

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 59th Legislature (2023)

4 ENGROSSED SENATE
5 BILL NO. 649

By: Montgomery of the Senate

and

Echols of the House

6
7
8
9 An Act relating to limited liability companies;
10 amending 18 O.S. 2021, Section 1006, which relates to
certificates of incorporation; clarifying
11 requirements for designation of corporate names in
certificate of incorporation; amending 18 O.S. 2021,
12 Sections 2001, 2005, 2006, 2008, 2010, 2012, 2012.1,
2012.2, 2054.1, 2054.2, 2054.3, and 2054.4, which
13 relate to the Oklahoma Limited Liability Company Act;
modifying and adding definitions; conforming
14 language; clarifying execution requirements for
certain articles; clarifying requirements for
15 designation of names of limited liability companies
in articles of organization; requiring registered
16 series to maintain registered office and agent for
service of process; establishing procedures for
17 filing of corrected documents; requiring cancellation
of articles of registered series under certain
18 circumstances; authorizing amendment to certain
operating agreements; authorizing entity to convert
19 to a protected or registered series; modifying
definition; authorizing conversion of certain
20 entities to a limited liability company; authorizing
contractual appraisal rights for conversions to
21 certain entities; authorizing establishment of
protected series by contract; clarifying requirements
22 for operating agreement or articles of organization
of protected series; establishing requirements
23 applicable to protected series; authorizing
establishment of registered series; clarifying
24 requirements for operating agreement or articles of
organization or registered series; establishing

1 requirements applicable to registered series;
2 authorizing certain actions by registered series;
3 requiring filing of articles of organization of
4 registered series with the Secretary of State;
5 requiring inclusion of certain information in
6 articles of registered series; providing for articles
7 of dissolution of articles of registered series;
8 authorizing conversion of protected series to
9 registered series; establishing procedures for
10 conversion of protected series to registered series;
11 authorizing conversion of registered series to
12 protected series; establishing procedures for
13 conversion of registered series to protected series;
14 authorizing merger or consolidation of one or more
15 registered series; establishing procedures for merger
16 or consolidation of one or more registered series;
17 defining terms; authorizing division of limited
18 liability companies; establishing procedures for
19 division of limited liability companies; requiring
20 filing of articles of division; amending 18 O.S.
21 2021, Sections 2055, 2055.1, 2055.2, and 2055.3,
22 which relate to fees, annual certificate, and
23 reinstatement of limited liability company; imposing
24 certain filing fees on registered series and dividing
limited liability companies; requiring annual fee by
registered series to Secretary of State for certain
purposes; requiring registered series to file certain
annual certificate; requiring payment of certain
annual fee by registered series; providing for
reinstatement of registered series under certain
circumstances; authorizing manual or electronic
signature and delivery of certain documents;
providing exceptions to applicability of certain
provisions; updating statutory references; providing
for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 18 O.S. 2021, Section 1006, is
amended to read as follows:

Section 1006.

CERTIFICATE OF INCORPORATION; CONTENTS

1 A. The certificate of incorporation shall set forth:

2 1. The name of the corporation which shall contain one of the
3 words "association", "company", "corporation", "club", "foundation",
4 "fund", "incorporated", "institute", "society", "union",
5 "syndicate", or "limited" or abbreviations thereof, with or without
6 punctuation, or words or abbreviations thereof, with or without
7 punctuation, of like import of foreign countries or jurisdictions;
8 provided that such abbreviations are written in Roman characters or
9 letters, and which shall be such as to distinguish it upon the
10 records in the Office of the Secretary of State from:

11 a. names of other corporations, whether domestic or
12 foreign, then existing or which existed at any time
13 during the preceding three (3) years,

14 b. names of partnerships whether general or limited, or
15 domestic or foreign, then in good standing or
16 registered or which were in good standing or
17 registered at any time during the preceding three (3)
18 years,

19 c. names of limited liability companies, whether domestic
20 or foreign, then in good standing or registered or
21 which were in good standing or registered at any time
22 during the preceding three (3) years,

23 d. names of registered series of a limited liability
24 company,

- 1 e. trade names or fictitious names filed with the
2 Secretary of State, or
3 ~~e. corporate, limited liability company or limited~~
4 ~~partnership names~~
5 f. names of corporations, limited liability companies,
6 limited partnerships, or registered series of limited
7 liability companies reserved with the Secretary of
8 State;

9 2. The address, including the street, number, city and postal
10 code, of the corporation's registered office in this state, and the
11 name of the corporation's registered agent at such address;

12 3. The nature of the business or purposes to be conducted or
13 promoted. It shall be sufficient to state, either alone or with
14 other businesses or purposes, that the purpose of the corporation is
15 to engage in any lawful act or activity for which corporations may
16 be organized under the general corporation law of Oklahoma, and by
17 such statement all lawful acts and activities shall be within the
18 purposes of the corporation, except for express limitations, if any;

19 4. If the corporation is to be authorized to issue only one
20 class of stock, the total number of shares of stock which the
21 corporation shall have authority to issue and the par value of each
22 of such shares, or a statement that all such shares are to be
23 without par value. If the corporation is to be authorized to issue
24 more than one class of stock, the certificate of incorporation shall

