

AN ACT concerning corporations.

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

ARTICLE 1.

GENERAL PROVISIONS

Section 101. Short title. This Act may be cited as the Entity Omnibus Act.

Section 102. Definitions. In this Act:

"Approve" means, in the case of an entity, for its governors and interest holders to take whatever steps are necessary under its organic rules, organic law, and other law to:

- (1) propose a transaction subject to this Act;
- (2) adopt and approve the terms and conditions of the transaction; and
- (3) conduct any required proceedings or otherwise obtain any required votes or consents of the governors or interest holders.

"Business corporation" means a corporation whose internal affairs are governed by the Business Corporation Act of 1983 or a similar Act in the jurisdiction of organization.

"Conversion" means a transaction authorized by Article 2.

"Converted entity" means the converting entity as it continues in existence after a conversion.

"Converting entity" means the domestic entity that approves a plan of conversion pursuant to Section 203 or the foreign entity that approves a conversion pursuant to the law of its jurisdiction of organization.

"Domestic entity" means an entity whose internal affairs are governed by the law of this State.

"Domesticated entity" means the domesticating entity as it continues in existence after a domestication.

"Domesticating entity" means the domestic entity that approves a plan of domestication pursuant to Section 303 or the foreign entity that approves a domestication pursuant to the law of its jurisdiction of organization.

"Domestication" means a transaction authorized by Article 3.

"Entity" means:

- (1) a business corporation;
- (2) a medical corporation;
- (3) a nonprofit corporation;
- (4) a professional service corporation;
- (5) a general partnership, including a limited liability partnership;
- (6) a limited partnership, including a limited liability limited partnership; and
- (7) a limited liability company.

"Filing entity" means an entity that is created by the filing of an organizing document with the Secretary of State.

"Foreign entity" means an entity other than a domestic entity.

"General partnership" means a partnership whose internal affairs are governed by the Uniform Partnership Act (1997) or a similar Act in the jurisdiction of organization.

"Governance interest" means the right under the organic law or organic rules of an entity, other than as a governor, agent, assignee, or proxy, to:

(1) receive or demand access to information concerning, or the books and records of, the entity;

(2) vote for the election of the governors of the entity; or

(3) receive notice of or vote on any or all issues involving the internal affairs of the entity.

"Governor" means a person by or under whose authority the powers of an entity are exercised and under whose direction the business and affairs of the entity are managed pursuant to the organic law and organic rules of the entity.

"Interest" means:

(1) a governance interest in an unincorporated entity;

(2) a transferable interest in an unincorporated entity; or

(3) a share or membership in a corporation.

"Interest holder" means a direct holder of an interest.

"Interest holder liability" means:

(1) personal liability for a liability of an entity that is imposed on a person:

(a) solely by reason of the status of the person as an interest holder; or

(b) by the organic rules of the entity pursuant to a provision of the organic law authorizing the organic rules to make one or more specified interest holders or categories of interest holders liable in their capacity as interest holders for all or specified liabilities of the entity; or

(2) an obligation of an interest holder under the organic rules of an entity to contribute to the entity.

"Jurisdiction of organization of an entity" means the jurisdiction whose law includes the organic law of the entity.

"Limited partnership" means a partnership whose internal affairs are governed by the Uniform Limited Partnership Act (2001) or a similar Act in the jurisdiction of organization.

"Limited liability company" means a company whose internal affairs are governed by the Limited Liability Company Act or a similar Act in the jurisdiction of organization.

"Medical corporation" means a corporation whose internal affairs are governed by the Medical Corporation Act or a similar Act in the jurisdiction of organization.

"Nonprofit corporation" means a corporation whose internal affairs are governed by General Not For Profit Corporation Act

of 1986 or a similar Act in the jurisdiction of organization.

"Organic law" means the statutes, if any, other than this Act, governing the internal affairs of an entity.

"Organic rules" means the public organic document and private organic rules of an entity.

"Person" means an individual, corporation, estate, trust, partnership, limited liability company, business or similar trust, association, joint venture, public corporation, government, or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

"Plan" means a plan of conversion or domestication.

"Professional service corporation" means a corporation whose internal affairs are governed by the Professional Service Corporation Act or a similar Act in the jurisdiction of organization.

"Private organic rules" means the rules, whether or not in a record, that govern the internal affairs of an entity, are binding on all of its interest holders, and are not part of its public organic document.

"Protected agreement" means:

(1) a record evidencing indebtedness and any related agreement in effect on the effective date of this Act;

(2) an agreement that is binding on an entity on the effective date of this Act;

(3) the organic rules of an entity in effect on the effective date of this Act; or

(4) an agreement that is binding on any of the governors or interest holders of an entity on the effective date of this Act.

"Public organic document" means the public record, the filing of which creates an entity, and any amendment to or restatement of that record.

"Qualified foreign entity" means a foreign entity that is authorized to transact business in this State pursuant to a filing with the Secretary of State.

"Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

"Secretary of State" means the governmental entity responsible for accepting and acting on the filing of organizational documents of an entity.

"Sign" means, with present intent to authenticate or adopt a record:

- (1) to execute or adopt a tangible symbol; or
- (2) to attach to or logically associate with the record an electronic sound, symbol, or process.

Section 103. Relationship of Act to other laws.

(a) Unless displaced by particular provisions of this Act, the principles of law and equity supplement this Act.

(b) This Act does not authorize an act prohibited by, and does not affect, the application or requirements of law, other

than this Act.

(c) A transaction effected under this Act may not create or impair any right or obligation on the part of a person under a provision of the law of this State other than this Act relating to a transaction involving a converting or domesticating entity unless:

(1) in the event the entity does not survive the transaction, the transaction satisfies any requirements of the provision; or

(2) in the event the entity survives the transaction, the approval of the plan is by a vote of the interest holders or governors which would be sufficient to create or impair the right or obligation directly under the provision.

Section 104. Required notice or approval.

(a) A domestic or foreign entity that is required to give notice to, or obtain the approval of, a governmental agency or officer in order to be a party to a merger must give the notice or obtain the approval in order to be a party to a conversion or domestication.

(b) Property held for a charitable purpose under the law of this State by a domestic or foreign entity immediately before a transaction under this Act becomes effective may not, as a result of the transaction, be diverted from the objects for which it was donated, granted, or devised unless, to the extent

required by or pursuant to the law of this State concerning cy pres or other law dealing with nondiversion of charitable assets, the entity obtains an appropriate order of court or approval by the Office of the Attorney General specifying the disposition of the property.

Section 105. Status of filing. A filing under this Act signed by a domestic entity becomes part of the public organic document of the entity if the entity's organic law provides that similar filings under that law become part of the public organic document of the entity.

Section 106. Nonexclusivity. The fact that a transaction under this Act produces a certain result does not preclude the same result from being accomplished in any other manner permitted by law other than this Act.

Section 107. Reference to external facts. A plan may refer to facts ascertainable outside of the plan if the manner in which the facts will operate upon the plan is specified in the plan. The facts may include the occurrence of an event or a determination or action by a person, whether or not the event, determination, or action is within the control of a party to the transaction.

Section 108. Alternative means of approval of

transactions. Except as otherwise provided in the organic law or organic rules of a domestic entity, approval of a transaction under this Act by the unanimous vote or consent of its interest holders satisfies the requirements of this Act for approval.

Section 109. Appraisal rights.

(a) An interest holder of a domestic converting or domesticating entity is entitled to appraisal rights in connection with the transaction if the interest holder would have been entitled to appraisal rights under the entity's organic law in connection with a merger in which the interest of the interest holder was changed, converted, or exchanged unless:

(1) the organic law permits the organic rules to limit the availability of appraisal rights; and

(2) the organic rules provide such a limit.

(b) An interest holder of a domestic converting or domesticating entity is entitled to contractual appraisal rights in connection with a transaction under this Act to the extent provided:

(1) in the entity's organic rules;

(2) in the plan; or

(3) in the case of a business corporation, by action of its governors.

(c) If an interest holder is entitled to contractual

appraisal rights under subsection (b) and the entity's organic law does not provide procedures for the conduct of an appraisal rights proceeding, Section 11.65 of the Business Corporation Act of 1983 applies to the extent practicable or as otherwise provided in the entity's organic rules or the plan.

ARTICLE 2.

CONVERSION

Section 201. Conversion authorized.

(a) By complying with this Article, a domestic entity may become:

(1) a domestic entity of a different type; or

(2) a foreign entity of a different type, if the conversion is authorized by the law of the foreign jurisdiction.

(b) By complying with the provisions of this Article applicable to foreign entities, a foreign entity may become a domestic entity of a different type if the conversion is authorized by the law of the foreign entity's jurisdiction of organization.

(c) If a protected agreement contains a provision that applies to a merger of a domestic entity, but does not refer to a conversion, the provision applies to a conversion of the entity as if the conversion were a merger until the provision is amended after the effective date of this Act.

Section 202. Plan of conversion.

(a) A domestic entity may convert to a different type of entity under this Article by approving a plan of conversion.

The plan must be in a record and contain:

- (1) the name and type of the converting entity;
  - (2) the name, jurisdiction of organization, and type of the converted entity;
  - (3) the manner of converting the interests in the converting entity into interests, securities, obligations, rights to acquire interests or securities, cash, or other property, or any combination of the foregoing;
  - (4) the proposed public organic document of the converted entity if it will be a filing entity;
  - (5) the full text of the private organic rules of the converted entity that are proposed to be in a record;
  - (6) the other terms and conditions of the conversion;
- and
- (7) any other provision required by the law of this State or the organic rules of the converting entity.

(b) A plan of conversion may contain any other provision not prohibited by law.

Section 203. Approval of conversion.

(a) A plan of conversion is not effective unless it has been approved:

(1) by a domestic converting entity:

(A) in accordance with the requirements, if any, in its organic rules for approval of a conversion;

(B) if its organic rules do not provide for approval of a conversion, in accordance with the requirements, if any, in its organic law and organic rules for approval of:

(i) in the case of an entity that is not a business corporation, a merger, as if the conversion were a merger; or

(ii) in the case of a business corporation, a merger requiring approval by a vote of the interest holders of the business corporation, as if the conversion were that type of merger; or

(C) if neither its organic law nor organic rules provide for approval of a conversion or a merger described in subparagraph (B)(ii), by all of the interest holders of the entity entitled to vote on or consent to any matter; and

(2) in a record, by each interest holder of a domestic converting entity that will have interest holder liability for liabilities that arise after the conversion becomes effective, unless, in the case of an entity that is not a business or nonprofit corporation:

(A) the organic rules of the entity provide in a record for the approval of a conversion or a merger in

which some or all of its interest holders become subject to interest holder liability by the vote or consent of fewer than all of the interest holders; and

(B) the interest holder voted for or consented in a record to that provision of the organic rules or became an interest holder after the adoption of that provision.

(b) A conversion of a foreign converting entity is not effective unless it is approved by the foreign entity in accordance with the law of the foreign entity's jurisdiction of organization.

Section 204. Amendment or abandonment of plan of conversion.

