

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The General Not For Profit Corporation Act of
5 1986 is amended by changing Section 112.35 as follows:

6 (805 ILCS 105/112.35) (from Ch. 32, par. 112.35)

7 Sec. 112.35. Grounds for administrative dissolution. The
8 Secretary of State may dissolve any corporation
9 administratively if:

10 (a) It has failed to file its annual report as required by
11 this Act before the first day of the anniversary month of the
12 corporation of the year in which such annual report becomes
13 due;

14 (b) It has failed to file in the office of the Secretary of
15 State any report after the expiration of the period prescribed
16 in this Act for filing such report;

17 (c) It has failed to pay any fees or charges prescribed by
18 this Act;

19 (d) It has failed to appoint and maintain a registered
20 agent in this State;

21 (e) It has misrepresented any material matter in any
22 application, report, affidavit, or other document filed by the
23 corporation pursuant to this Act; or

1 (f) The Secretary of State receives notification from a
2 local liquor commissioner, pursuant to Section 4-4(3) of "The
3 Liquor Control Act of 1934," as now or hereafter amended, that
4 an organization incorporated under this Act and functioning as
5 a club has violated that Act by selling or offering for sale at
6 retail alcoholic liquors without a retailer's license.

7 (g) It has failed to elect and maintain at least 3
8 directors in accordance with Section 108.10 of this Act.

9 (Source: P.A. 92-33, eff. 7-1-01.)

10 Section 10. The Limited Liability Company Act is amended by
11 changing Sections 1-10, 35-25, and 37-40 as follows:

12 (805 ILCS 180/1-10)

13 Sec. 1-10. Limited liability company name.

14 (a) The name of each limited liability company or foreign
15 limited liability company organized, existing, or subject to
16 the provisions of this Act:

17 (1) shall contain the terms "limited liability
18 company", "L.L.C.", or "LLC", or, if organized as a
19 low-profit limited liability company under Section 1-26 of
20 this Act, shall contain the term "L3C";

21 (2) may not contain a word or phrase, or an
22 abbreviation or derivation thereof, the use of which is
23 prohibited or restricted by any other statute of this State
24 unless the restriction has been complied with;

1 (3) shall consist of letters of the English alphabet,
2 Arabic or Roman numerals, or symbols capable of being
3 readily reproduced by the Office of the Secretary of State;

4 (4) shall not contain any of the following terms:
5 "Corporation," "Corp.," "Incorporated," "Inc.," "Ltd.,"
6 "Co.," "Company", except as the final word in the complete
7 phrase "limited liability company" as provided in
8 paragraph (1), "Limited Partnership", ~~or~~ "L.P.", "Limited
9 Liability Limited Partnership", "L.L.L.P.", "Limited
10 Liability Partnership", or "L.L.P.";

11 (5) shall be the name under which the limited liability
12 company transacts business in this State unless the limited
13 liability company also elects to adopt an assumed name or
14 names as provided in this Act; provided, however, that the
15 limited liability company may use any divisional
16 designation or trade name without complying with the
17 requirements of this Act, provided the limited liability
18 company also clearly discloses its name;

19 (6) shall not contain any word or phrase that indicates
20 or implies that the limited liability company is authorized
21 or empowered to be in the business of a corporate fiduciary
22 unless otherwise permitted by the Commissioner of the
23 Office of Banks and Real Estate under Section 1-9 of the
24 Corporate Fiduciary Act. The word "trust", "trustee", or
25 "fiduciary" may be used by a limited liability company only
26 if it has first complied with Section 1-9 of the Corporate

1 Fiduciary Act;

2 (7) shall contain the word "trust", if it is a limited
3 liability company organized for the purpose of accepting
4 and executing trusts; and

5 (8) shall not, as to any limited liability company
6 organized or amending its company name on or after April 3,
7 2009 (the effective date of Public Act 96-7), without the
8 express written consent of the United States Olympic
9 Committee, contain the words: (i) "Olympic"; (ii)
10 "Olympiad"; (iii) "Paralympic"; (iv) "Paralympiad"; (v)
11 "Citius Altius Fortius"; or (vi) "CHICOG".