1 set forth the total number of shares of all classes of stock which
2 the corporation shall have authority to issue and the number of
3 shares of each class, and shall specify each class the shares of
4 which are to be without par value and each class the shares of which
5 are to have par value and the par value of the shares of each such
6 class. The provisions of this paragraph shall not apply to
7 corporations which are not organized for profit and which are not to
8 have authority to issue capital stock. In the case of such
9 corporations, the fact that they are not to have authority to issue
10 capital stock shall be stated in the certificate of incorporation.
11 The provisions of this paragraph shall not apply to nonstock
12 corporations. In the case of nonstock corporations, the fact that
13 they are not authorized to issue capital stock shall be stated in
14 the certificate of incorporation. The conditions of membership, or
15 other criteria for identifying members, of nonstock corporations
16 shall likewise be stated in the certificate of incorporation or the
17 bylaws. Nonstock corporations shall have members, but the failure
18 to have members shall not affect otherwise valid corporate acts or
19 work a forfeiture or dissolution of the corporation. Nonstock
20 corporations may provide for classes or groups of members having
21 relative rights, powers and duties, and may make provision for the
22 future creation of additional classes or groups of members having
23 such relative rights, powers and duties as may from time to time be
24 established, including rights, powers and duties senior to existing

1 classes and groups of members. Except as otherwise provided in the
2 Oklahoma General Corporation Act, nonstock corporations may also
3 provide that any member or class or group of members shall have
4 full, limited, or no voting rights or powers, including that any
5 member or class or group of members shall have the right to vote on
6 a specified transaction even if that member or class or group of
7 members does not have the right to vote for the election of members
8 of the governing body of the corporation. Voting by members of a
9 nonstock corporation may be on a per capita, number, financial
10 interest, class, group, or any other basis set forth. The
11 provisions referred to in the three preceding sentences may be set
12 forth in the certificate of incorporation or the bylaws. If neither
13 the certificate of incorporation nor the bylaws of a nonstock
14 corporation state the conditions of membership, or other criteria
15 for identifying members, the members of the corporation shall be
16 deemed to be those entitled to vote for the election of the members
17 of the governing body pursuant to the certificate of incorporation
18 or bylaws of such corporation or otherwise until thereafter
19 otherwise provided by the certificate of incorporation or the
20 bylaws;

21 5. The name and mailing address of the incorporator or
22 incorporators;

23 6. If the powers of the incorporator or incorporators are to
24 terminate upon the filing of the certificate of incorporation, the

1 names and mailing addresses of the persons who are to serve as
2 directors until the first annual meeting of shareholders or until
3 their successors are elected and qualify;

4 7. If the corporation is not for profit:

5 a. that the corporation does not afford pecuniary gain,
6 incidentally or otherwise, to its members as such,

7 b. the name and mailing address of each member of the
8 governing body,

9 c. the number of members of the governing body to be
10 elected at the first meeting, and

11 d. in the event the corporation is a church, the street
12 address of the location of the church.

13 The restriction on affording pecuniary gain to members shall not
14 prevent a not-for-profit corporation operating as a cooperative from
15 rebating excess revenues to patrons who may also be members; and

16 8. If the corporation is a charitable nonstock and does not
17 otherwise provide in its certificate of incorporation:

18 a. that the corporation is organized exclusively for
19 charitable, religious, educational, and scientific
20 purposes including, for such purposes, the making of
21 distributions to organizations that qualify as exempt
22 organizations under ~~section~~ Section 501(c)(3) of the
23 Internal Revenue Code, or the corresponding section of
24 any future federal tax code,

1 b. that upon the dissolution of the corporation, its
2 assets shall be distributed for one or more exempt
3 purposes within the meaning of ~~section~~ Section
4 501(c)(3) of the Internal Revenue Code, or the
5 corresponding section of any future federal tax code,
6 for a public purpose, and

7 c. that the corporation complies with the requirements in
8 paragraph 7 of this subsection.

9 B. In addition to the matters required to be set forth in the
10 certificate of incorporation pursuant to the provisions of
11 subsection A of this section, the certificate of incorporation may
12 also contain any or all of the following matters:

13 1. Any provision for the management of the business and for the
14 conduct of the affairs of the corporation, and any provision
15 creating, defining, limiting and regulating the powers of the
16 corporation, the directors, and the shareholders, or any class of
17 the shareholders, or the governing body, the members, or any class
18 or group of the members of a nonstock corporation, if such
19 provisions are not contrary to the laws of this state. Any
20 provision which is required or permitted by any provision of the
21 Oklahoma General Corporation Act to be stated in the bylaws may
22 instead be stated in the certificate of incorporation;

23 2. The following provisions, in substantially the following
24 form:

1 a. for a corporation, other than a nonstock corporation:
2 "Whenever a compromise or arrangement is proposed
3 between this corporation and its creditors or any
4 class of them and/or between this corporation and its
5 shareholders or any class of them, any court of
6 equitable jurisdiction within the State of Oklahoma,
7 on the application in a summary way of this
8 corporation or of any creditor or shareholder thereof
9 or on the application of any receiver or receivers
10 appointed for this corporation under the provisions of
11 Section 1106 of this title or on the application of
12 trustees in dissolution or of any receiver or
13 receivers appointed for this corporation under the
14 provisions of Section 1100 of this title, may order a
15 meeting of the creditors or class of creditors, and/or
16 of the shareholders or class of shareholders of this
17 corporation, as the case may be, to be summoned in
18 such manner as the court directs. If a majority in
19 number representing three-fourths (3/4) in value of
20 the creditors or class of creditors, and/or of the
21 shareholders or class of shareholders of this
22 corporation, as the case may be, agree to any
23 compromise or arrangement and to any reorganization of
24 this corporation as a consequence of such compromise

1 or arrangement, the compromise or arrangement and the
2 reorganization, if sanctioned by the court to which
3 the application has been made, shall be binding on all
4 the creditors or class of creditors, and/or on all the
5 shareholders or class of shareholders, of this
6 corporation, as the case may be, and also on this
7 corporation", and

8 b. for a nonstock corporation:

9 "Whenever a compromise or arrangement is proposed
10 between this corporation and its creditors or any
11 class of them and/or between this corporation and its
12 members or any class of them, any court of equitable
13 jurisdiction within the State of Oklahoma may, on the
14 application in a summary way of this corporation or of
15 any creditor or member thereof or on the application
16 of any receiver or receivers appointed for this
17 corporation under the provisions of Section 1106 of
18 this title or on the application of trustees in
19 dissolution or of any receiver or receivers appointed
20 for this corporation under the provisions of Section
21 1100 of this title, order a meeting of the creditors
22 or class of creditors, and/or of the members or class
23 of members of this corporation, as the case may be, to
24 be summoned in such manner as the court directs. If a

1 majority in number representing three-fourths (3/4) in
2 value of the creditors or class of creditors, and/or
3 of the members or class of members of this
4 corporation, as the case may be, agree to any
5 compromise or arrangement and to any reorganization of
6 this corporation as a consequence of such compromise
7 or arrangement, the compromise or arrangement and the
8 reorganization, if sanctioned by the court to which
9 the application has been made, shall be binding on all
10 the creditors or class of creditors, and/or on all the
11 members or class of members, of this corporation, as
12 the case may be, and also on this corporation”;

13 3. Such provisions as may be desired granting to the holders of
14 the stock of the corporation, or the holders of any class or series
15 of a class thereof, the preemptive right to subscribe to any or all
16 additional issues of stock of the corporation of any or all classes
17 or series thereof, or to any securities of the corporation
18 convertible into such stock. No shareholder shall have any
19 preemptive right to subscribe to an additional issue of stock or to
20 any security convertible into such stock unless, and except to the
21 extent that, such right is expressly granted to him in the
22 certificate of incorporation. Preemptive rights, if granted, shall
23 not extend to fractional shares;

1 4. Provisions requiring, for any corporate action, the vote of
2 a larger portion of the stock or of any class or series thereof, or
3 of any other securities having voting power, or a larger number of
4 the directors, than is required by the provisions of the Oklahoma
5 General Corporation Act;

6 5. A provision limiting the duration of the corporation's
7 existence to a specified date; otherwise, the corporation shall have
8 perpetual existence;

9 6. A provision imposing personal liability for the debts of the
10 corporation on its shareholders to a specified extent and upon
11 specified conditions; otherwise, the shareholders of a corporation
12 shall not be personally liable for the payment of the corporation's
13 debts, except as they may be liable by reason of their own conduct
14 or acts;

15 7. A provision eliminating or limiting the personal liability
16 of a director to the corporation or its shareholders for monetary
17 damages for breach of fiduciary duty as a director, provided that
18 such provision shall not eliminate or limit the liability of a
19 director:

- 20 a. for any breach of the director's duty of loyalty to
21 the corporation or its shareholders,
22 b. for acts or omissions not in good faith or which
23 involve intentional misconduct or a knowing violation
24 of law,

1 c. under Section 1053 of this title, or

2 d. for any transaction from which the director derived an
3 improper personal benefit.

4 No such provision shall eliminate or limit the liability of a
5 director for any act or omission occurring before the date when such
6 provision becomes effective.

7 C. It shall not be necessary to set forth in the certificate of
8 incorporation any of the powers conferred on corporations by the
9 provisions of the Oklahoma General Corporation Act.

10 D. Except for provisions included under paragraphs 1, 2, 5, 6
11 and 7 of subsection A of this section and paragraphs 2, 5 and 7 of
12 subsection B of this section, and provisions included under
13 paragraph 4 of subsection A of this section specifying the classes,
14 number of shares and par value of shares a corporation other than a
15 nonstock corporation is authorized to issue, any provision of the
16 certificate of incorporation may be made dependent upon facts
17 ascertainable outside the instrument, provided that the manner in
18 which the facts shall operate upon the provision is clearly and
19 explicitly set forth therein. As used in this subsection, the term
20 "facts" includes, but is not limited to, the occurrence of any
21 event, including a determination or action by any person or body,
22 including the corporation.