(a) A plan of conversion of a domestic converting entity may be amended:

(1) in the same manner as the plan was approved, if the plan does not provide for the manner in which it may be amended; or

(2) by the governors or interest holders of the entity in the manner provided in the plan, but an interest holder that was entitled to vote on or consent to approval of the plan of conversion is entitled to vote on or consent to any amendment of the plan that will change:

(A) the amount or kind of interests, securities, obligations, rights to acquire interests or

securities, cash, or other property, or any combination of the foregoing, to be received by any of the interest holders of the converting entity under the plan;

(B) the public organic document or private organic rules of the converted entity that will be in effect immediately after the conversion becomes effective, except for changes that do not require approval of the interest holders of the converted entity under its organic law or organic rules; or

(C) any other terms or conditions of the plan, if the change would adversely affect the interest holder in any material respect.

(b) After a plan of conversion has been approved by a domestic converting entity and before a statement of conversion becomes effective, the plan may be abandoned:

(1) as provided in the plan; or

(2) unless prohibited by the plan, in the same manner as the plan was approved.

(c) If a plan of conversion is abandoned after a statement of conversion has been filed with the Secretary of State and before the filing becomes effective, a statement of abandonment, signed on behalf of the entity, must be filed with the Secretary of State before the time the statement of conversion becomes effective. The statement of abandonment takes effect upon filing, and the conversion is abandoned and

does not become effective. The statement of abandonment must contain:

- (1) the name of the converting entity;
- (2) the date on which the statement of conversion was filed; and
- (3) a statement that the conversion has been abandoned in accordance with this Section.

Section 205. Statement of conversion; effective date.

(a) A statement of conversion must be signed on behalf of the converting entity and filed with the Secretary of State.

(b) A statement of conversion must contain:

- (1) the name and type of the converting entity;
- (2) the name and type of the converted entity;
- (3) if the statement of conversion is not to be effective upon filing, the later date and time on which it will become effective, which may not be more than 90 days after the date of filing;
- (4) a statement that the plan of conversion was approved in accordance with this Article;
- (5) the text of the converted entity's public organic document, as an attachment, signed by a person authorized by the entity; and
- (6) if the converted entity is a domestic limited liability partnership, the text of its statement of qualification, as an attachment, signed by a person

authorized by the entity.

(c) In addition to the requirements of subsection (b), a statement of conversion may contain any other provision not prohibited by law.

(d) If the converted entity is a domestic entity, its public organic document, if any, must satisfy the requirements of the law of this State and may omit any provision that is not required to be included in a restatement of the public organic document.

(e) A plan of conversion that is signed on behalf of a domestic converting entity and meets all of the requirements of subsection (b) may be filed with the Secretary of State instead of a statement of conversion and upon filing has the same effect. If a plan of conversion is filed as provided in this subsection, references in this Act to a statement of conversion refer to the plan of conversion filed under this subsection.

(f) A statement of conversion becomes effective upon the date and time of filing or the later date and time specified in the statement of conversion.

Section 206. Effect of conversion.

(a) When a conversion becomes effective:

(1) the converted entity is:

(A) organized under and subject to the organic law of the converted entity; and

(B) the same entity without interruption as the

converting entity, even though the organic law of the converted entity may require the name of the converted entity may be modified based on the type of entity;

(2) all property of the converting entity continues to be vested in the converted entity without assignment, reversion, or impairment;

(3) all liabilities of the converting entity continue as liabilities of the converted entity;

(4) except as provided by law other than this Act or the plan of conversion, all of the rights, privileges, immunities, powers, and purposes of the converting entity remain in the converted entity;

(5) the name of the converted entity may be substituted for the name of the converting entity in any pending action or proceeding;

(6) if a converted entity is a filing entity, its public organic document is effective and is binding on its interest holders;

(7) if the converted entity is a limited liability partnership, its statement of qualification is effective simultaneously;

(8) the private organic rules of the converted entity that are to be in a record, if any, approved as part of the plan of conversion are effective and are binding on and enforceable by:

(A) its interest holders; and

(B) in the case of a converted entity that is not a business corporation or nonprofit corporation, any other person that is a party to an agreement that is part of the entity's private organic rules; and

(9) the interests in the converting entity are converted, and the interest holders of the converting entity are entitled only to the rights provided to them under the plan of conversion and to any appraisal rights they have under Section 109 and the converting entity's organic law.

(b) Except as otherwise provided in the organic law or organic rules of the converting entity, the conversion does not give rise to any rights that an interest holder, governor, or third party would otherwise have upon a dissolution, liquidation, or winding-up of the converting entity.

(c) When a conversion becomes effective, a person that did not have interest holder liability with respect to the converting entity and that becomes subject to interest holder liability with respect to a domestic entity as a result of a conversion has interest holder liability only to the extent provided by the organic law of the entity and only for those liabilities that arise after the conversion becomes effective.

(d) When a conversion becomes effective:

(1) the conversion does not discharge any interest holder liability under the organic law of a domestic converting entity to the extent the interest holder

liability arose before the conversion became effective;

(2) a person does not have interest holder liability under the organic law of a domestic converting entity for any liability that arises after the conversion becomes effective;

(3) the organic law of a domestic converting entity continues to apply to the release, collection, or discharge of any interest holder liability preserved under paragraph (1) as if the conversion had not occurred; and

(4) a person has whatever rights of contribution from any other person as are provided by the organic law or organic rules of the domestic converting entity with respect to any interest holder liability preserved under paragraph (1) as if the conversion had not occurred.

(e) When a conversion becomes effective, a foreign entity that is the converted entity:

(1) may be served with process in this State for the collection and enforcement of any of its liabilities; and

(2) appoints the Secretary of State as its agent for service of process for collecting or enforcing those liabilities.

(f) If the converting entity is a qualified foreign entity, the certificate of authority or other foreign qualification of the converting entity is canceled when the conversion becomes effective.

(g) A conversion does not require the entity to wind up its

affairs and does not constitute or cause the dissolution of the entity.

ARTICLE 3.

DOMESTICATION

Section 301. Domestication authorized.

(a) Except as otherwise provided in this Section, by complying with this Article, a domestic entity may become a domestic entity of the same type in a foreign jurisdiction if the domestication is authorized by the law of the foreign jurisdiction.

(b) Except as otherwise provided in this Section, by complying with the provisions of this Article applicable to foreign entities a foreign entity may become a domestic entity of the same type in this State if the domestication is authorized by the law of the foreign entity's jurisdiction of organization.

(c) When the term domestic entity is used in this Article with reference to a foreign jurisdiction, it means an entity whose internal affairs are governed by the law of the foreign jurisdiction.

(d) If a protected agreement contains a provision that applies to a merger of a domestic entity but does not refer to a domestication, the provision applies to a domestication of the entity as if the domestication were a merger until the

provision is amended after the effective date of this Act.

Section 302. Plan of domestication.

(a) A domestic entity may become a foreign entity in a domestication by approving a plan of domestication. The plan must be in a record and contain:

(1) the name and type of the domesticating entity;

(2) the name and jurisdiction of organization of the domesticated entity;

(3) the manner of converting the interests in the domesticating entity into interests, securities, obligations, rights to acquire interests or securities, cash, or other property, or any combination of the foregoing;

(4) the proposed public organic document of the domesticated entity if it is a filing entity;

(5) the full text of the private organic rules of the domesticated entity that are proposed to be in a record;

(6) the other terms and conditions of the domestication; and

(7) any other provision required by the law of this State or the organic rules of the domesticating entity.

(b) A plan of domestication may contain any other provision not prohibited by law.

Section 303. Approval of domestication.

(a) A plan of domestication is not effective unless it has been approved:

(1) by a domestic domesticating entity:

(A) in accordance with the requirements, if any, in its organic rules for approval of a domestication;

(B) if its organic rules do not provide for approval of a domestication, in accordance with the requirements, if any, in its organic law and organic rules for approval of:

(i) in the case of an entity that is not a business corporation, a merger, as if the domestication were a merger; or

(ii) in the case of a business corporation, a merger requiring approval by a vote of the interest holders of the business corporation, as if the domestication were that type of merger; or

(C) if neither its organic law nor organic rules provide for approval of a domestication or a merger described in subparagraph (B)(ii), by all of the interest holders of the entity entitled to vote on or consent to any matter; and

(2) in a record, by each interest holder of a domestic domesticating entity that will have interest holder liability for liabilities that arise after the domestication becomes effective, unless, in the case of an entity that is not a business corporation or nonprofit

corporation:

(A) the organic rules of the entity in a record provide for the approval of a domestication or merger in which some or all of its interest holders become subject to interest holder liability by the vote or consent of fewer than all of the interest holders; and

(B) the interest holder voted for or consented in a record to that provision of the organic rules or became an interest holder after the adoption of that provision.

(b) A domestication of a foreign domesticating entity is not effective unless it is approved in accordance with the law of the foreign entity's jurisdiction of organization.

Section 304. Amendment or abandonment of plan of domestication.

(a) A plan of domestication of a domestic domesticating entity may be amended:

(1) in the same manner as the plan was approved, if the plan does not provide for the manner in which it may be amended; or

(2) by the governors or interest holders of the entity in the manner provided in the plan, but an interest holder that was entitled to vote on or consent to approval of the domestication is entitled to vote on or consent to any amendment of the plan that will change:

(A) the amount or kind of interests, securities, obligations, rights to acquire interests or securities, cash, or other property, or any combination of the foregoing, to be received by any of the interest holders of the domesticating entity under the plan;

(B) the public organic document or private organic rules of the domesticated entity that will be in effect immediately after the domestication becomes effective, except for changes that do not require approval of the interest holders of the domesticated entity under its organic law or organic rules; or

(C) any other terms or conditions of the plan, if the change would adversely affect the interest holder in any material respect.

(b) After a plan of domestication has been approved by a domestic domesticating entity and before a statement of domestication becomes effective, the plan may be abandoned:

(1) as provided in the plan; or

(2) unless prohibited by the plan, in the same manner as the plan was approved.

(c) If a plan of domestication is abandoned after a statement of domestication has been filed with the Secretary of State and before the filing becomes effective, a statement of abandonment, signed on behalf of the entity, must be filed with the Secretary of State before the time the statement of

domestication becomes effective. The statement of abandonment takes effect upon filing, and the domestication is abandoned and does not become effective. The statement of abandonment must contain:

- (1) the name of the domesticating entity;
- (2) the date on which the statement of domestication was filed; and
- (3) a statement that the domestication has been abandoned in accordance with this Section.

Section 305. Statement of domestication; effective date.

(a) A statement of domestication must be signed on behalf of the domesticating entity and filed with the Secretary of State.

