

AN ACT concerning business organizations.

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

Section 5. The Business Corporation Act of 1983 is amended by changing Section 1.10 as follows:

(805 ILCS 5/1.10) (from Ch. 32, par. 1.10)

Sec. 1.10. Forms, execution, acknowledgment and filing.

(a) All reports required by this Act to be filed in the office of the Secretary of State shall be made on forms which shall be prescribed and furnished by the Secretary of State. Forms for all other documents to be filed in the office of the Secretary of State shall be furnished by the Secretary of State on request therefor, but the use thereof, unless otherwise specifically prescribed in this Act, shall not be mandatory.

(b) Whenever any provision of this Act specifically requires any document to be executed by the corporation in accordance with this Section, unless otherwise specifically stated in this Act and subject to any additional provisions of this Act, such document shall be executed, in ink, as follows:

(1) The articles of incorporation, and any other document to be filed before the election of the initial board of directors if the initial directors were not named in the articles of incorporation, shall be signed by the

incorporator or incorporators.

(2) All other documents shall be signed:

(i) By the president, a vice-president, the secretary, an assistant secretary, the treasurer, or other officer duly authorized by the board of directors of the corporation to execute the document and verified by him or her; or

(ii) If it shall appear from the document that there are no such officers, then by a majority of the directors or by such directors as may be designated by the board; or

(iii) If it shall appear from the document that there are no such officers or directors, then by the holders of record, or such of them as may be designated by the holders of record of a majority of all outstanding shares; or

(iv) By the holders of all outstanding shares; or

(v) If the corporate assets are in the possession of a receiver, trustee or other court appointed officer, then by the fiduciary or the majority of them if there are more than one.

(c) The name of a person signing the document and the capacity in which he or she signs shall be stated beneath or opposite his or her signature.

(d) Whenever any provision of this Act requires any document to be verified, such requirement is satisfied by

either:

(1) The formal acknowledgment by the person or one of the persons signing the instrument that it is his or her act and deed or the act and deed of the corporation, as the case may be, and that the facts stated therein are true. Such acknowledgment shall be made before a person who is authorized by the law of the place of execution to take acknowledgments of deeds and who, if he or she has a seal of office, shall affix it to the instrument.

(2) The signature, without more, of the person or persons signing the instrument, in which case such signature or signatures shall constitute the affirmation or acknowledgment of the signatory, under penalties of perjury, that the instrument is his or her act and deed or the act and deed of the corporation, as the case may be, and that the facts stated therein are true.

(e) Whenever any provision of this Act requires any document to be filed with the Secretary of State or in accordance with this Section, such requirement means that:

(1) The original signed document, and if in duplicate as provided by this Act, one true copy, which may be signed, carbon or photocopy, shall be delivered to the office of the Secretary of State.

(2) All fees, taxes and charges authorized by law to be collected by the Secretary of State in connection with the filing of the document shall be tendered to the Secretary

of State.

(3) If the Secretary of State finds that the document conforms to law, he or she shall, when all fees, taxes and charges have been paid as in this Act prescribed:

(i) Endorse on the original and on the true copy, if any, the word "filed" and the month, day and year thereof;

(ii) File the original in his or her office;

(iii) (Blank); or

(iv) If the filing is in duplicate, he or she shall return one true copy to the corporation or its representative.

(f) If another Section of this Act specifically prescribes a manner of filing or executing a specified document which differs from the corresponding provisions of this Section, then the provisions of such other Section shall govern.

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

Section 10. The General Not For Profit Corporation Act of 1986 is amended by changing Sections 101.10, 112.35, and 112.40 as follows:

(805 ILCS 105/101.10) (from Ch. 32, par. 101.10)

Sec. 101.10. Forms, execution, acknowledgment and filing.

(a) All reports required by this Act to be filed in the office of the Secretary of State shall be made on forms which

shall be prescribed and furnished by the Secretary of State. Forms for all other documents to be filed in the office of the Secretary of State shall be furnished by the Secretary of State on request therefor, but the use thereof, unless otherwise specifically prescribed in this Act, shall not be mandatory.

(b) Whenever any provision of this Act specifically requires any document to be executed by the corporation in accordance with this Section, unless otherwise specifically stated in this Act and subject to any additional provisions of this Act, such document shall be executed, in ink, as follows:

(1) The articles of incorporation shall be signed by the incorporator or incorporators.