23 SECTION 2. AMENDATORY 18 O.S. 2021, Section 2001, is
24 amended to read as follows:

1 Section 2001.

2 DEFINITIONS

3 As used in the Oklahoma Limited Liability Company Act, unless
4 the context otherwise requires:

5 1. "Articles of organization" means documents filed for the
6 purpose of forming a limited liability company, and the articles as
7 amended;

8 2. "Bankrupt" means bankrupt under the United States Bankruptcy
9 Code, as amended, or insolvent under any state insolvency act;

10 3. "Business" means any trade, occupation, profession or other
11 activity regardless of whether engaged in for gain, profit or
12 livelihood;

13 4. "Capital contribution" means anything of value that a person
14 contributes to the limited liability company as a prerequisite for,
15 or in connection with, membership including cash, property, services
16 rendered or a promissory note or other binding obligation to
17 contribute cash or property or to perform services;

18 5. "Capital interest" means the fair market value as of the
19 date contributed of a member's capital contribution as adjusted for
20 any additional capital contributions or withdrawals, a person's
21 share of the profits and losses of a limited liability company and a
22 person's right to receive distributions of the limited liability
23 company's assets;

1 6. “Charitable entity” means any nonprofit limited liability
2 company or other entity that is exempt from taxation under Section
3 501(c)(3) of the United States Internal Revenue Code, 26 U.S.C.,
4 Section 501(c)(3), or any successor provisions;

5 7. “Corporation” means a corporation organized under the laws
6 of this state or the laws of any jurisdiction other than this state;

7 ~~7.~~ 8. “Court” includes every court and judge having
8 jurisdiction in the case;

9 ~~8.~~ 9. “Document” means:

10 a. any tangible medium on which information is inscribed
11 including handwritten, typed, printed, or similar
12 instruments and copies of such instruments, and

13 b. an electronic transmission;

14 10. “Electronic transmission” means any form of communication
15 not directly involving the physical transmission of paper including
16 the use of or participation in one or more electronic networks or
17 databases, including one or more distributed electronic networks or
18 databases, that creates a record that may be retained, retrieved,
19 and reviewed by a recipient thereof and that may be directly
20 reproduced in paper form by such a recipient through an automated
21 process;

22 11. “Foreign corporation” means a corporation organized under
23 the laws of any jurisdiction other than this state;

24 ~~9.~~ 12. “Foreign limited liability company” means:

- 1 a. an unincorporated association,
2 b. formed under the laws of any jurisdiction other than
3 this state, and
4 c. formed under a statute pursuant to which an
5 association may be formed that affords to each of its
6 members limited liability with respect to the
7 liabilities of the entity;

8 ~~10.~~ 13. "Foreign limited partnership" means a limited
9 partnership formed under the laws of any jurisdiction other than
10 this state;

11 ~~11.~~ 14. "Jurisdiction", when used to refer to a political
12 entity, means the United States, a state, a tribal government, a
13 foreign country or a political subdivision of a foreign country;

14 ~~12.~~ 15. "Limited liability company" or "domestic limited
15 liability company" means an entity formed under the Oklahoma Limited
16 Liability Company Act and existing under the laws of this state;

17 ~~13.~~ 16. "Limited partnership" means a limited partnership
18 formed under the laws of this state or a foreign limited partnership
19 as defined in this section;

20 ~~14.~~ 17. "Manager" or "managers" means a person or persons
21 designated by the members of a limited liability company to manage
22 the limited liability company as provided in the articles of
23 organization or an operating agreement and includes a manager of the
24 limited liability company generally and a manager associated with a

1 series of the limited liability company. Unless the context
2 otherwise requires, references in this act to a manager shall be
3 deemed to be references to a manager of the limited liability
4 company generally and to a manager associated with a series with
5 respect to such series;

6 ~~15.~~ 18. "Member" means a person with an ownership interest in a
7 limited liability company, with the rights and obligations specified
8 under the Oklahoma Limited Liability Company Act and includes a
9 member of the limited liability company generally and a member
10 associated with a series of the limited liability company. Unless
11 the context otherwise requires, references in this act to a member
12 shall be deemed to be references to a member of the limited
13 liability company generally and to a member associated with a series
14 with respect to such series;

15 ~~16.~~ 19. "Membership interest" or "interest" means a member's
16 rights in the limited liability company, collectively including the
17 member's share of the profits and losses of the limited liability
18 company, the right to receive distributions of the limited liability
19 company's assets and capital interest, any right to vote or
20 participate in management and such other rights accorded to members
21 under the articles of organization, operating agreement or the
22 Oklahoma Limited Liability Company Act;

23 ~~17.~~ 20. "Operating agreement", regardless of whether referred
24 to as an operating agreement and whether oral, in a record, implied

1 or in any combination thereof, means any agreement of the members,
2 including a sole member, as to the affairs of a limited liability
3 company including any protected series or registered series thereof
4 and the conduct of its business including the agreement as amended
5 or restated;

6 ~~18.~~ 21. "Person" means an individual, a general partnership, a
7 limited partnership, a limited liability company, a trust, an
8 estate, an association, a corporation or any other legal or
9 commercial entity;

10 ~~19.~~ 22. "Protected series" means a designated series of
11 members, managers, membership interests, or assets that is
12 established in accordance with Section 2054.4 of this title;

13 23. "Registered series" means a designated series of members,
14 managers, membership interests, or assets that is formed in
15 accordance with Section 14 of this act; and