(b) A statement of domestication must contain:

- (1) the name, jurisdiction of organization, and type of the domesticating entity;
- (2) the name and jurisdiction of organization of the domesticated entity;
- (3) if the statement of domestication is not to be effective upon filing, the later date and time on which it will become effective, which may not be more than 90 days after the date of filing;
- (4) if the domesticating entity is a domestic entity, a statement that the plan of domestication was approved in accordance with this Article or, if the domesticating

entity is a foreign entity, a statement that the domestication was approved in accordance with the law of its jurisdiction of organization;

(5) if the domesticated entity is a domestic filing entity, its public organic document, as an attachment signed by a person authorized by the entity;

(6) if the domesticated entity is a domestic limited liability partnership, its statement of qualification, as an attachment; and

(7) if the domesticated entity is a foreign entity that is not a qualified foreign entity, a mailing address to which the Secretary of State may send any process served on the Secretary of State pursuant to subsection (e) of Section 306.

(c) In addition to the requirements of subsection (b), a statement of domestication may contain any other provision not prohibited by law.

(d) If the domesticated entity is a domestic entity, its public organic document, if any, must satisfy the requirements of the law of this State and may omit any provision that is not required to be included in a restatement of the public organic document.

(e) A statement of domestication becomes effective upon the date and time of filing or the later date and time specified in the statement of domestication.

Section 306. Effect of domestication.

(a) When a domestication becomes effective:

(1) the domesticated entity is:

(A) organized under and subject to the organic law of the domesticated entity; and

(B) the same entity without interruption as the domesticating entity;

(2) all property of the domesticating entity continues to be vested in the domesticated entity without assignment, reversion, or impairment;

(3) all liabilities of the domesticating entity continue as liabilities of the domesticated entity;

(4) except as provided by law other than this Act or the plan of domestication, all of the rights, privileges, immunities, powers, and purposes of the domesticating entity remain in the domesticated entity;

(5) the name of the domesticated entity may be substituted for the name of the domesticating entity in any pending action or proceeding;

(6) if the domesticated entity is a filing entity, its public organic document is effective and is binding on its interest holders;

(7) the private organic rules of the domesticated entity that are to be in a record, if any, approved as part of the plan of domestication are effective and are binding on and enforceable by:

(A) its interest holders; and

(B) in the case of a domesticated entity that is not a business corporation or nonprofit corporation, any other person that is a party to an agreement that is part of the domesticated entity's private organic rules; and

(8) the interests in the domesticating entity are converted to the extent and as approved in connection with the domestication, and the interest holders of the domesticating entity are entitled only to the rights provided to them under the plan of domestication and to any appraisal rights they have under Section 109 and the domesticating entity's organic law.

(b) Except as otherwise provided in the organic law or organic rules of the domesticating entity, the domestication does not give rise to any rights that an interest holder, governor, or third party would otherwise have upon a dissolution, liquidation, or winding-up of the domesticating entity.

(c) When a domestication becomes effective, a person that did not have interest holder liability with respect to the domesticating entity and that becomes subject to interest holder liability with respect to a domestic entity as a result of the domestication has interest holder liability only to the extent provided by the organic law of the entity and only for those liabilities that arise after the domestication becomes

effective.

(d) When a domestication becomes effective:

(1) the domestication does not discharge any interest holder liability under the organic law of a domestic domesticating entity to the extent the interest holder liability arose before the domestication became effective;

(2) a person does not have interest holder liability under the organic law of a domestic domesticating entity for any liability that arises after the domestication becomes effective;

(3) the organic law of a domestic domesticating entity continues to apply to the release, collection, or discharge of any interest holder liability preserved under paragraph (1) as if the domestication had not occurred; and

(4) a person has whatever rights of contribution from any other person as are provided by the organic law or organic rules of a domestic domesticating entity with respect to any interest holder liability preserved under paragraph (1) as if the domestication had not occurred.

(e) When a domestication becomes effective, a foreign entity that is the domesticated entity:

(1) may be served with process in this State for the collection and enforcement of any of its liabilities; and

(2) appoints the Secretary of State as its agent for service of process for collecting or enforcing those liabilities.

(f) If the domesticating entity is a qualified foreign entity, the certificate of authority or other foreign qualification of the domesticating entity is canceled when the domestication becomes effective.

(g) A domestication does not require the entity to wind up its affairs and does not constitute or cause the dissolution of the entity.

#### ARTICLE 4.

##### FEES AND OTHER MATTERS

###### Section 401. Fees.

(a) The Secretary of State shall charge and collect in accordance with the provisions of this Act and the rules adopted under its authority all of the following:

- (1) Fees for filing documents.
- (2) Miscellaneous charges.
- (3) Fees for the sale of lists of filings and for copies of any documents.

(b) The Secretary of State shall charge and collect for all of the following:

- (1) Filing statement of conversion, \$100.
- (2) Filing statement of domestication, \$100.
- (3) Filing statement of amendments, \$150.
- (4) Filing statement of abandonment, \$100.

Section 402. Powers of Secretary of State and rulemaking.

(a) The Secretary of State has the power and authority reasonably necessary to administer this Act efficiently and to perform the duties imposed in this Act. The Secretary of State's function under this Act is to be a central depository for the statements required by this Act.

(b) The Secretary of State has the power and authority to adopt rules, in accordance with the Illinois Administrative Procedure Act, necessary to administer this Act efficiently and to perform the duties imposed in this Act.

Section 403. Certified copies and certificates.

(a) Copies, photostatic or otherwise, of documents filed in the Office of the Secretary of State in accordance with this Act, when certified by the Secretary of State under the Great Seal of the State of Illinois, shall be taken and received in all courts, public offices, and official bodies as prima facie evidence of the facts stated in the documents.

(b) Certificates by the Secretary of State under the Great Seal of the State of Illinois as to the existence or nonexistence of facts relating to entities filing under this Act, which would not appear from a certified copy of any document, shall be taken and received in all courts, public offices, and official bodies as prima facie evidence of the existence or nonexistence of the facts stated.

Section 404. Forms. All documents required by this Act to be filed in the Office of the Secretary of State shall be made on forms prescribed and furnished by the Secretary of State.

Section 405. File number. All documents required by this Act to be filed in the Office of the Secretary of State shall contain the filing entity's file number as assigned by the Office of the Secretary of State.

Section 406. Miscellaneous charges. The Secretary of State shall charge and collect:

(1) For furnishing a copy or certified copy of any document, instrument, or paper relating to a corporation, or for a certificate, \$5.

(2) At the time of any service of process, notice, or demand on him or her as resident agent of a corporation, \$10, which amount may be recovered as taxable costs by the party to the suit or action causing such service to be made if such party prevails in the suit or action.

Section 407. Department of Business Services Special Operations Fund.

(a) The Secretary of State may charge and collect a fee for expedited services as follows:

(1) Filing statement of conversion, \$200.

(2) Filing statement of domestication, \$200.

(3) Filing statement of amendments, \$200.

(4) Filing statement of abandonment, \$200.

(b) All moneys collected under this Section shall be deposited into the Department of Business Services Special Operations Fund. No other fees or taxes collected under this Act shall be deposited into that Fund.

(c) As used in this Section, "expedited services" has the meaning ascribed to that term in Section 15.95 of the Business Corporation Act of 1983.

#### ARTICLE 9.

#### MISCELLANEOUS

Section 901. The Business Corporation Act of 1983 is amended by changing Section 13.45 and by adding Section 1.63 as follows:

(805 ILCS 5/1.63 new)

Sec. 1.63. Conversions and domestications. Conversions and domestications are governed by the Entity Omnibus Act.

(805 ILCS 5/13.45) (from Ch. 32, par. 13.45)

Sec. 13.45. Withdrawal of foreign corporation. A foreign corporation authorized to transact business in this State may withdraw from this State upon filing with the Secretary of State an application for withdrawal. In order to procure such

withdrawal, the foreign corporation shall:

(a) execute and file in duplicate, in accordance with Section 1.10 of this Act, an application for withdrawal and a final report, which shall set forth:

(1) that no proportion of its issued shares is, on the date of the application, represented by business transacted or property located in this State;

(2) that it surrenders its authority to transact business in this State;

(3) that it revokes the authority of its registered agent in this State to accept service of process and consents that service of process in any suit, action, or proceeding based upon any cause of action arising in this State during the time the corporation was licensed to transact business in this State may thereafter be made on the corporation by service on the Secretary of State;

(4) a post-office address to which may be mailed a copy of any process against the corporation that may be served on the Secretary of State;

(5) the name of the corporation and the state or country under the laws of which it is organized;

(6) a statement of the aggregate number of issued shares of the corporation itemized by classes, and series, if any, within a class, as of the date of the final report;

(7) a statement of the amount of paid-in capital of the corporation as of the date of the final report; and

(8) such additional information as may be necessary or appropriate in order to enable the Secretary of State to determine and assess any unpaid fees or franchise taxes payable by the foreign corporation as prescribed in this Act; or

(b) if it has been dissolved, file a copy of the articles of dissolution duly authenticated by the proper officer of the state or country under the laws of which the corporation was organized; or

(c) if it has been the non-survivor of a statutory merger and the surviving entity was a foreign corporation or limited liability company which had not obtained authority to transact business in this State, file a copy of the articles of merger duly authenticated by the proper officer of the state or country under the laws of which the corporation or limited liability company was organized; or

(d) if it has been converted into another entity, file a copy of the statement ~~articles~~ of conversion duly authenticated by the proper officer of the state or country under the laws of which the corporation was organized.

The application for withdrawal and the final report shall be made on forms prescribed and furnished by the Secretary of State.

When the corporation has complied with subsection (a) of

this Section, the Secretary of State shall file the application for withdrawal and mail a copy of the application to the corporation or its representative. If the provisions of subsection (b) of this Section have been followed, the Secretary of State shall file the copy of the articles of dissolution in his or her office.

Upon the filing of the application for withdrawal or copy of the articles of dissolution, the authority of the corporation to transact business in this State shall cease.

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

Section 902. The Professional Service Corporation Act is amended by changing Sections 3.4 and 5 as follows:

(805 ILCS 10/3.4) (from Ch. 32, par. 415-3.4)

Sec. 3.4. (a) "Professional Corporation" means:

(1) a corporation organized under this Act;

(2) an entity converted under the Entity Omnibus Act to a corporation governed by this Act; or

(3) a foreign corporation domesticated under the Entity Omnibus Act and governed by this Act;

that is organized solely for the purpose of rendering one category of professional service or related professional services and which has as its shareholders, directors, officers, agents and employees (other than ancillary personnel) only individuals who are duly licensed by this State

or by the United States Patent Office or the Internal Revenue Service of the United States Treasury Department to render that particular category of professional service or related professional services (except that the secretary of the corporation need not be so licensed), except that the registered agent of the corporation need not be licensed in such case where the registered agent is not a shareholder, director, officer or employee (other than ancillary personnel).

(b) A Professional Corporation may, for purposes of dissolution, have as its shareholders, directors, officers, agents and employees individuals who are not licensed by this State, provided that the corporation does not render any professional services nor hold itself out as capable of or available to render any professional services during the period of dissolution.

The regulating authority shall not issue or renew any certificate of authority to a Professional Corporation during the period of dissolution.

A copy of the certificate of dissolution, as issued by the Secretary of State, shall be delivered to the regulating authority within 30 days of its receipt by the incorporators.

