

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.