16 24. "State" means a state, territory or possession of the
17 United States, the District of Columbia or the Commonwealth of
18 Puerto Rico; ~~and~~

19 ~~20.~~ ~~"Charitable entity" means any nonprofit limited liability~~
20 ~~company or other entity that is exempt from taxation under Section~~
21 ~~501(c)(3) of the United States Internal Revenue Code (26 U.S.C.,~~
22 ~~Section 501(c)(3)), or any successor provisions.~~

23 SECTION 3. AMENDATORY 18 O.S. 2021, Section 2005, is
24 amended to read as follows:

1 Section 2005. A. The articles of organization shall set forth:

2 1. The name of the limited liability company;

3 2. The term of the existence of the limited liability company
4 which may be perpetual; and

5 3. The street address of its principal place of business,
6 wherever located, and the name and street address of its registered
7 agent which shall be identical to its registered office in this
8 state.

9 B. If the limited liability company is to establish two or more
10 series of members, managers or membership interests having separate
11 rights, powers or duties as provided under Section 2054.4 of this
12 title or Section 14 of this act and the debts, liabilities and
13 obligations incurred, contracted for or otherwise existing with
14 respect to a particular series are to be enforceable against the
15 assets of the series only, the articles of organization shall set
16 forth a notice of the limitation on liabilities of the series.

17 C. The articles of organization may set forth any other matters
18 the members determine to include. It is not necessary to set out in
19 the articles of organization any of the powers enumerated in ~~this~~
20 ~~act~~ Section 2000 et seq. of this title.

21 SECTION 4. AMENDATORY 18 O.S. 2021, Section 2006, is
22 amended to read as follows:

1 Section 2006. A. Articles required by ~~this act~~ Section 2000 et
2 seq. of this title to be filed with the Office of the Secretary of
3 State shall be executed in the following manner:

4 1. Articles of organization must be signed by at least one
5 person who need not be a member of the limited liability company;
6 and

7 2. Articles of amendment, registered series, merger,
8 consolidation, conversion, division, or dissolution must be signed
9 by a manager.

10 B. Any person may sign any articles by an attorney in fact. A
11 person who executes articles as an attorney-in-fact, agent or
12 fiduciary is not required to exhibit evidence of his or her
13 authority as a prerequisite to filing.

14 C. The execution of any articles under ~~this act~~ the Oklahoma
15 Limited Liability Company Act constitutes an affirmation under the
16 penalties of perjury that the facts stated therein are true.

17 D. Any signature on articles or any other instrument authorized
18 by ~~this act~~ the Oklahoma Limited Liability Company Act may be a
19 facsimile signature, a conformed signature or an electronically
20 transmitted signature.

21 SECTION 5. AMENDATORY 18 O.S. 2021, Section 2008, is
22 amended to read as follows:

23 Section 2008. A. The name of each limited liability company as
24 set forth in its articles of organization:

1 ~~1. Shall~~ shall contain either the words "limited liability
2 company" or "limited company" or the abbreviations "LLC", "LC",
3 "L.L.C.", or "L.C." The word "limited" may be abbreviated as "LTD."
4 and the word "Company" may be abbreviated as "CO." ~~and~~

5 ~~2. a. May.~~

6 B. The name of each registered series as set forth in its
7 articles of registered series shall set forth the name of the
8 limited liability company including any word, abbreviation, or
9 designation required by subsection A of this section, and the name
10 of the registered series.

11 C. The name of the limited liability company or registered
12 series may not be the same as or indistinguishable from:

13 ~~(1) names~~

14 1. Names upon the records in the Office of the Secretary of
15 State of limited liability companies, whether organized pursuant to
16 the laws of this state or licensed or registered as foreign limited
17 liability companies, then in good standing or registered or which
18 were in good standing or registered at any time during the preceding
19 three (3) years, ~~or~~

20 ~~(2) names;~~

21 2. Names upon the records in the Office of the Secretary of
22 State of corporations organized under the laws of this state or of
23 foreign corporations registered in accordance with the laws of this
24

1 state then existing or which existed at any time during the
2 preceding three (3) years, ~~or~~

3 ~~(3) names;~~

4 3. Names upon the records in the Office of the Secretary of
5 State of general or limited partnerships, whether formed under the
6 laws of this state or registered as foreign general or limited
7 partnerships, then in good standing or registered or which were in
8 good standing or registered at any time during the preceding three
9 (3) years, ~~or~~

10 ~~(4) trade;~~

11 4. Names upon the records in the Office of the Secretary of
12 State of registered series, whether formed under the laws of this
13 state or registered as foreign registered series, then in good
14 standing or registered or which were in good standing or registered
15 at any time during the preceding three (3) years; or

16 5. Trade names, fictitious names, or other names reserved with
17 the Secretary of State.