(Source: P.A. 84-1235.)

(805 ILCS 10/5) (from Ch. 32, par. 415-5)

Sec. 5. A professional corporation organized under this Act

may consolidate or merge only with another domestic professional corporation organized under this Act to render the same specific professional service or related professional services or with a domestic limited liability company organized under the Limited Liability Company Act to render the same specific professional service or related professional services and a merger or consolidation with any foreign corporation or foreign limited liability company is prohibited. A professional association organized under the "Act to Authorize Professional Associations", approved August 9, 1961, as amended, may merge with a professional corporation formed under this Act by complying with Section 4 of this Act. A conversion to or from a professional corporation under the Entity Omnibus Act is permitted only if the converted entity is organized to render the same specific professional service or related professional services.

(Source: P.A. 95-368, eff. 8-23-07.)

Section 903. The Medical Corporation Act is amended by changing Section 3 as follows:

(805 ILCS 15/3) (from Ch. 32, par. 633)

Sec. 3. The "Business Corporation Act of 1983", as heretofore or hereafter amended, and the Entity Omnibus Act shall be applicable to such corporations, including their organization, and they shall enjoy the powers and privileges

and be subject to the duties, restrictions and liabilities of other corporations, except so far as the same may be limited or enlarged by this Act. If any provision of this Act conflicts with the "Business Corporation Act of 1983" or the Entity Omnibus Act, this Act shall take precedence.

(Source: P.A. 83-1362.)

Section 904. The General Not For Profit Corporation Act of 1986 is amended by changing Section 101.70 as follows:

(805 ILCS 105/101.70) (from Ch. 32, par. 101.70)

Sec. 101.70. Application of Act.

(a) Except as otherwise provided in this Act, the provisions of this Act relating to domestic corporations shall apply to:

(1) All corporations organized hereunder;

(2) All corporations heretofore organized under the "General Not for Profit Corporation Act", approved July 17, 1943, as amended;

(3) All not-for-profit corporations heretofore organized under Sections 29 to 34, inclusive, of an Act entitled "An Act Concerning Corporations" approved April 18, 1872, in force July 1, 1872, as amended;

(4) Each not-for-profit corporation, without shares or capital stock, heretofore organized under any general law or created by Special Act of the Legislature of this State

for a purpose or purposes for which a corporation may be organized under this Act, but not otherwise entitled to the rights, privileges, immunities and franchises provided by this Act, which shall elect to accept this Act as hereinafter provided; and

(5) Each corporation having shares or capital stock, heretofore organized under any general law or created by Special Act of the Legislature of this State prior to the adoption of the Constitution of 1870, for a purpose or purposes for which a corporation may be organized under this Act, which shall elect to accept this Act as hereinafter provided.

(b) Except as otherwise provided by this Act, the provisions of this Act relating to foreign corporations shall apply to:

(1) All foreign corporations which procure authority hereunder to conduct affairs in this State;

(2) All foreign corporations heretofore having authority to conduct affairs in this State under the "General Not for Profit Corporation Act", approved July 17, 1943, as amended; and

(3) All foreign not-for-profit corporations conducting affairs in this State for a purpose or purposes for which a corporation might be organized under this Act.

(c) The provisions of subsection (b) of Section 110.05 of this Act relating to revival of the articles of incorporation

and extension of the period of corporate duration of a domestic corporation shall apply to all corporations organized under the "General Not for Profit Corporation Act", approved July 17, 1943, as amended, and whose period of duration has expired.

(d) The provisions of Section 112.45 of this Act relating to reinstatement following administrative dissolution of a domestic corporation shall apply to all corporations involuntarily dissolved after June 30, 1974, by the Secretary of State, pursuant to Section 50a of the "General Not for Profit Corporation Act", approved July 17, 1943, as amended.

(e) The provisions of Section 113.60 of this Act relating to reinstatement following revocation of authority of a foreign corporation shall apply to all foreign corporations which had their authority revoked by the Secretary of State pursuant to Section 84 or Section 84a of the "General Not for Profit Corporation Act", approved July 17, 1943, as amended.

(f) Conversions and domestications are governed by the Entity Omnibus Act.

(Source: P.A. 96-66, eff. 1-1-10.)

Section 905. The Limited Liability Company Act is amended by changing Sections 15-1, 15-5, 35-45, 37-5, 37-10, 37-36, 50-10, and 50-50 and by adding Section 50-55 as follows:

(805 ILCS 180/15-1)

(Text of Section before amendment by P.A. 99-637)

Sec. 15-1. Management of limited liability company.

(a) In a member-managed company:

(1) each member has equal rights in the management and conduct of the company's business; and

(2) except as otherwise provided in subsection (c) of this Section, any matter relating to the business of the company may be decided by a majority of the members.

(b) In a manager-managed company:

(1) each manager has equal rights in the management and conduct of the company's business;

(2) except as otherwise provided in subsection (c) of this Section, any matter relating to the business of the company may be exclusively decided by the manager or, if there is more than one manager, by a majority of the managers; and

(3) a manager:

(A) must be designated, appointed, elected, removed, or replaced by a vote, approval, or consent of a majority of the members; and

(B) holds office until a successor has been elected and qualified, unless the manager sooner resigns or is removed.

(c) The only matters of a member or manager-managed company's business requiring the consent of all of the members are the following:

(1) the amendment of the operating agreement under

Section 15-5;

(2) an amendment to the articles of organization under Article 5;

(3) the compromise of an obligation to make a contribution under Section 20-5;

(4) the compromise, as among members, of an obligation of a member to make a contribution or return money or other property paid or distributed in violation of this Act;

(5) the making of interim distributions under subsection (a) of Section 25-1, including the redemption of an interest;

(6) the admission of a new member;

(7) the use of the company's property to redeem an interest subject to a charging order;

(8) the consent to dissolve the company under subdivision (2) of subsection (a) of Section 35-1;

(9) a waiver of the right to have the company's business wound up and the company terminated under Section 35-3;

(10) the consent of members to merge with another entity under Section 37-20; and

(11) the sale, lease, exchange, or other disposal of all, or substantially all, of the company's property with or without goodwill.

(d) Action requiring the consent of members or managers under this Act may be taken without a meeting.

(e) A member or manager may appoint a proxy to vote or otherwise act for the member or manager by signing an appointment instrument, either personally or by the member or manager's attorney-in-fact.

(Source: P.A. 90-424, eff. 1-1-98.)

(Text of Section after amendment by P.A. 99-637)

Sec. 15-1. Management of limited liability company.

(a) A limited liability company is a member-managed limited liability company unless the operating agreement:

(1) expressly provides that:

(A) the company is or will be manager-managed;

(B) the company is or will be managed by managers;

or

(C) management of the company is or will be vested in managers; or

(2) includes words of similar import.

(b) In a member-managed company:

(1) each member has equal rights in the management and conduct of the company's business; and

(2) except as otherwise provided in subsection (d) of this Section, any matter relating to the business of the company may be decided by a majority of the members.

(c) In a manager-managed company:

(1) each manager has equal rights in the management and conduct of the company's business;

(2) except as otherwise provided in subsection (d) of this Section, any matter relating to the business of the company may be exclusively decided by the manager or, if there is more than one manager, by a majority of the managers; and

(3) a manager:

(A) must be designated, appointed, elected, removed, or replaced by a vote, approval, or consent of a majority of the members; and

(B) holds office until a successor has been elected and qualified, unless the manager sooner resigns or is removed.

(d) The only matters of a member or manager-managed company's business requiring the consent of all of the members are the following:

(1) the amendment of the operating agreement under Section 15-5;

(2) an amendment to the articles of organization under Article 5;

(3) the compromise of an obligation to make a contribution under Section 20-5;

(4) the compromise, as among members, of an obligation of a member to make a contribution or return money or other property paid or distributed in violation of this Act;

(5) the redemption of an interest;

(6) the admission of a new member;

(7) the use of the company's property to redeem an interest subject to a charging order;

(8) the consent to dissolve the company under subdivision (2) of subsection (a) of Section 35-1;

(9) the consent of members to convert, merge with another entity or domesticate under Article 37 or the Entity Omnibus Act; and

(10) the sale, lease, exchange, or other disposal of all, or substantially all, of the company's property with or without goodwill.

(e) Action requiring the consent of members or managers under this Act may be taken without a meeting.

(f) A member or manager may appoint a proxy to vote or otherwise act for the member or manager by signing an appointment instrument, either personally or by the member or manager's attorney-in-fact.

(Source: P.A. 99-637, eff. 7-1-17.)

(805 ILCS 180/15-5)

(Text of Section before amendment by P.A. 99-637)

Sec. 15-5. Operating agreement.

(a) All members of a limited liability company may enter into an operating agreement to regulate the affairs of the company and the conduct of its business and to govern relations among the members, managers, and company. To the extent the operating agreement does not otherwise provide, this Act

governs relations among the members, managers, and company. Except as provided in subsection (b) of this Section, an operating agreement may modify any provision or provisions of this Act governing relations among the members, managers, and company.

(b) The operating agreement may not:

(1) unreasonably restrict a right to information or access to records under Section 10-15;

(2) vary the right to expel a member in an event specified in subdivision (6) of Section 35-45;

(3) vary the requirement to wind up the limited liability company's business in a case specified in subdivisions (3) or (4) of Section 35-1;

(4) restrict rights of a person, other than a manager, member, and transferee of a member's distributional interest, under this Act;

(5) restrict the power of a member to dissociate under Section 35-50, although an operating agreement may determine whether a dissociation is wrongful under Section 35-50, and it may eliminate or vary the obligation of the limited liability company to purchase the dissociated member's distributional interest under Section 35-60;

(6) eliminate or reduce a member's fiduciary duties, but may;

(A) identify specific types or categories of activities that do not violate these duties, if not

manifestly unreasonable; and

(B) specify the number or percentage of members or disinterested managers that may authorize or ratify, after full disclosure of all material facts, a specific act or transaction that otherwise would violate these duties;

(6.5) eliminate or reduce the obligations or purposes a low-profit limited liability company undertakes when organized under Section 1-26; or

(7) eliminate or reduce the obligation of good faith and fair dealing under subsection (d) of Section 15-3, but the operating agreement may determine the standards by which the performance of the obligation is to be measured, if the standards are not manifestly unreasonable.

(c) In a limited liability company with only one member, the operating agreement includes any of the following:

(1) Any writing, without regard to whether the writing otherwise constitutes an agreement, as to the company's affairs signed by the sole member.

(2) Any written agreement between the member and the company as to the company's affairs.

(3) Any agreement, which need not be in writing, between the member and the company as to a company's affairs, provided that the company is managed by a manager who is a person other than the member.

(Source: P.A. 96-126, eff. 1-1-10.)

(Text of Section after amendment by P.A. 99-637)

Sec. 15-5. Operating agreement.