12 (b) Nothing in this Section or Section 1-20 shall abrogate
13 or limit the common law or statutory law of unfair competition
14 or unfair trade practices, nor derogate from the common law or
15 principles of equity or the statutes of this State or of the
16 United States of America with respect to the right to acquire
17 and protect copyrights, trade names, trademarks, service
18 marks, service names, or any other right to the exclusive use
19 of names or symbols.

20 (c) (Blank).

21 (d) The name shall be distinguishable upon the records in
22 the Office of the Secretary of State from all of the following:

23 (1) Any limited liability company that has articles of
24 organization filed with the Secretary of State under
25 Section 5-5.

26 (2) Any foreign limited liability company admitted to

1 transact business in this State.

2 (3) Any name for which an exclusive right has been
3 reserved in the Office of the Secretary of State under
4 Section 1-15.

5 (4) Any assumed name that is registered with the
6 Secretary of State under Section 1-20.

7 (5) Any corporate name or assumed corporate name of a
8 domestic or foreign corporation subject to the provisions
9 of Section 4.05 of the Business Corporation Act of 1983 or
10 Section 104.05 of the General Not For Profit Corporation
11 Act of 1986.

12 (e) The provisions of subsection (d) of this Section shall
13 not apply if the organizer files with the Secretary of State a
14 certified copy of a final decree of a court of competent
15 jurisdiction establishing the prior right of the applicant to
16 the use of that name in this State.

17 (f) The Secretary of State shall determine whether a name
18 is "distinguishable" from another name for the purposes of this
19 Act. Without excluding other names that may not constitute
20 distinguishable names in this State, a name is not considered
21 distinguishable, for purposes of this Act, solely because it
22 contains one or more of the following:

23 (1) The word "limited", "liability" or "company" or an
24 abbreviation of one of those words.

25 (2) Articles, conjunctions, contractions,
26 abbreviations, or different tenses or number of the same

1 word.

2 (Source: P.A. 98-720, eff. 7-16-14.)

3 (805 ILCS 180/35-25)

4 Sec. 35-25. Grounds for administrative dissolution. The
5 Secretary of State may dissolve any limited liability company
6 administratively if:

7 (1) it has failed to file its annual report and pay its
8 fee as required by this Act before the first day of the
9 anniversary month or has failed to pay any fees, penalties,
10 or charges required by this Act;

11 (2) it has failed to file in the Office of the
12 Secretary of State any report after the expiration of the
13 period prescribed in this Act for filing the report;

14 (2.5) it has misrepresented any material matter in any
15 application, report, affidavit, or other document
16 submitted by the limited liability company under this Act;

17 (3) it has failed to appoint and maintain a registered
18 agent in Illinois in accordance with the provisions of this
19 Act within 60 days after a registered agent's notice of
20 resignation under Section 1-35;

21 (4) a manager or member to whom interrogatories have
22 been propounded by the Secretary of State as provided in
23 Section 5-60 of this Act fails to answer the
24 interrogatories fully and to timely file the answer in the
25 office of the Secretary of State; or

1 (5) it has tendered payment to the Secretary of State
2 which is returned due to insufficient funds, a closed
3 account, or for any other reason, and acceptable payment
4 has not been subsequently tendered.

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

6 (805 ILCS 180/37-40)

7 Sec. 37-40. Series of members, managers or limited
8 liability company interests.

9 (a) An operating agreement may establish or provide for the
10 establishment of designated series of members, managers or
11 limited liability company interests having separate rights,
12 powers or duties with respect to specified property or
13 obligations of the limited liability company or profits and
14 losses associated with specified property or obligations, and
15 to the extent provided in the operating agreement, any such
16 series may have a separate business purpose or investment
17 objective.

