragraphs (1) or (2) of Section 35-25
14 within 120 days following the date of the notice of
15 delinquency, the Secretary of State shall thereupon dissolve
16 the limited liability company by issuing a certificate of
17 dissolution that recites the grounds for dissolution and its
18 effective date. If the limited liability company does not
19 correct the default described in paragraphs (2.5), (3), (4), or
20 (5) of Section 35-25 within 60 days following the notice, the
21 Secretary of State shall dissolve the limited liability company
22 by issuing a certificate of dissolution that recites the
23 grounds for dissolution and its effective date. The Secretary
24 of State shall file the original of the certificate in his or
25 her office and mail one copy to the limited liability company

1 at its registered office or, if the limited liability company
2 has failed to maintain a registered office, then to the last
3 known address shown on the records of the Secretary of State
4 for the principal place of business of the limited liability
5 company.

6 (c) Upon the administrative dissolution of a limited
7 liability company, a dissolved limited liability company shall
8 continue for only the purpose of winding up its business. A
9 dissolved limited liability company may take all action
10 authorized under Section 1-30 or otherwise necessary or
11 appropriate to wind up its business and affairs and terminate.

12 (Source: P.A. 98-171, eff. 8-5-13.)

13 (805 ILCS 180/35-40)

14 Sec. 35-40. Reinstatement following administrative
15 dissolution.

16 (a) A limited liability company administratively dissolved
17 under Section 35-25 may be reinstated by the Secretary of State
18 following the date of issuance of the notice of dissolution
19 upon:

20 (1) The filing of an application for reinstatement.

21 (2) The filing with the Secretary of State by the
22 limited liability company of all reports then due and
23 theretofore becoming due.

24 (3) The payment to the Secretary of State by the
25 limited liability company of all fees and penalties then

1 due and theretofore becoming due.

2 (b) The application for reinstatement shall be executed and
3 filed in duplicate in accordance with Section 5-45 of this Act
4 and shall set forth all of the following:

5 (1) The name of the limited liability company at the
6 time of the issuance of the notice of dissolution.

7 (2) If the name is not available for use as determined
8 by the Secretary of State at the time of filing the
9 application for reinstatement, the name of the limited
10 liability company as changed, provided that any change of
11 name is properly effected under Section 1-10 and Section
12 5.25 of this Act.

13 (3) The date of issuance of the notice of dissolution.

14 (4) The address, including street and number or rural
15 route number of the registered office of the limited
16 liability company upon reinstatement thereof and the name
17 of its registered agent at that address upon the
18 reinstatement of the limited liability company, provided
19 that any change from either the registered office or the
20 registered agent at the time of dissolution is properly
21 reported under Section 1-35 of this Act.

22 (c) When a dissolved limited liability company has complied
23 with the provisions of the Section, the Secretary of State
24 shall file the application for reinstatement.

25 (d) Upon the filing of the application for reinstatement,
26 the limited liability company existence shall be deemed to have

1 continued without interruption from the date of the issuance of
2 the notice of dissolution, and the limited liability company
3 shall stand revived with the powers, duties, and obligations as
4 if it had not been dissolved; and all acts and proceedings of
5 its members, ~~or~~ managers, officers, employees, and agents,
6 acting or purporting to act in that capacity, and which ~~that~~
7 would have been legal and valid but for the dissolution, shall
8 stand ratified and confirmed.

9 (e) Without limiting the generality of subsection (d), upon
10 the filing of the application for reinstatement, no member,
11 manager, or officer shall be personally liable for the debts
12 and liabilities of the limited liability company incurred
13 during the period of administrative dissolution by reason of
14 the fact that the limited liability company was
15 administratively dissolved at the time the debts or liabilities
16 were incurred.

17 (Source: P.A. 94-605, eff. 1-1-06.)