(a) All members of a limited liability company may enter into an operating agreement to regulate the affairs of the company and the conduct of its business and to govern relations among the members, managers, and company. The operating agreement may establish that a limited liability company is a manager-managed limited liability company and the rights and duties under this Act of a person in the capacity of a manager. To the extent the operating agreement does not otherwise provide, this Act governs relations among the members, managers, and company. Except as provided in subsections (b), (c), (d), and (e) of this Section, an operating agreement may modify any provision or provisions of this Act governing relations among the members, managers, and company.

(b) The operating agreement may not:

(1) unreasonably restrict a right to information or access to records under Section 1-40 or Section 10-15;

(2) vary the right to expel a member in an event specified in subdivision (6) of Section 35-45;

(3) vary the requirement to wind up the limited liability company's business in a case specified in subdivision (4), (5), or (6) of subsection (a) of Section 35-1;

(4) restrict rights of a person, other than a manager,

member, and transferee of a member's distributional interest, under this Act;

(5) restrict the power of a member to dissociate under Section 35-50, although an operating agreement may determine whether a dissociation is wrongful under Section 35-50;

(6) (blank);

(6.5) eliminate or reduce the obligations or purposes a low-profit limited liability company undertakes when organized under Section 1-26;

(7) eliminate or reduce the obligation of good faith and fair dealing under subsection (d) of Section 15-3, but the operating agreement may determine the standards by which the performance of the member's duties or the exercise of the member's rights is to be measured;

(8) eliminate, vary, or restrict the priority of a statement of authority over provisions in the articles of organization as provided in subsection (h) of Section 13-15;

(9) vary the law applicable under Section 1-65;

(10) vary the power of the court under Section 5-50; or

(11) restrict the right to approve a merger, conversion, or domestication under Article 37 or the Entity Omnibus Act of a member that will have personal liability with respect to a surviving, converted, or domesticated organization.

(c) The operating agreement may:

(1) restrict or eliminate a fiduciary duty, other than the duty of care described in subsection (c) of Section 15-3, but only to the extent the restriction or elimination in the operating agreement is clear and unambiguous;

(2) identify specific types or categories of activities that do not violate any fiduciary duty; and

(3) alter the duty of care, except to authorize intentional misconduct or knowing violation of law.

(d) The operating agreement may specify the method by which a specific act or transaction that would otherwise violate the duty of loyalty may be authorized or ratified by one or more disinterested and independent persons after full disclosure of all material facts.

(e) The operating agreement may alter or eliminate the right to payment or reimbursement for a member or manager provided by Section 15-7 and may eliminate or limit a member or manager's liability to the limited liability company and members for money damages, except for:

(1) subject to subsections (c) and (d) of this Section, breach of the duties as required in subdivisions (1), (2), and (3) of subsection (b) of Section 15-3 and subsection (g) of Section 15-3;

(2) a financial benefit received by the member or manager to which the member or manager is not entitled;

(3) a breach of a duty under Section 25-35;

(4) intentional infliction of harm on the company or a member; or

(5) an intentional violation of criminal law.

(f) A limited liability company is bound by and may enforce the operating agreement, whether or not the company has itself manifested assent to the operating agreement.

(g) A person that becomes a member of a limited liability company is deemed to assent to the operating agreement.

(h) An operating agreement may be entered into before, after, or at the time of filing of articles of organization and, whether entered into before, after, or at the time of the filing, may be made effective as of the time of formation of the limited liability company or as of the time or date provided in the operating agreement.

(Source: P.A. 99-637, eff. 7-1-17.)

(805 ILCS 180/35-45)

(Text of Section before amendment by P.A. 99-637)

Sec. 35-45. Events causing member's dissociation. A member is dissociated from a limited liability company upon the occurrence of any of the following events:

(1) The company's having notice of the member's express will to withdraw upon the date of notice or on a later date specified by the member.

(2) An event agreed to in the operating agreement as causing the member's dissociation.

(3) Upon transfer of all of a member's distributional interest, other than a transfer for security purposes or a court order charging the member's distributional interest that has not been foreclosed.

(4) The member's expulsion pursuant to the operating agreement.

(5) The member's expulsion by unanimous vote of the other members if:

(A) it is unlawful to carry on the company's business with the member;

(B) there has been a transfer of substantially all of the member's distributional interest, other than a transfer for security purposes or a court order charging the member's distributional interest that has not been foreclosed;

(C) within 90 days after the company notifies a corporate member that it will be expelled because it has filed a certificate of dissolution or the equivalent, its charter has been revoked, or its right to conduct business has been suspended by the jurisdiction of its incorporation, the member fails to obtain a revocation of the certificate of dissolution or a reinstatement of its charter or its right to conduct business; or

(D) a partnership or a limited liability company that is a member has been dissolved and its business is being wound up.

(6) On application by the company or another member, the member's expulsion by judicial determination because the member:

(A) engaged in wrongful conduct that adversely and materially affected the company's business;

(B) willfully or persistently committed a material breach of the operating agreement or of a duty owed to the company or the other members under Section 15-3; or

(C) engaged in conduct relating to the company's business that makes it not reasonably practicable to carry on the business with the member.

(7) The member's:

(A) becoming a debtor in bankruptcy;

(B) executing an assignment for the benefit of creditors;

(C) seeking, consenting to, or acquiescing in the appointment of a trustee, receiver, or liquidator of the member or of all or substantially all of the member's property; or

(D) failing, within 90 days after the appointment, to have vacated or stayed the appointment of a trustee, receiver, or liquidator of the member or of all or substantially all of the member's property obtained without the member's consent or acquiescence, or failing within 90 days after the expiration of a stay to have the appointment vacated.

(8) In the case of a member who is an individual:

(A) the member's death;

(B) the appointment of a guardian or general conservator for the member; or

(C) a judicial determination that the member has otherwise become incapable of performing the member's duties under the operating agreement.

(9) In the case of a member that is a trust or is acting as a member by virtue of being a trustee of a trust, distribution of the trust's entire rights to receive distributions from the company, but not merely by reason of the substitution of a successor trustee.

(10) In the case of a member that is an estate or is acting as a member by virtue of being a personal representative of an estate, distribution of the estate's entire rights to receive distributions from the company, but not merely the substitution of a successor personal representative.

(11) Termination of the existence of a member if the member is not an individual, estate, or trust other than a business trust.

(Source: P.A. 90-424, eff. 1-1-98.)

(Text of Section after amendment by P.A. 99-637)

Sec. 35-45. Events causing member's dissociation. A member is dissociated from a limited liability company upon the occurrence of any of the following events:

(1) The company's having notice of the member's express will to withdraw upon the date of notice or on a later date specified by the member.

(2) An event agreed to in the operating agreement as causing the member's dissociation.

(3) Upon transfer of all of a member's distributional interest, other than a transfer for security purposes or a court order charging the member's distributional interest that has not been foreclosed.

(4) The member's expulsion pursuant to the operating agreement.

(5) The member's expulsion by unanimous vote of the other members if:

(A) it is unlawful to carry on the company's business with the member;

(B) there has been a transfer of substantially all of the member's distributional interest, other than a transfer for security purposes or a court order charging the member's distributional interest that has not been foreclosed;

(C) within 90 days after the company notifies a corporate member that it will be expelled because it has filed a certificate of dissolution or the equivalent, its charter has been revoked, or its right to conduct business has been suspended by the jurisdiction of its incorporation, the member fails to

obtain a revocation of the certificate of dissolution or a reinstatement of its charter or its right to conduct business; or

(D) a partnership or a limited liability company that is a member has been dissolved and its business is being wound up.

(6) On application by the company or another member, the member's expulsion by judicial determination because the member:

(A) engaged in wrongful conduct that adversely and materially affected the company's business;

(B) willfully or persistently committed a material breach of the operating agreement or of a duty owed to the company or the other members under Section 15-3; or

(C) engaged in conduct relating to the company's business that makes it not reasonably practicable to carry on the business with the member.

(7) The member's:

(A) becoming a debtor in bankruptcy;

(B) executing an assignment for the benefit of creditors;

(C) seeking, consenting to, or acquiescing in the appointment of a trustee, receiver, or liquidator of the member or of all or substantially all of the member's property; or

(D) failing, within 90 days after the appointment,

to have vacated or stayed the appointment of a trustee, receiver, or liquidator of the member or of all or substantially all of the member's property obtained without the member's consent or acquiescence, or failing within 90 days after the expiration of a stay to have the appointment vacated.

(8) In the case of a member who is an individual:

(A) the member's death;

(B) the appointment of a guardian or general conservator for the member; or

(C) a judicial determination that the member has otherwise become incapable of performing the member's duties under the operating agreement.

(9) In the case of a member that is a trust or is acting as a member by virtue of being a trustee of a trust, distribution of the trust's entire rights to receive distributions from the company, but not merely by reason of the substitution of a successor trustee.

(10) In the case of a member that is an estate or is acting as a member by virtue of being a personal representative of an estate, distribution of the estate's entire rights to receive distributions from the company, but not merely the substitution of a successor personal representative.

(11) Termination of the existence of a member if the member is not an individual, estate, or trust other than a

business trust.

(12) In the case of a company that participates in a merger under Article 37, if:

(A) the company is not the surviving entity; or

(B) otherwise as a result of the merger, the person ceases to be a member.

(13) The company participates in a conversion under the Entity Omnibus Act ~~Article 37~~.

(14) The company participates in a domestication under the Entity Omnibus Act ~~Article 37~~, if, as a result, the person ceases to be a member.

(Source: P.A. 99-637, eff. 7-1-17.)

(805 ILCS 180/37-5)

(Text of Section before amendment by P.A. 99-637)

Sec. 37-5. Definitions. In this Article:

"Corporation" means (i) a corporation under the Business Corporation Act of 1983, a predecessor law, or comparable law of another jurisdiction or (ii) a bank or savings bank.

"General partner" means a partner in a partnership and a general partner in a limited partnership.

"Limited partner" means a limited partner in a limited partnership.

"Limited partnership" means a limited partnership created under the Uniform Limited Partnership Act (2001), a predecessor law, or comparable law of another jurisdiction.

"Partner" includes a general partner and a limited partner.

"Partnership" means a general partnership under the Uniform Partnership Act (1997), a predecessor law, or comparable law of another jurisdiction.

"Partnership agreement" means an agreement among the partners concerning the partnership or limited partnership.

"Shareholder" means a shareholder in a corporation.

(Source: P.A. 96-328, eff. 8-11-09.)

(Text of Section after amendment by P.A. 99-637)

Sec. 37-5. Definitions. In this Article:

"Constituent limited liability company" means a constituent organization that is a limited liability company.

"Constituent organization" means an organization that is party to a merger.

~~"Converted organization" means the organization into which a converting organization converts pursuant to Sections 37-10 through 37-17.~~

~~"Converting limited liability company" means a converting organization that is a limited liability company.~~

~~"Converting organization" means an organization that converts into another organization pursuant to Sections 37-10 through 37-17.~~

~~"Domesticated company" means the company that exists after a domesticating foreign limited liability company or limited liability company effects a domestication pursuant to Sections~~

~~37-31 through 37-34.~~

~~"Domesticating company" means the company that effects a domestication pursuant to Sections 37-31 through 37-34.~~

"Governing statute" means the statute that governs an organization's internal affairs.