18 (b) Notwithstanding anything to the contrary set forth in
19 this Section or under other applicable law, in the event that
20 an operating agreement creates one or more series, and if
21 separate and distinct records are maintained for any such
22 series and the assets associated with any such series are held
23 (directly or indirectly, including through a nominee or
24 otherwise) and accounted for separately from the other assets
25 of the limited liability company, or any other series thereof,

1 and if the operating agreement so provides, and notice of the
2 limitation on liabilities of a series as referenced in this
3 subsection is set forth in the articles of organization of the
4 limited liability company and if the limited liability company
5 has filed a certificate of designation for each series which is
6 to have limited liability under this Section, then the debts,
7 liabilities and obligations incurred, contracted for or
8 otherwise existing with respect to a particular series shall be
9 enforceable against the assets of such series only, and not
10 against the assets of the limited liability company generally
11 or any other series thereof, and unless otherwise provided in
12 the operating agreement, none of the debts, liabilities,
13 obligations and expenses incurred, contracted for or otherwise
14 existing with respect to the limited liability company
15 generally or any other series thereof shall be enforceable
16 against the assets of such series. The fact that the articles
17 of organization contain the foregoing notice of the limitation
18 on liabilities of a series and a certificate of designation for
19 a series is on file in the Office of the Secretary of State
20 shall constitute notice of such limitation on liabilities of a
21 series. A series with limited liability shall be treated as a
22 separate entity to the extent set forth in the articles of
23 organization. Each series with limited liability may, in its
24 own name, contract, hold title to assets, grant security
25 interests, sue and be sued and otherwise conduct business and
26 exercise the powers of a limited liability company under this

1 Act. The limited liability company and any of its series may
2 elect to consolidate their operations as a single taxpayer to
3 the extent permitted under applicable law, elect to work
4 cooperatively, elect to contract jointly or elect to be treated
5 as a single business for purposes of qualification to do
6 business in this or any other state. Such elections shall not
7 affect the limitation of liability set forth in this Section
8 except to the extent that the series have specifically accepted
9 joint liability by contract.

10 (c) Except in the case of a foreign limited liability
11 company that has adopted an assumed name pursuant to Section
12 45-15, the name of the series with limited liability must
13 commence with the entire name of the limited liability company,
14 as set forth in its articles of organization ~~incorporation~~, and
15 be distinguishable from the names of the other series set forth
16 in the articles of organization. In the case of a foreign
17 limited liability company that has adopted an assumed name
18 pursuant to Section 45-15, the name of the series with limited
19 liability must commence with the entire name, as set forth in
20 the foreign limited liability company's assumed name
21 application, under which the foreign limited liability company
22 has been admitted to transact business in this State.

23 (d) Upon the filing of the certificate of designation with
24 the Secretary of State setting forth the name of each series
25 with limited liability, the series' existence shall begin, and
26 each of the duplicate copies stamped "Filed" and marked with

1 the filing date shall be conclusive evidence, except as against
2 the State, that all conditions precedent required to be
3 performed have been complied with and that the series has been
4 or shall be legally organized and formed under this Act. If
5 different from the limited liability company, the certificate
6 of designation for each series shall list the names of the
7 members if the series is member managed or the names of the
8 managers if the series is manager managed. The name of a series
9 with limited liability under subsection (b) of this Section may
10 be changed by filing with the Secretary of State a certificate
11 of designation identifying the series whose name is being
12 changed and the new name of such series. If not the same as the
13 limited liability company, the names of the members of a member
14 managed series or of the managers of a manager managed series
15 may be changed by filing a new certificate of designation with
16 the Secretary of State. A series with limited liability under
17 subsection (b) of this Section may be dissolved by filing with
18 the Secretary of State a certificate of designation identifying
19 the series being dissolved or by the dissolution of the limited
20 liability company as provided in subsection (m) of this
21 Section. Certificates of designation may be executed by the
22 limited liability company or any manager, person or entity
23 designated in the operating agreement for the limited liability
24 company.

25 (e) A series of a limited liability company will be deemed
26 to be in good standing as long as the limited liability company

1 is in good standing.

2 (f) The registered agent and registered office for the
3 limited liability company in Illinois shall serve as the agent
4 and office for service of process in Illinois for each series.

