

MAINE STATE LEGISLATURE

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JUDICIARY

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STATE OF MAINE
SENATE
124TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 169, L.D. 466, Bill, "An Act To Amend the Limited Liability Company Laws Concerning Management Standards"

Amend the bill by inserting after section 1 the following:

'Sec. 2. 31 MRSA §625, sub-§3 is enacted to read:

3. Certificate effective. A certificate filed under this section is effective even if an amendment to the articles of organization was not filed as required under section 623, former subsection 5.'

Amend the bill in section 2 in the last blocked paragraph in the 4th line (page 1, line 24 in L.D.) by inserting after the following: "duties" the following: 'under this section'

Amend the bill by inserting after section 2 the following:

'Sec. 3. 31 MRSA §703, sub-§1, as enacted by PL 1993, c. 718, Pt. A, §1, is amended to read:

1. Persons authorized to wind up a limited liability company. Unless otherwise provided in the operating agreement or articles of organization, the managers or, if there is no manager, a majority in interest of the members or one or more liquidating trustees approved by the members may wind up a limited liability company's affairs. The Superior Court, upon cause shown, may wind up a limited liability company's affairs upon application of a member or a member's legal representative or assignee and in connection with the winding up may appoint a liquidating trustee. The failure to comply with the provisions of section 623, former subsection 5 does not affect the rights, duties, powers or authority of persons winding up the affairs of a company pursuant to this section.'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

COMMITTEE AMENDMENT

SUMMARY

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Section 1 of the bill repeals the requirement that the articles of organization of a limited liability company be amended if the person winding up the affairs of the limited liability company is not listed on the articles. This amendment clarifies that even if the articles of organization were not amended before the certificate of cancellation was filed under the Maine Revised Statutes, Title 31, section 623, former subsection 5, the certificate is still effective.

This amendment clarifies that the limited liability company member who is not a manager does not owe any duties under the section of law that spells out the duties of the limited liability company and the other members.

This amendment also amends the provisions concerning the winding up of a limited liability company to specify that the failure to comply with the former listing requirement does not affect the rights, duties, powers or authority of persons winding up the affairs of the limited liability company.