"Organization" means a general partnership, including a limited liability partnership, limited partnership, including a limited liability limited partnership, limited liability company, business trust, corporation, or any other person having a governing statute. The term includes a domestic or foreign organization regardless of whether organized for profit.

"Organizational document" means:

(1) for a domestic or foreign general partnership, its partnership agreement;

(2) for a limited partnership or foreign limited partnership, its certificate of limited partnership and partnership agreement;

(3) for a domestic or foreign limited liability company, its certificate or articles of organization and operating agreement, or comparable records as provided in its governing statute;

(4) for a business trust, its agreement of trust and declaration of trust;

(5) for a domestic or foreign corporation for profit, its articles of incorporation, bylaws, and any agreements

among its shareholders which are authorized by its governing statute, or comparable records as provided in its governing statute; and

(6) for any other organization, the basic records that create the organization and determine its internal governance and the relations among the persons that own it, have an interest in it, or are members of it.

"Personal liability" means liability for a debt, obligation, or other liability of an organization which is imposed on a person that co-owns, has an interest in, or is a member of the organization:

(1) by the governing statute solely by reason of the person co-owning, having an interest in, or being a member of the organization; or

(2) by the organization's organizational documents under a provision of the governing statute authorizing those documents to make one or more specified persons liable for all or specified debts, obligations, or other liabilities of the organization solely by reason of the person or persons co-owning, having an interest in, or being a member of the organization.

"Surviving organization" means an organization into which one or more other organizations are merged, whether the organization preexisted the merger or was created by the merger.

(Source: P.A. 99-637, eff. 7-1-17.)

(805 ILCS 180/37-10)

(Text of Section before amendment by P.A. 99-637)

Sec. 37-10. Conversion of partnership or limited partnership to limited liability company.

(a) A partnership or limited partnership may be converted to a limited liability company pursuant to this Section if conversion to a limited liability company is permitted under the law governing the partnership or limited partnership.

(b) The terms and conditions of a conversion of a partnership or limited partnership to a limited liability company must be approved by all of the partners or by a number or percentage of the partners required for conversion in the partnership agreement.

(c) An agreement of conversion must set forth the terms and conditions of the conversion of the interests of partners of a partnership or of a limited partnership, as the case may be, into interests in the converted limited liability company or the cash or other consideration to be paid or delivered as a result of the conversion of the interests of the partners, or a combination thereof.

(d) After a conversion is approved under subsection (b) of this Section, the partnership or limited partnership shall file articles of organization in the office of the Secretary of State that satisfy the requirements of Section 5-5 and contain all of the following:

(1) A statement that the partnership or limited partnership was converted to a limited liability company from a partnership or limited partnership, as the case may be.

(2) Its former name.

(3) A statement of the number of votes cast by the partners entitled to vote for and against the conversion and, if the vote is less than unanimous, the number or percentage required to approve the conversion under subsection (b) of this Section.

(4) In the case of a limited partnership, a statement that the certificate of limited partnership shall be canceled as of the date the conversion took effect.

(e) In the case of a limited partnership, the filing of articles of organization under subsection (d) of this Section cancels its certificate of limited partnership as of the date the conversion took effect.

(f) A conversion takes effect when the articles of organization are filed in the office of the Secretary of State or on a date specified in the articles of organization not later than 30 days subsequent to the filing of the articles of organization.

(g) A general partner who becomes a member of a limited liability company as a result of a conversion remains liable as a partner for an obligation incurred by the partnership or limited partnership before the conversion takes effect.

(h) A general partner's liability for all obligations of the limited liability company incurred after the conversion takes effect is that of a member of the company. A limited partner who becomes a member as a result of a conversion remains liable only to the extent the limited partner was liable for an obligation incurred by the limited partnership before the conversion takes effect.

(Source: P.A. 90-424, eff. 1-1-98.)

(Text of Section after amendment by P.A. 99-637)

Sec. 37-10. Conversions and domestications ~~Conversion.~~

(a) Conversions and domestications are governed by the Entity Omnibus Act. ~~An organization other than a limited liability company or a foreign limited liability company may convert to a limited liability company, and a limited liability company may convert to an organization other than a foreign limited liability company pursuant to this Section, Sections 37-15 through 37-17, and a plan of conversion, if:~~

~~(1) the other organization's governing statute authorizes the conversion;~~

~~(2) the conversion is not prohibited by the law of the jurisdiction that enacted the other organization's governing statute; and~~

~~(3) the other organization complies with its governing statute in effecting the conversion.~~

(b) (Blank). ~~A plan of conversion must be in a record and~~

~~must include:~~

~~(1) the name and form of the organization before conversion;~~

~~(2) the name and form of the organization after conversion;~~

~~(3) the terms and conditions of the conversion, including the manner and basis for converting interests in the converting organization into any combination of money, interests in the converted organization, and other consideration; and~~

~~(4) the organizational documents of the converted organization that are, or are proposed to be, in a record.~~

(Source: P.A. 99-637, eff. 7-1-17.)

(805 ILCS 180/37-36)

(This Section may contain text from a Public Act with a delayed effective date)

Sec. 37-36. Restrictions on approval of mergers ~~and conversions.~~

(a) If a member of a merging ~~or converting~~ limited liability company will have personal liability with respect to a surviving ~~or converted~~ organization, approval or amendment of a plan of merger ~~or conversion~~ is ineffective without the consent of the member, unless:

(1) the company's operating agreement provides for approval of a merger ~~or conversion~~ with the consent of

fewer than all the members; and

(2) the member has consented to the provision of the operating agreement.

(b) A member does not give the consent required by subsection (a) merely by consenting to a provision of the operating agreement that permits the operating agreement to be amended with the consent of fewer than all the members.

(Source: P.A. 99-637, eff. 7-1-17.)

(805 ILCS 180/50-10)

(Text of Section before amendment by P.A. 99-637)

Sec. 50-10. Fees.

(a) The Secretary of State shall charge and collect in accordance with the provisions of this Act and rules promulgated under its authority all of the following:

(1) Fees for filing documents.

(2) Miscellaneous charges.

(3) Fees for the sale of lists of filings and for copies of any documents.

(b) The Secretary of State shall charge and collect for all of the following:

(1) Filing articles of organization (domestic), application for admission (foreign), and restated articles of organization (domestic), \$500. Notwithstanding the foregoing, the fee for filing articles of organization (domestic), application for admission (foreign), and

restated articles of organization (domestic) in connection with a limited liability company with ability to establish series pursuant to Section 37-40 of this Act is \$750.

(2) Filing articles of amendment or an amended application for admission, \$150.

(3) Filing articles of dissolution or application for withdrawal, \$100.

(4) Filing an application to reserve a name, \$300.

(5) Filing a notice of cancellation of a reserved name, \$100.

(6) Filing a notice of a transfer of a reserved name, \$100.

(7) Registration of a name, \$300.

(8) Renewal of registration of a name, \$100.

(9) Filing an application for use of an assumed name under Section 1-20 of this Act, \$150 for each year or part thereof ending in 0 or 5, \$120 for each year or part thereof ending in 1 or 6, \$90 for each year or part thereof ending in 2 or 7, \$60 for each year or part thereof ending in 3 or 8, \$30 for each year or part thereof ending in 4 or 9, and a renewal for each assumed name, \$150.

(10) Filing an application for change or cancellation of an assumed name, \$100.

(11) Filing an annual report of a limited liability company or foreign limited liability company, \$250, if filed as required by this Act, plus a penalty if

delinquent. Notwithstanding the foregoing, the fee for filing an annual report of a limited liability company or foreign limited liability company with ability to establish series is \$250 plus \$50 for each series for which a certificate of designation has been filed pursuant to Section 37-40 of this Act and active on the last day of the third month preceding the company's anniversary month, plus a penalty if delinquent.

(12) Filing an application for reinstatement of a limited liability company or foreign limited liability company \$500.

(13) Filing Articles of Merger, \$100 plus \$50 for each party to the merger in excess of the first 2 parties.

(14) Filing an Agreement of Conversion or Statement of Conversion, \$100.

(15) Filing a statement of change of address of registered office or change of registered agent, or both, or filing a statement of correction, \$25.

(16) Filing a petition for refund, \$15.

(17) Filing any other document, \$100.

(18) Filing a certificate of designation of a limited liability company with the ability to establish series pursuant to Section 37-40 of this Act, \$50.

(c) The Secretary of State shall charge and collect all of the following:

(1) For furnishing a copy or certified copy of any

document, instrument, or paper relating to a limited liability company or foreign limited liability company, or for a certificate, \$25.

(2) For the transfer of information by computer process media to any purchaser, fees established by rule.

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

(Text of Section after amendment by P.A. 99-637)

Sec. 50-10. Fees.

(a) The Secretary of State shall charge and collect in accordance with the provisions of this Act and rules promulgated under its authority all of the following:

(1) Fees for filing documents.

(2) Miscellaneous charges.

(3) Fees for the sale of lists of filings and for copies of any documents.

(b) The Secretary of State shall charge and collect for all of the following:

(1) Filing articles of organization (domestic), application for admission (foreign), and restated articles of organization (domestic), \$500. Notwithstanding the foregoing, the fee for filing articles of organization (domestic), application for admission (foreign), and restated articles of organization (domestic) in connection with a limited liability company with a series or the ability to establish a series pursuant to Section 37-40 of

this Act is \$750.

(2) Filing amendments (domestic or foreign), \$150.

(3) Filing a statement of termination or application for withdrawal, \$25.

(4) Filing an application to reserve a name, \$300.

(5) Filing a notice of cancellation of a reserved name, \$100.

(6) Filing a notice of a transfer of a reserved name, \$100.

(7) Registration of a name, \$300.

(8) Renewal of registration of a name, \$100.

(9) Filing an application for use of an assumed name under Section 1-20 of this Act, \$150 for each year or part thereof ending in 0 or 5, \$120 for each year or part thereof ending in 1 or 6, \$90 for each year or part thereof ending in 2 or 7, \$60 for each year or part thereof ending in 3 or 8, \$30 for each year or part thereof ending in 4 or 9, and a renewal for each assumed name, \$150.

(10) Filing an application for change or cancellation of an assumed name, \$100.

(11) Filing an annual report of a limited liability company or foreign limited liability company, \$250, if filed as required by this Act, plus a penalty if delinquent. Notwithstanding the foregoing, the fee for filing an annual report of a limited liability company or foreign limited liability company is \$250 plus \$50 for each

series for which a certificate of designation has been filed pursuant to Section 37-40 of this Act and is in effect on the last day of the third month preceding the company's anniversary month, plus a penalty if delinquent.

(12) Filing an application for reinstatement of a limited liability company or foreign limited liability company \$500.

(13) Filing articles of merger, \$100 plus \$50 for each party to the merger in excess of the first 2 parties.

(14) (Blank). ~~Filing articles of conversion, \$100.~~

(15) Filing a statement of change of address of registered office or change of registered agent, or both, or filing a statement of correction, \$25.

