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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document	No. 466
S.P. 169	In Senate, February 10, 2009

An Act To Amend the Limited Liability Company Laws Concerning Management Standards

Reference to the Committee on Judiciary suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator HOBBINS of York. Cosponsored by Senator: BLISS of Cumberland, Representatives: BRYANT of Windham, CLEARY of Houlton, HILL of York. Be it enacted by the People of the State of Maine as follows:

Sec. 1. 31 MRSA §623, sub-§5, as enacted by PL 1993, c. 718, Pt. A, §1, is repealed.

Sec. 2. 31 MRSA §652, sub-§1, as enacted by PL 1993, c. 718, Pt. A, §1, is amended to read:

1. Good faith; best interests; reasonable belief. The managers and members of a limited liability company shall exercise their powers and discharge their duties in good faith with a view to the interests of the limited liability company and of the members and with that degree of diligence, care and skill that ordinarily prudent persons would exercise under similar circumstances in like positions.

In discharging their duties, managers and members may in all cases, if acting reasonably and in good faith, rely upon financial statements of the limited liability company that were either certified in writing by an independent or certified public accountant or firm of such accountants fairly to reflect the limited liability company's financial condition, or reported to such manager or member to be correct by the manager or member having charge of the books of accounts of the limited liability company.

A manager or member may not be held personally liable for monetary damages for failure
to discharge any duty as a manager or member unless the manager or member is found
not to have acted honestly or in the reasonable belief that the action was in or not opposed
to the best interests of the limited liability company or its members.

Notwithstanding this section, if the articles of organization provide that management of
 the limited liability company vests in one or more managers, a member of the limited
 liability company who is not also a manager of the limited liability company owes no
 duties to the limited liability company or to the other members thereof solely by reason of
 being a member.

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SUMMARY

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This bill amends the Maine Limited Liability Company Act.

It repeals language that requires that, after dissolution of a limited liability
 company but before filing a certificate of cancellation, the articles of organization must
 be amended to reflect information about persons winding up the company's affairs and
 that requires such persons to file articles of amendment.

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