(2) All other documents shall be signed:

(i) By the president, a vice-president, the secretary, an assistant secretary, the treasurer, or other officer duly authorized by the board of directors of the corporation to execute the document and verified by him or her; or

(ii) If it shall appear from the document that there are no such officers, then by a majority of the directors or by such directors as may be designated by the board; or

(iii) If it shall appear from the document that there are no such officers or directors, then by the members, or such of them as may be designated by the members at a lawful meeting; or

(iv) If the corporate assets are in the possession of a receiver, trustee or other court-appointed officer, then by the fiduciary or the majority of them if there are more than one.

(c) The name of a person signing the document and the capacity in which he or she signs shall be stated beneath or opposite his or her signature.

(d) Whenever any provision of this Act requires any document to be verified, such requirement is satisfied by either:

(1) The formal acknowledgment by the person or one of the persons signing the instrument that it is his or her act and deed or the act and deed of the corporation, as the case may be, and that the facts stated therein are true. Such acknowledgment shall be made before a person who is authorized by the law of the place of execution to take acknowledgments of deeds and who, if he or she has a seal of office, shall affix it to the instrument; or

(2) The signature, without more, of the person or persons signing the instrument, in which case such signature or signatures shall constitute the affirmation or acknowledgment of the signatory, under penalties of perjury, that the instrument is his or her act and deed or the act and deed of the corporation, as the case may be, and that the facts stated therein are true.

(e) Whenever any provision of this Act requires any

document to be filed with the Secretary of State or in accordance with this Section, such requirement means that:

(1) The original signed document, and if in duplicate as provided by this Act, one true copy, which may be signed, or carbon or photocopy shall be delivered to the office of the Secretary of State.

(2) All fees and charges authorized by law to be collected by the Secretary of State in connection with the filing of the document shall be tendered to the Secretary of State.

(3) If the Secretary of State finds that the document conforms to law, he or she shall, when all fees and charges have been paid as in this Act prescribed:

(i) Endorse on the original and on the true copy, if any, the word "filed" and the month, day and year thereof;

(ii) File the original in his or her office;

(iii) (Blank); and

(iv) If the filing is in duplicate, he or she shall return the copy to the corporation or its representative.

(f) If another Section of this Act specifically prescribes a manner of filing or executing a specified document which differs from the corresponding provisions of this Section, then the provisions of such other Section shall govern.

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

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

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

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

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

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

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

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

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

(g) It has failed to elect and maintain at least 3



directors in accordance with Section 108.10 of this Act.

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

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

Sec. 112.40. Procedure for administrative dissolution.

(a) After the Secretary of State determines that one or more grounds exist under Section 112.35 of this Act for the administrative dissolution of a corporation, he or she shall send by regular mail to each delinquent corporation a Notice of Delinquency to its registered office, or, if the corporation has failed to maintain a registered office, then to the president or other principal officer at the last known office of said officer. Failure to receive such notice shall not relieve the corporation of its obligation to pay the filing fee and any penalties due or invalidate the validity thereof.

(b) If the corporation does not correct the default within 90 days following such notice, the Secretary of State shall thereupon dissolve the corporation by issuing a certificate of dissolution that recites the ground or grounds for dissolution and its effective date. The Secretary of State shall file the original of the certificate in his or her office and mail one copy to the corporation at its registered office or, if the corporation has failed to maintain a registered office, then to the president or other principal officer at the last known office of said officer.

(c) The administrative dissolution of a corporation

terminates its corporate existence and such a dissolved corporation shall not thereafter carry on any affairs, provided however, that such a dissolved corporation may take all action authorized under Section 112.75 of this Act or as otherwise necessary or appropriate to wind up and liquidate its affairs under Section 112.30 of this Act.

(Source: P.A. 98-776, eff. 1-1-15.)

Section 15. The Limited Liability Company Act is amended by changing Sections 35-25 and 37-40 as follows:

(805 ILCS 180/35-25)

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

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

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

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

(3) it has failed to appoint and maintain a registered

agent in Illinois in accordance with the provisions of this Act ~~within 60 days after a registered agent's notice of resignation under Section 1-35;~~

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

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

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

(805 ILCS 180/37-40)