(16) Filing a petition for refund, \$15.

(17) Filing a certificate of designation of a limited liability company with a series pursuant to Section 37-40 of this Act, \$50.

(18) Filing articles of domestication, \$100.

(19) Filing, amending, or cancelling a statement of authority, \$50.

(20) Filing, amending, or cancelling a statement of denial, \$10.

(21) Filing any other document, \$100.

(c) The Secretary of State shall charge and collect all of the following:

(1) For furnishing a copy or certified copy of any

document, instrument, or paper relating to a limited liability company or foreign limited liability company, or for a certificate, \$25.

(2) For the transfer of information by computer process media to any purchaser, fees established by rule.

(Source: P.A. 99-637, eff. 7-1-17.)

(805 ILCS 180/50-50)

Sec. 50-50. Department of Business Services Special Operations Fund.

(a) A special fund in the State treasury is created and shall be known as the Department of Business Services Special Operations Fund. Moneys deposited into the Fund shall, subject to appropriation, be used by the Department of Business Services of the Office of the Secretary of State, hereinafter "Department", to create and maintain the capability to perform expedited services in response to special requests made by the public for same-day or 24-hour service. Moneys deposited into the Fund shall be used for, but not limited to, expenditures for personal services, retirement, Social Security, contractual services, equipment, electronic data processing, and telecommunications.

(b) The balance in the Fund at the end of any fiscal year shall not exceed \$600,000, and any amount in excess thereof shall be transferred to the General Revenue Fund.

(c) All fees payable to the Secretary of State under this

Section shall be deposited into the Fund. No other fees or charges collected under this Act shall be deposited into the Fund.

(d) "Expedited services" means services rendered within the same day, or within 24 hours from the time, the request therefor is submitted by the filer, law firm, service company, or messenger physically in person or, at the Secretary of State's discretion, by electronic means, to the Department's Springfield Office and includes requests for certified copies, photocopies, and certificates of good standing made to the Department's Springfield Office in person or by telephone, or requests for certificates of good standing made in person or by telephone to the Department's Chicago Office.

(e) Fees for expedited services shall be as follows:

- Restated articles of organization, \$200;
- Merger ~~or conversion~~, \$200;
- Articles of organization, \$100;
- Articles of amendment, \$100;
- Reinstatement, \$100;
- Application for admission to transact business, \$100;
- Certificate of good standing or abstract of computer record, \$20;

All other filings, copies of documents, annual reports, and copies of documents of dissolved or revoked limited liability companies, \$50.

(Source: P.A. 92-33, eff. 7-1-01; 93-32, eff. 9-1-03.)

(805 ILCS 180/50-55 new)

Sec. 50-55. Disposition of fees. Until July 1, 2021, of the total money collected for the filing of annual reports under this Act, \$10 of the filing fee shall be paid into the Department of Business Services Special Operations Fund. The remaining money collected for the filing of annual reports under this Act shall be deposited into the General Revenue Fund in the State Treasury.

(805 ILCS 180/37-15 rep.)

(805 ILCS 180/37-16 rep.)

(805 ILCS 180/37-17 rep.)

(805 ILCS 180/37-31 rep.)

(805 ILCS 180/37-32 rep.)

(805 ILCS 180/37-33 rep.)

(805 ILCS 180/37-34 rep.)

Section 906. The Limited Liability Company Act is amended by repealing Sections 37-15, 37-16, 37-17, 37-31, 37-32, 37-33, and 37-34.

Section 907. The Uniform Partnership Act (1997) is amended by changing Section 902 as follows:

(805 ILCS 206/902)

Sec. 902. Conversions and domestications ~~Conversion of~~

~~partnership to limited partnership.~~

(a) Conversions and domestications are governed by the Entity Omnibus Act ~~A partnership may be converted to a limited partnership pursuant to this Section.~~

(b) (Blank). ~~The terms and conditions of a conversion of a partnership to a limited partnership must be approved by all of the partners or by a number or percentage specified for conversion in the partnership agreement.~~

(c) (Blank). ~~After the conversion is approved by the partners, the partnership shall file a certificate of limited partnership in the jurisdiction in which the limited partnership is to be formed. The certificate must include:~~

~~(1) a statement that the partnership was converted to a limited partnership from a partnership;~~

~~(2) its former name; and~~

~~(3) a statement of the number of votes cast by the partners for and against the conversion and, if the vote is less than unanimous, the number or percentage required to approve the conversion under the partnership agreement.~~

(d) (Blank). ~~The conversion takes effect when the certificate of limited partnership is filed or at any later date specified in the certificate.~~

(e) (Blank). ~~A general partner who becomes a limited partner as a result of the conversion remains liable as a general partner for an obligation incurred by the partnership before the conversion takes effect. If the other party to a~~

~~transaction with the limited partnership reasonably believes when entering the transaction that the limited partner is a general partner, the limited partner is liable for an obligation incurred by the limited partnership within 90 days after the conversion takes effect. The limited partner's liability for all other obligations of the limited partnership incurred after the conversion takes effect is that of a limited partner as provided in the Uniform Limited Partnership Act (2001).~~

(Source: P.A. 92-740, eff. 1-1-03; 93-967, eff. 1-1-05.)

(805 ILCS 206/903 rep.)

(805 ILCS 206/904 rep.)

(805 ILCS 206/909 rep.)

Section 908. The Uniform Partnership Act (1997) is amended by repealing Sections 903, 904, and 909.

Section 909. The Uniform Limited Partnership Act (2001) is amended by changing Sections 103, 110, 1101, 1102, 1110, 1111, 1112, 1113, and 1308 as follows:

(805 ILCS 215/103)

Sec. 103. Knowledge and notice.

(a) A person knows a fact if the person has actual knowledge of it.

(b) A person has notice of a fact if the person:

- (1) knows of it;
- (2) has received a notification of it;
- (3) has reason to know it exists from all of the facts known to the person at the time in question; or
- (4) has notice of it under subsection (c) or (d).

(c) A certificate of limited partnership on file in the Office of the Secretary of State is notice that the partnership is a limited partnership and the persons designated in the certificate as general partners are general partners. Except as otherwise provided in subsection (d), the certificate is not notice of any other fact.

(d) A person has notice of:

- (1) another person's dissociation as a general partner, 90 days after the effective date of an amendment to the certificate of limited partnership which states that the other person has dissociated or 90 days after the effective date of a statement of dissociation pertaining to the other person, whichever occurs first;

- (2) a limited partnership's dissolution, 90 days after the effective date of an amendment to the certificate of limited partnership stating that the limited partnership is dissolved;

- (3) a limited partnership's termination, 90 days after the effective date of a statement of termination;

- (4) a limited partnership's conversion pursuant to the Entity Omnibus Act ~~under Article 11~~, 90 days after the

effective date of the statement ~~articles~~ of conversion; ~~or~~

(4.5) a limited partnership's domestication pursuant to the Entity Omnibus Act, 90 days after the effective date of the statement of domestication; or

(5) a merger under Article 11, 90 days after the effective date of the articles of merger.

(e) A person notifies or gives a notification to another person by taking steps reasonably required to inform the other person in ordinary course, whether or not the other person learns of it.

(f) A person receives a notification when the notification:

(1) comes to the person's attention; or

(2) is delivered at the person's place of business or at any other place held out by the person as a place for receiving communications.

(g) Except as otherwise provided in subsection (h), a person other than an individual knows, has notice, or receives a notification of a fact for purposes of a particular transaction when the individual conducting the transaction for the person knows, has notice, or receives a notification of the fact, or in any event when the fact would have been brought to the individual's attention if the person had exercised reasonable diligence. A person other than an individual exercises reasonable diligence if it maintains reasonable routines for communicating significant information to the individual conducting the transaction for the person and there

is reasonable compliance with the routines. Reasonable diligence does not require an individual acting for the person to communicate information unless the communication is part of the individual's regular duties or the individual has reason to know of the transaction and that the transaction would be materially affected by the information.

(h) A general partner's knowledge, notice, or receipt of a notification of a fact relating to the limited partnership is effective immediately as knowledge of, notice to, or receipt of a notification by the limited partnership, except in the case of a fraud on the limited partnership committed by or with the consent of the general partner. A limited partner's knowledge, notice, or receipt of a notification of a fact relating to the limited partnership is not effective as knowledge of, notice to, or receipt of a notification by the limited partnership.

(Source: P.A. 93-967, eff. 1-1-05.)

(805 ILCS 215/110)

Sec. 110. Effect of partnership agreement; nonwaivable provisions.

(a) Except as otherwise provided in subsection (b), the partnership agreement governs relations among the partners and between the partners and the partnership. To the extent the partnership agreement does not otherwise provide, this Act governs relations among the partners and between the partners and the partnership.

(b) A partnership agreement may not:

(1) vary a limited partnership's power under Section 105 to sue, be sued, and defend in its own name;

(2) vary the law applicable to a limited partnership under Section 106;

(3) vary the requirements of Section 204;

(4) vary the information required under Section 111 or unreasonably restrict the right to information under Sections 304 or 407, but the partnership agreement may impose reasonable restrictions on the availability and use of information obtained under those Sections and may define appropriate remedies, including liquidated damages, for a breach of any reasonable restriction on use;

(5) eliminate or reduce fiduciary duties, but the partnership agreement may:

(A) identify specific types or categories of activities that do not violate the duties, if not manifestly unreasonable; and

(B) specify the number or percentage of partners which may authorize or ratify, after full disclosure to all partners of all material facts, a specific act or transaction that otherwise would violate these duties;

(6) eliminate the obligation of good faith and fair dealing under Sections 305(b) and 408(d), but the partnership agreement may prescribe the standards by which the performance of the obligation is to be measured, if the

standards are not manifestly unreasonable;

(7) vary the power of a person to dissociate as a general partner under Section 604(a) except to require that the notice under Section 603(1) be in a record;

(8) vary the power of a court to decree dissolution in the circumstances specified in Section 802;

(9) vary the requirement to wind up the partnership's business as specified in Section 803;

(10) unreasonably restrict the right to maintain an action under Article 10;

(11) restrict the right of a partner under Section 1110(a) to approve a conversion, domestication, or merger or the right of a general partner under Section 1110(b) to consent to an amendment to the certificate of limited partnership which deletes a statement that the limited partnership is a limited liability limited partnership; or

(12) restrict rights under this Act of a person other than a partner or a transferee.

(Source: P.A. 93-967, eff. 1-1-05.)

(805 ILCS 215/1101)

Sec. 1101. Definitions. In this Article:

(1) "Constituent limited partnership" means a constituent organization that is a limited partnership.

(2) "Constituent organization" means an organization that is party to a merger.

(3) (Blank). ~~"Converted organization" means the organization into which a converting organization converts pursuant to Sections 1102 through 1105.~~

(4) (Blank). ~~"Converting limited partnership" means a converting organization that is a limited partnership.~~

(5) (Blank). ~~"Converting organization" means an organization that converts into another organization pursuant to Section 1102.~~

(6) "General partner" means a general partner of a limited partnership.