5 (g) An operating agreement may provide for classes or
6 groups of members or managers associated with a series having
7 such relative rights, powers and duties as the operating
8 agreement may provide, and may make provision for the future
9 creation of additional classes or groups of members or managers
10 associated with the series having such relative rights, powers
11 and duties as may from time to time be established, including
12 rights, powers and duties senior to existing classes and groups
13 of members or managers associated with the series.

14 (h) A series may be managed by either the member or members
15 associated with the series or by a manager or managers chosen
16 by the members of such series, as provided in the operating
17 agreement. Unless otherwise provided in an operating
18 agreement, the management of a series shall be vested in the
19 members associated with such series.

20 (i) An operating agreement may grant to all or certain
21 identified members or managers or a specified class or group of
22 the members or managers associated with a series the right to
23 vote separately or with all or any class or group of the
24 members or managers associated with the series, on any matter.
25 An operating agreement may provide that any member or class or
26 group of members associated with a series shall have no voting

1 rights.

2 (j) Except to the extent modified in this Section, the
3 provisions of this Act which are generally applicable to
4 limited liability companies, their managers, members and
5 transferees shall be applicable to each particular series with
6 respect to the operation of such series.

7 (k) Except as otherwise provided in an operating agreement,
8 any event under this Act or in an operating agreement that
9 causes a manager to cease to be a manager with respect to a
10 series shall not, in itself, cause such manager to cease to be
11 a manager of the limited liability company or with respect to
12 any other series thereof.

13 (l) Except as otherwise provided in an operating agreement,
14 any event under this Act or an operating agreement that causes
15 a member to cease to be associated with a series shall not, in
16 itself, cause such member to cease to be associated with any
17 other series or terminate the continued membership of a member
18 in the limited liability company or cause the termination of
19 the series, regardless of whether such member was the last
20 remaining member associated with such series.

21 (m) Except to the extent otherwise provided in the
22 operating agreement, a series may be dissolved and its affairs
23 wound up without causing the dissolution of the limited
24 liability company. The dissolution of a series established in
25 accordance with subsection (b) of this Section shall not affect
26 the limitation on liabilities of such series provided by

1 subsection (b) of this Section. A series is terminated and its
2 affairs shall be wound up upon the dissolution of the limited
3 liability company under Article 35 of this Act.

4 (n) If a limited liability company with the ability to
5 establish series does not register to do business in a foreign
6 jurisdiction for itself and certain of its series, a series of
7 a limited liability company may itself register to do business
8 as a limited liability company in the foreign jurisdiction in
9 accordance with the laws of the foreign jurisdiction.

10 (o) If a foreign limited liability company, as permitted in
11 the jurisdiction of its organization, has established a series
12 having separate rights, powers or duties and has limited the
13 liabilities of such series so that the debts, liabilities and
14 obligations incurred, contracted for or otherwise existing
15 with respect to a particular series are enforceable against the
16 assets of such series only, and not against the assets of the
17 limited liability company generally or any other series
18 thereof, or so that the debts, liabilities, obligations and
19 expenses incurred, contracted for or otherwise existing with
20 respect to the limited liability company generally or any other
21 series thereof are not enforceable against the assets of such
22 series, then the limited liability company, on behalf of itself
23 or any of its series, or any of its series on their own behalf
24 may register to do business in the State in accordance with
25 Section 45-5 of this Act. The limitation of liability shall be
26 so stated on the application for admission as a foreign limited

1 liability company and a certificate of designation shall be
2 filed for each series being registered to do business in the
3 State by the limited liability company. Unless otherwise
4 provided in the operating agreement, the debts, liabilities and
5 obligations incurred, contracted for or otherwise existing
6 with respect to a particular series of such a foreign limited
7 liability company shall be enforceable against the assets of
8 such series only, and not against the assets of the foreign
9 limited liability company generally or any other series thereof
10 and none of the debts, liabilities, obligations and expenses
11 incurred, contracted for or otherwise existing with respect to
12 such a foreign limited liability company generally or any other
13 series thereof shall be enforceable against the assets of such
14 series.

15 (Source: P.A. 98-720, eff. 7-16-14.)

16 Section 99. Effective date. This Act takes effect July 1,
17 2015.