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

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

(b) Notwithstanding anything to the contrary set forth in this Section or under other applicable law, in the event that an operating agreement creates one or more series, and if separate and distinct records are maintained for any such series and the assets associated with any such series are held (directly or indirectly, including through a nominee or otherwise) and accounted for separately from the other assets of the limited liability company, or any other series thereof, and if the operating agreement so provides, and notice of the limitation on liabilities of a series as referenced in this subsection is set forth in the articles of organization of the limited liability company and if the limited liability company has filed a certificate of designation for each series which is to have limited liability under this Section, then the debts, liabilities and obligations incurred, contracted for or otherwise existing with respect to a particular series shall be enforceable against the assets of such series only, and not against the assets of the limited liability company generally or any other series thereof, and unless otherwise provided in the operating agreement, none of the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the limited liability company generally or any other series thereof shall be enforceable against the assets of such series. The fact that the articles of organization contain the foregoing notice of the limitation on liabilities of a series and a certificate of designation for

a series is on file in the Office of the Secretary of State shall constitute notice of such limitation on liabilities of a series. A series with limited liability shall be treated as a separate entity to the extent set forth in the articles of organization. Each series with limited liability may, in its own name, contract, hold title to assets, grant security interests, sue and be sued and otherwise conduct business and exercise the powers of a limited liability company under this Act. The limited liability company and any of its series may elect to consolidate their operations as a single taxpayer to the extent permitted under applicable law, elect to work cooperatively, elect to contract jointly or elect to be treated as a single business for purposes of qualification to do business in this or any other state. Such elections shall not affect the limitation of liability set forth in this Section except to the extent that the series have specifically accepted joint liability by contract.

(c) Except in the case of a foreign limited liability company that has adopted an assumed name pursuant to Section 45-15, the name of the series with limited liability must commence with the entire name of the limited liability company, as set forth in its articles of organization ~~incorporation~~, and be distinguishable from the names of the other series set forth in the articles of organization. In the case of a foreign limited liability company that has adopted an assumed name pursuant to Section 45-15, the name of the series with limited

liability must commence with the entire name, as set forth in the foreign limited liability company's assumed name application, under which the foreign limited liability company has been admitted to transact business in this State.

(d) Upon the filing of the certificate of designation with the Secretary of State setting forth the name of each series with limited liability, the series' existence shall begin, and each of the duplicate copies stamped "Filed" and marked with the filing date shall be conclusive evidence, except as against the State, that all conditions precedent required to be performed have been complied with and that the series has been or shall be legally organized and formed under this Act. If different from the limited liability company, the certificate of designation for each series shall list the names of the members if the series is member managed or the names of the managers if the series is manager managed. The name of a series with limited liability under subsection (b) of this Section may be changed by filing with the Secretary of State a certificate of designation identifying the series whose name is being changed and the new name of such series. If not the same as the limited liability company, the names of the members of a member managed series or of the managers of a manager managed series may be changed by filing a new certificate of designation with the Secretary of State. A series with limited liability under subsection (b) of this Section may be dissolved by filing with the Secretary of State a certificate of designation identifying

the series being dissolved or by the dissolution of the limited liability company as provided in subsection (m) of this Section. Certificates of designation may be executed by the limited liability company or any manager, person or entity designated in the operating agreement for the limited liability company.

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

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

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

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

members associated with such series.

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

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

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

(l) Except as otherwise provided in an operating agreement, any event under this Act or an operating agreement that causes a member to cease to be associated with a series shall not, in itself, cause such member to cease to be associated with any other series or terminate the continued membership of a member in the limited liability company or cause the termination of



the series, regardless of whether such member was the last remaining member associated with such series.

(m) Except to the extent otherwise provided in the operating agreement, a series may be dissolved and its affairs wound up without causing the dissolution of the limited liability company. The dissolution of a series established in accordance with subsection (b) of this Section shall not affect the limitation on liabilities of such series provided by subsection (b) of this Section. A series is terminated and its affairs shall be wound up upon the dissolution of the limited liability company under Article 35 of this Act.

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

(o) If a foreign limited liability company, as permitted in the jurisdiction of its organization, has established a series having separate rights, powers or duties and has limited the liabilities of such series so that the debts, liabilities and obligations incurred, contracted for or otherwise existing with respect to a particular series are enforceable against the assets of such series only, and not against the assets of the limited liability company generally or any other series thereof, or so that the debts, liabilities, obligations and

expenses incurred, contracted for or otherwise existing with respect to the limited liability company generally or any other series thereof are not enforceable against the assets of such series, then the limited liability company, on behalf of itself or any of its series, or any of its series on their own behalf may register to do business in the State in accordance with Section 45-5 of this Act. The limitation of liability shall be so stated on the application for admission as a foreign limited liability company and a certificate of designation shall be filed for each series being registered to do business in the State by the limited liability company. Unless otherwise provided in the operating agreement, the debts, liabilities and obligations incurred, contracted for or otherwise existing with respect to a particular series of such a foreign limited liability company shall be enforceable against the assets of such series only, and not against the assets of the foreign limited liability company generally or any other series thereof and none of the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to such a foreign limited liability company generally or any other series thereof shall be enforceable against the assets of such series.

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

Section 99. Effective date. This Act takes effect July 1, 2016.