(7) "Governing statute" of an organization means the statute that governs the organization's internal affairs.

(8) "Organization" means a general partnership, including a limited liability partnership; limited partnership, including a limited liability limited partnership; limited liability company; business trust; corporation; or any other person having a governing statute. The term includes domestic and foreign organizations whether or not organized for profit.

(9) "Organizational documents" means:

(A) for a domestic or foreign general partnership, its partnership agreement;

(B) for a limited partnership or foreign limited partnership, its certificate of limited partnership and partnership agreement;

(C) for a domestic or foreign limited liability company, its articles of organization and operating

agreement, or comparable records as provided in its governing statute;

(D) for a business trust, its agreement of trust and declaration of trust;

(E) for a domestic or foreign corporation for profit, its articles of incorporation, bylaws, and other agreements among its shareholders which are authorized by its governing statute, or comparable records as provided in its governing statute; and

(F) for any other organization, the basic records that create the organization and determine its internal governance and the relations among the persons that own it, have an interest in it, or are members of it.

(10) "Personal liability" means personal liability for a debt, liability, or other obligation of an organization which is imposed on a person that co-owns, has an interest in, or is a member of the organization:

(A) by the organization's governing statute solely by reason of the person co-owning, having an interest in, or being a member of the organization; or

(B) by the organization's organizational documents under a provision of the organization's governing statute authorizing those documents to make one or more specified persons liable for all or specified debts, liabilities, and other obligations of the organization solely by reason of the person or persons co-owning, having an interest in, or

being a member of the organization.

(11) "Surviving organization" means an organization into which one or more other organizations are merged. A surviving organization may preexist the merger or be created by the merger.

(Source: P.A. 93-967, eff. 1-1-05.)

(805 ILCS 215/1102)

Sec. 1102. Conversions and domestications ~~Conversion.~~

(a) Conversions and domestications are governed by the Entity Omnibus Act. ~~An organization other than a limited partnership may convert to a limited partnership, and a limited partnership may convert to another organization pursuant to this Section and Sections 1103 through 1105 and a plan of conversion, if:~~

~~(1) the other organization's governing statute authorizes the conversion;~~

~~(2) the conversion is not prohibited by the law of the jurisdiction that enacted the governing statute; and~~

~~(3) the other organization complies with its governing statute in effecting the conversion.~~

(b) (Blank). ~~A plan of conversion must be in a record and must include:~~

~~(1) the name and form of the organization before conversion;~~

~~(2) the name and form of the organization after~~

~~conversion; and~~

~~(3) the terms and conditions of the conversion, including the manner and basis for converting interests in the converting organization into any combination of money, interests in the converted organization, and other consideration; and~~

~~(4) the organizational documents of the converted organization.~~

(Source: P.A. 93-967, eff. 1-1-05.)

(805 ILCS 215/1110)

Sec. 1110. Restrictions on approval of ~~conversions and~~ mergers and on relinquishing LLLP status.

(a) If a partner of a ~~converting or~~ constituent limited partnership will have personal liability with respect to a ~~converted or~~ surviving organization, approval and amendment of a plan of ~~conversion or~~ merger are ineffective without the consent of the partner, unless:

(1) the limited partnership's partnership agreement provides for the approval of the ~~conversion or~~ merger with the consent of fewer than all the partners; and

(2) the partner has consented to the provision of the partnership agreement.

(b) An amendment to a certificate of limited partnership which deletes a statement that the limited partnership is a limited liability limited partnership is ineffective without

the consent of each general partner unless:

(1) the limited partnership's partnership agreement provides for the amendment with the consent of less than all the general partners; and

(2) each general partner that does not consent to the amendment has consented to the provision of the partnership agreement.

(c) A partner does not give the consent required by subsection (a) or (b) merely by consenting to a provision of the partnership agreement which permits the partnership agreement to be amended with the consent of fewer than all the partners.

(Source: P.A. 93-967, eff. 1-1-05.)

(805 ILCS 215/1111)

Sec. 1111. Liability of general partner after ~~conversion or~~ merger.

(a) A ~~conversion or~~ merger under this Article does not discharge any liability under Sections 404 and 607 of a person that was a general partner in or dissociated as a general partner from a ~~converting or~~ constituent limited partnership, but:

(1) the provisions of this Act pertaining to the collection or discharge of the liability continue to apply to the liability;

(2) for the purposes of applying those provisions, the

~~converted or~~ surviving organization is deemed to be the  
~~converting or~~ constituent limited partnership; and

(3) if a person is required to pay any amount under  
this subsection:

(A) the person has a right of contribution from  
each other person that was liable as a general partner  
under Section 404 when the obligation was incurred and  
has not been released from the obligation under Section  
607; and

(B) the contribution due from each of those persons  
is in proportion to the right to receive distributions  
in the capacity of general partner in effect for each  
of those persons when the obligation was incurred.

(b) In addition to any other liability provided by law:

(1) a person that immediately before a ~~conversion or~~  
merger became effective was a general partner in a  
~~converting or~~ constituent limited partnership that was not  
a limited liability limited partnership is personally  
liable for each obligation of the ~~converted or~~ surviving  
organization arising from a transaction with a third party  
after the ~~conversion or~~ merger becomes effective, if, at  
the time the third party enters into the transaction, the  
third party:

(A) does not have notice of the ~~conversion or~~  
merger; and

(B) reasonably believes that:

(i) the ~~converted or~~ surviving business is the ~~converting or~~ constituent limited partnership;

(ii) the ~~converting or~~ constituent limited partnership is not a limited liability limited partnership; and

(iii) the person is a general partner in the ~~converting or~~ constituent limited partnership; and

(2) a person that was dissociated as a general partner from a ~~converting or~~ constituent limited partnership before the ~~conversion or~~ merger became effective is personally liable for each obligation of the ~~converted or~~ surviving organization arising from a transaction with a third party after the ~~conversion or~~ merger becomes effective, if:

(A) immediately before the ~~conversion or~~ merger became effective the ~~converting or~~ surviving limited partnership was not a limited liability limited partnership; and

(B) at the time the third party enters into the transaction less than 2 ~~two~~ years have passed since the person dissociated as a general partner and the third party:

(i) does not have notice of the dissociation;

(ii) does not have notice of the ~~conversion or~~ merger; and

(iii) reasonably believes that the ~~converted~~

~~or~~ surviving organization is the ~~converting or~~ constituent limited partnership, the ~~converting or~~ constituent limited partnership is not a limited liability limited partnership, and the person is a general partner in the ~~converting or~~ constituent limited partnership.

(Source: P.A. 93-967, eff. 1-1-05.)

(805 ILCS 215/1112)

Sec. 1112. Power of general partners and persons dissociated as general partners to bind organization after ~~conversion or~~ merger.

(a) An act of a person that immediately before ~~a conversion or~~ merger became effective was a general partner in a ~~converting or~~ constituent limited partnership binds the ~~converted or~~ surviving organization after the ~~conversion or~~ merger becomes effective, if:

(1) before the ~~conversion or~~ merger became effective, the act would have bound the ~~converting or~~ constituent limited partnership under Section 402; and

(2) at the time the third party enters into the transaction, the third party:

(A) does not have notice of the ~~conversion or~~ merger; and

(B) reasonably believes that the ~~converted or~~ surviving business is the ~~converting or~~ constituent

limited partnership and that the person is a general partner in the ~~converting or~~ constituent limited partnership.

(b) An act of a person that before a ~~conversion or~~ merger became effective was dissociated as a general partner from a ~~converting or~~ constituent limited partnership binds the ~~converted or~~ surviving organization after the ~~conversion or~~ merger becomes effective, if:

(1) before the ~~conversion or~~ merger became effective, the act would have bound the ~~converting or~~ constituent limited partnership under Section 402 if the person had been a general partner; and

(2) at the time the third party enters into the transaction, less than 2 ~~two~~ years have passed since the person dissociated as a general partner and the third party:

(A) does not have notice of the dissociation;

(B) does not have notice of the ~~conversion or~~ merger; and

(C) reasonably believes that the ~~converted or~~ surviving organization is the ~~converting or~~ constituent limited partnership and that the person is a general partner in the ~~converting or~~ constituent limited partnership.

(c) If a person having knowledge of the ~~conversion or~~ merger causes a ~~converted or~~ surviving organization to incur an

obligation under subsection (a) or (b), the person is liable:

(1) to the ~~converted or~~ surviving organization for any damage caused to the organization arising from the obligation; and

(2) if another person is liable for the obligation, to that other person for any damage caused to that other person arising from the liability.

(Source: P.A. 93-967, eff. 1-1-05.)

(805 ILCS 215/1113)

Sec. 1113. Article not exclusive. This Article does not preclude an entity from being converted, domesticated, or merged under other law.

(Source: P.A. 93-967, eff. 1-1-05.)

(805 ILCS 215/1308)

Sec. 1308. Department of Business Services Special Operations Fund.

(a) A special fund in the State Treasury is created and shall be known as the Department of Business Services Special Operations Fund. Moneys deposited into the Fund shall, subject to appropriation, be used by the Department of Business Services of the Office of the Secretary of State, hereinafter "Department", to create and maintain the capability to perform expedited services in response to special requests made by the public for same day or 24 hour service. Moneys deposited into

the Fund shall be used for, but not limited to, expenditures for personal services, retirement, Social Security, contractual services, equipment, electronic data processing, and telecommunications.

(b) The balance in the Fund at the end of any fiscal year shall not exceed \$600,000 and any amount in excess thereof shall be transferred to the General Revenue Fund.

(c) All fees payable to the Secretary of State under this Section shall be deposited into the Fund. No other fees or charges collected under this Act shall be deposited into the Fund.

(d) "Expedited services" means services rendered within the same day, or within 24 hours from the time the request therefor is submitted by the filer, law firm, service company, or messenger physically in person or, at the Secretary of State's discretion, by electronic means, to the Department's Springfield Office or Chicago Office and includes requests for certified copies, photocopies, and certificates of existence or abstracts of computer record made to the Department's Springfield Office in person or by telephone, or requests for certificates of existence or abstracts of computer record made in person or by telephone to the Department's Chicago Office.

(e) Fees for expedited services shall be as follows:

Merger ~~or conversion~~, \$200;

Certificate of limited partnership, \$100;

Certificate of amendment, \$100;

Reinstatement, \$100;

Application for admission to transact business, \$100;

Certificate of existence or abstract of computer record, \$20;

All other filings, copies of documents, annual renewal reports, and copies of documents of canceled limited partnerships, \$50.

(Source: P.A. 97-839, eff. 7-20-12; 98-463, eff. 8-16-13.)

(805 ILCS 215/1103 rep.)

(805 ILCS 215/1104 rep.)

(805 ILCS 215/1105 rep.)

Section 910 The Uniform Limited Partnership Act (2001) is amended by repealing Sections 1103, 1104, and 1105.

Section 995. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.

Section 999. Effective date. This Act takes effect July 1, 2018.