18 ~~b. D.~~ D. The provisions of ~~subparagraph a~~ subsection C of this
19 ~~paragraph~~ section shall not apply if one of the following is filed
20 with the Secretary of State:

21 ~~(1) the~~

22 1. The written consent of the other limited liability company,
23 registered series, corporation, limited partnership, or holder of
24 the trade name, fictitious name or other reserved name to use the

1 same or indistinguishable name with the addition of one or more
2 words, numerals, numbers or letters to make that name
3 distinguishable upon the records of the Secretary of State, except
4 that the addition of words, numerals, numbers or letters to make the
5 name distinguishable shall not be required where such written
6 consent states that the consenting entity is about to change its
7 name, cease to do business, withdraw from the state or be wound up;
8 or

9 ~~(2)~~ a

10 2. A certified copy of a final decree of a court of competent
11 jurisdiction establishing the prior right of such limited liability
12 company or holder of a limited liability company name to the use of
13 such name in this state.

14 SECTION 6. AMENDATORY 18 O.S. 2021, Section 2010, is
15 amended to read as follows:

16 Section 2010. A. Every domestic limited liability company and
17 registered series shall continuously maintain in this state:

18 1. A registered office which may be, but need not be, the same
19 as its principal place of business; and

20 2. A registered agent for service of process on the limited
21 liability company or registered series that may be the domestic
22 limited liability company or registered series itself, an individual
23 resident of this state or a domestic or qualified foreign
24 corporation, limited liability company or general or limited

1 partnership including a limited liability partnership or a limited
2 liability limited partnership. Each registered agent shall maintain
3 a business office identical with the registered office which is open
4 during regular business hours to accept service of process and
5 otherwise perform the functions of a registered agent.

6 B. 1. A limited liability company or registered series may
7 designate or change its registered agent, registered office or
8 principal office by filing with the Office of the Secretary of State
9 a statement authorizing the designation or change and signed by any
10 manager.

11 2. A limited liability company or registered series may change
12 the street address of its registered office by filing with the
13 Office of the Secretary of State a statement of the change signed by
14 any manager.

15 3. A designation or change of a principal office or registered
16 agent or street address of the registered office for a limited
17 liability company or registered series under this subsection is
18 effective when the Office of the Secretary of State files the
19 statement, unless a later effective date or time, which shall be a
20 specified date or time not later than a time on the ninetieth day
21 after the filing, is provided in the statement.

22 C. 1. A registered agent who changes its, his or her name or
23 street address in the state may notify the Office of the Secretary
24 of State of the change by filing with the Office of the Secretary of

1 State a statement of the change signed by the agent or on the
2 agent's behalf.

3 2. The statement shall include:

- 4 a. the name of the limited liability company or
5 registered series for which the change is effective,
- 6 b. the new name or street address, or both, of the
7 registered agent, and
- 8 c. the date on which the change is effective, if to be
9 effective after the filing date.

10 3. If the new address of the registered agent is the same as
11 the new address of the principal office of the limited liability
12 company or registered series, the statement may include a change of
13 address of the principal office if:

- 14 a. the registered agent notifies the limited liability
15 company or registered series of the change in writing,
16 and
- 17 b. the statement recites that the registered agent has
18 done so.

19 4. The change of address of the registered agent or principal
20 office is effective when the Office of the Secretary of State files
21 the statement, unless a later effective date or time, which shall be
22 a specified date or time not later than a time on the ninetieth day
23 after the filing, is provided in the statement.

24

1 D. 1. A registered agent may resign by filing with the Office
2 of the Secretary of State a copy of the resignation, signed and
3 acknowledged by the registered agent, which contains a statement
4 that notice of the resignation was given to the limited liability
5 company or registered series at least thirty (30) days before the
6 filing of the resignation by mailing or delivering the notice to the
7 limited liability company or registered series at its address last
8 known to the registered agent and specifying the address therein.

9 2. The resignation is effective thirty (30) days after it is
10 filed, unless a later effective date or time, which shall be a
11 specified date or time not later than a time on the ninetieth day
12 after the filing, is provided in the resignation.

13 3. If a domestic limited liability company or registered series
14 fails to obtain and designate a new registered agent before the
15 resignation is effective, the Secretary of State shall be deemed to
16 be the registered agent of the limited liability company or
17 registered series until a new registered agent is designated.

18 E. If a limited liability company or registered series has no
19 registered agent or the registered agent cannot be found, then
20 service of process on the limited liability company or registered
21 series may be made by serving the Secretary of State as its agent as
22 provided in Section 2004 of Title 12 of the Oklahoma Statutes.

23 SECTION 7. AMENDATORY 18 O.S. 2021, Section 2012, is
24 amended to read as follows:

1 Section 2012. A. If any document filed with the Office of the
2 Secretary of State under ~~this act contains any typographical error,~~
3 ~~error of transcription, or other technical error or has been~~
4 ~~defectively executed~~ Section 2000 et seq. of this title is an
5 inaccurate record of the action referred to or was defectively or
6 erroneously executed, the document may be corrected by the filing of
7 articles of correction.

8 B. Articles of correction shall set forth:

- 9 1. The title of the document being corrected;
- 10 2. The date that the document being corrected was filed; and
- 11 3. The provision in the document as previously filed and as
- 12 corrected and, if execution of the document was defective, the
- 13 manner in which it was defective.

14 C. Articles of correction may not make any other change or

15 amendment which would not have complied in all respects with the

16 requirements of ~~this act~~ the Oklahoma Limited Liability Company Act

17 at the time the document being corrected was filed.

18 D. Articles of correction shall be executed in the same manner

19 in which the document being corrected was required to be executed.