18 Section 20. The Uniform Limited Partnership Act (2001) is
19 amended by changing Sections 809 and 810 as follows:

20 (805 ILCS 215/809)

21 Sec. 809. Administrative dissolution.

22 (a) The Secretary of State may dissolve a limited
23 partnership administratively if the limited partnership does
24 not, within 60 days after the due date:

1 (1) pay any fee, tax, or penalty due to the Secretary
2 of State under this Act or other law;

3 (2) file its annual report with the Secretary of State;
4 or

5 (3) appoint and maintain an agent for service of
6 process in Illinois after a registered agent's notice of
7 resignation under Section 116.

8 (b) If the Secretary of State determines that a ground
9 exists for administratively dissolving a limited partnership,
10 the Secretary of State shall file a record of the determination
11 and send a copy of the filed record to the limited
12 partnership's agent for service of process in this State, or if
13 the limited partnership does not appoint and maintain a proper
14 agent, to the limited partnership's designated office.

15 (c) If within 60 days after service of the copy of the
16 record of determination the limited partnership does not
17 correct each ground for dissolution or demonstrate to the
18 reasonable satisfaction of the Secretary of State that each
19 ground determined by the Secretary of State does not exist, the
20 Secretary of State shall administratively dissolve the limited
21 partnership by preparing, signing, and filing a declaration of
22 dissolution that states the grounds for dissolution. The
23 Secretary of State shall send a copy to the limited
24 partnership's agent for service of process in this State, or if
25 the limited partnership does not appoint and maintain a proper
26 agent, to the limited partnership's designated office.

1 (d) A limited partnership administratively dissolved
2 continues its existence but may carry on only activities
3 necessary or appropriate to wind up its activities ~~and~~
4 ~~liquidate its assets~~ under Sections 803 and 812 and to notify
5 claimants under Sections 806 and 807.

6 (e) The administrative dissolution of a limited
7 partnership does not terminate the authority of its agent for
8 service of process.

9 (Source: P.A. 97-839, eff. 7-20-12.)

10 (805 ILCS 215/810)

11 Sec. 810. Reinstatement following administrative
12 dissolution.

13 (a) A limited partnership that has been administratively
14 dissolved under Section 809 may be reinstated by the Secretary
15 of State following the date of dissolution upon:

16 (1) the filing of an application for reinstatement;

17 (2) the filing with the Secretary of State of all
18 reports then due and becoming due; and

19 (3) the payment to the Secretary of State of all fees
20 and penalties then due and becoming due.

21 (b) The application for reinstatement shall be executed and
22 filed in duplicate in accordance with Section 204 and shall set
23 forth all of the following:

24 (1) the name of the limited partnership at the time of
25 dissolution;

1 (2) the date of dissolution;

2 (3) the agent for service of process and the address of
3 the agent for service of process; provided that any change
4 to either the agent for service of process or the address
5 of the agent for service of process is properly reported
6 under Section 115.

7 (c) When a limited partnership that has been
8 administratively dissolved has complied with the provisions of
9 this Section, the Secretary of State shall file the application
10 for reinstatement.

11 (d) Upon filing of the application for reinstatement, ~~and (i)~~
12 the limited partnership existence shall be deemed to have
13 continued without interruption from the date of dissolution and
14 shall stand revived with such ~~the~~ powers, duties, and
15 obligations, as if it had not been dissolved. ~~and (ii)~~ All
16 ~~all~~ acts and proceedings of its partners, officers, employees,
17 and agents, acting or purporting to act in that capacity, and
18 which ~~that~~ would have been legal and valid but for the
19 dissolution shall stand ratified and confirmed.

20 (e) Without limiting the generality of subsection (d), upon
21 the filing of the application for reinstatement, no limited
22 partner or officer of the partnership shall be personally
23 liable for the debts and liabilities of the limited partnership
24 incurred during the period of administrative dissolution by
25 reason of the fact that the limited partnership was
26 administratively dissolved at the time the debts or liabilities

1 were incurred.

2 (Source: P.A. 97-839, eff. 7-20-12.)".