20 E. Articles of correction may not:

- 21 1. Change the effective date of the document being corrected;

22 or

- 23 2. Affect any right or liability accrued or incurred before its
- 24 filing, except that any right or liability accrued or incurred by

1 reason of the error or defect being corrected shall be extinguished
2 by the filing if the person having the right has not detrimentally
3 relied on the original document.

4 F. Notwithstanding that any instrument authorized to be filed
5 with the Secretary of State pursuant to the provisions of ~~this act~~
6 the Oklahoma Limited Liability Company Act is, when filed
7 inaccurately, defectively, or erroneously executed, sealed or
8 acknowledged, or otherwise defective in any respect, the Secretary
9 of State shall not be liable to any person for the preclearance for
10 filing, or the filing and indexing of the instrument by the
11 Secretary of State.

12 G. In lieu of filing articles of correction, a document may be
13 corrected by filing with the Secretary of State a corrected document
14 which shall be executed and filed as if the corrected document were
15 the document being corrected, and a fee equal to the fee payable to
16 the Secretary of State for articles of correction as prescribed by
17 Section 2055 of this title shall be paid to the Secretary of State.
18 The corrected document shall be specifically designated as such in
19 its heading, shall specify the inaccuracy or defect to be corrected,
20 and shall set forth the entire document in corrected form. A
21 document corrected in accordance with this section shall be
22 effective as of the date the original document was filed, except as
23 to those persons who are substantially and adversely affected by the

1 correction and as to those persons the document as corrected shall
2 be effective from the filing date.

3 SECTION 8. AMENDATORY 18 O.S. 2021, Section 2012.1, is
4 amended to read as follows:

5 Section 2012.1.

6 CANCELLATION OF ARTICLES OF ORGANIZATION

7 A. The articles of organization or registered series shall be
8 canceled ~~upon:~~

9 1. Upon the dissolution and the completion of winding up of a
10 limited liability company, ~~or as~~ or registered series;

11 2. As provided in subsection B of this section, ~~or upon;~~

12 3. Upon the filing of a certificate of merger or consolidation
13 if the domestic limited liability company or registered series is
14 not the surviving or resulting entity in a merger or consolidation,
15 ~~or upon;~~

16 4. Upon the conversion of a domestic limited liability company
17 approved in accordance with Section 2054.2 of this title;

18 5. Upon the filing of articles of division if the limited
19 liability company is a dividing company that is not a surviving
20 company; or

21 6. Upon the future effective date or time of the articles of
22 division if the limited liability company is a dividing company that
23 is not a surviving company.

24

1 B. The articles of organization of a domestic limited liability
2 company or articles of registered series of a registered series
3 shall be deemed to be canceled if the domestic limited liability
4 company or registered series fails to file the annual certificate
5 and pay the annual fee provided in Section 2055.2 of this title or
6 pay the registered agent fee to the Secretary of State due under
7 Section 2055 of this title within three (3) years from the date the
8 certificate or fee is due, the cancellation to be effective on the
9 third anniversary of the due date.

10 C. A limited liability company whose articles of organization
11 or registered series whose articles of registered series have been
12 canceled under subsection B of this section may apply for
13 reinstatement under subsection ~~G~~ A of Section ~~2055.2~~ 2055.3 of this
14 title.

15 SECTION 9. AMENDATORY 18 O.S. 2021, Section 2012.2, is
16 amended to read as follows:

17 Section 2012.2.

18 OPERATING AGREEMENT OF LLC

19 A. The operating agreement of the limited liability company
20 governs generally:

21 1. Relations among the members as members and between the
22 members and the limited liability company;

23 2. The rights and duties under the Oklahoma Limited Liability
24 Company Act of a person in the capacity of manager;

1 3. The activities of the company and the conduct of those
2 activities; and

3 4. The means and conditions for amending the operating
4 agreement.

5 If the operating agreement does not otherwise provide, the
6 Oklahoma Limited Liability Company Act governs the matter. The
7 operating agreement may not vary the rights, privileges, duties and
8 obligations imposed specifically under the Oklahoma Limited
9 Liability Company Act.

10 B. A limited liability company, including any protected series
11 or registered series thereof, is bound by its operating agreement
12 regardless of whether it executes the operating agreement. A member
13 or manager of a limited liability company, or any protected series
14 or registered series thereof, or an assignee of a capital interest
15 is bound by the operating agreement regardless of whether the
16 member, manager or assignee executes the operating agreement.

17 C. An operating agreement of a limited liability company having
18 only one member is not unenforceable because there is only one
19 person who is a party to the operating agreement.

20 D. The obligations of a limited liability company and its
21 members to an assignee or dissociated member are governed by the
22 operating agreement. Subject only to any court order to effectuate
23 a charging order, an amendment to the operating agreement made after
24 a person becomes an assignee or dissociated member is effective with

1 regard to any debt, obligation, or other liability of the limited
2 liability company or its members to the assignee or dissociated
3 member.

4 E. If an operating agreement does not provide for the manner in
5 which it may be amended, the operating agreement may be amended with
6 the approval of members holding a majority of the membership
7 interest entitled to vote.

8 SECTION 10. AMENDATORY 18 O.S. 2021, Section 2054.1, is
9 amended to read as follows:

10 Section 2054.1.

11 CONVERSION OF AN ENTITY TO A LIMITED LIABILITY COMPANY

12 A. As used in this section, the term "entity" means a foreign
13 limited liability company, a domestic or foreign public benefit
14 limited liability company, a domestic or foreign corporation, a
15 domestic or foreign partnership whether general or limited, and
16 including a limited liability partnership and a limited liability
17 limited partnership, and any domestic or foreign unincorporated
18 nonprofit or for-profit association, trust or enterprise having
19 members or having outstanding shares of stock or other evidences of
20 financial, beneficial or membership interest therein, whether formed
21 by agreement or under statutory authority or otherwise.

22 B. Any entity may convert to a domestic limited liability
23 company, including a protected or registered series of a limited
24 liability company, by complying with subsection H of this section

1 and filing with the Secretary of State in accordance with ~~Section~~
2 ~~2007 of this title~~ the statutes applicable to the converting entity
3 articles of conversion to a limited liability company that have been
4 executed in accordance with ~~Section 2006 of this title~~ the statutes
5 applicable to the converting entity, to which shall be attached
6 articles of organization that comply with Sections 2005 and 2008 of
7 this title and have been executed by one or more authorized persons
8 in accordance with Section 2006 of this title.

9 C. The articles of conversion to a limited liability company
10 shall state:

11 1. The date on which the entity was first formed;

12 2. The name, jurisdiction of formation of the entity, and type
13 of entity when formed and, if changed, its name, jurisdiction and
14 type of entity immediately before filing of the articles of
15 conversion to limited liability company;

16 3. The name of the limited liability company as set forth in
17 its articles of organization filed in accordance with subsection B
18 of this section; and

19 4. The future effective date or time of the conversion to a
20 limited liability company, which shall be a date or time certain not
21 later than ninety (90) days after the filing, if it is not to be
22 effective upon the filing of the articles of conversion to a limited
23 liability company and the articles of organization.

24

1 D. Upon the effective date or time of the articles of
2 conversion to limited liability company and the articles of
3 organization, the entity shall be converted to a domestic limited
4 liability company and the limited liability company shall thereafter
5 be subject to all of the provisions of the Oklahoma Limited
6 Liability Company Act, except that notwithstanding Section 2004 of
7 this title, the existence of the limited liability company shall be
8 deemed to have commenced on the date the entity was formed.

9 E. The conversion of any entity into a domestic limited
10 liability company shall not be deemed to affect any obligations or
11 liabilities of the entity incurred before its conversion to a
12 domestic limited liability company or the personal liability of any
13 person incurred before the conversion.

14 F. When an entity has converted to a domestic limited liability
15 company under this section, the domestic limited liability company
16 shall be deemed to be the same entity as the converting entity. All
17 of the rights, privileges and powers of the entity that has
18 converted, and all property, real, personal and mixed, and all debts
19 due to the entity, as well as all other things and causes of action
20 belonging to the entity, shall remain vested in the domestic limited
21 liability company and shall be the property of the domestic limited
22 liability company, and the title to any real property vested by deed
23 or otherwise in the entity shall not revert or be in any way
24 impaired by reason of the conversion, but all rights of creditors

1 and all liens upon any property of the entity shall be preserved
2 unimpaired, and all debts, liabilities and duties of the entity that
3 has converted shall remain attached to the domestic limited
4 liability company and may be enforced against it to the same extent
5 as if the debts, liabilities and duties had been incurred or
6 contracted by it in its capacity as a domestic limited liability
7 company. The rights, privileges, powers and interests in property
8 of the entity, as well as the debts, liabilities and duties of the
9 entity, shall not be deemed, as a consequence of the conversion, to
10 have been transferred to the domestic limited liability company to
11 which the entity has converted for any purpose of the laws of this
12 state.

13 G. Unless otherwise agreed or otherwise provided by any laws of
14 this state applicable to the converting entity, the converting
15 entity shall not be required to wind up its affairs or pay its
16 liabilities and distribute its assets, and the conversion shall not
17 be deemed to constitute a dissolution of the entity and shall
18 constitute a continuation of the existence of the converting entity
19 in the form of a domestic limited liability company.

20 H. Before filing the articles of conversion to a domestic
21 limited liability company with the Office of the Secretary of State,
22 the conversion shall be approved in the manner provided for by the
23 document, instrument, agreement or other writing, as the case may
24 be, governing the internal affairs of the entity and the conduct of

1 its business or by applicable law, as appropriate, and articles of
2 organization shall be approved by the same authorization required to
3 approve the conversion.

4 I. In a conversion of an entity to a domestic limited liability
5 company under this section, rights or securities of or memberships
6 or membership, economic or ownership interests in the entity that is
7 to be converted to a domestic limited liability company may be
8 exchanged for or converted into cash, property, or rights or
9 securities of or interests in the domestic limited liability company
10 or, in addition to or in lieu thereof, may be exchanged for or
11 converted into cash, property or rights or securities of or
12 memberships or membership, economic or ownership interests in
13 another domestic limited liability company or other entity.

14 J. The provisions of this section shall not be construed to
15 limit the accomplishment of a change in the law governing, or the
16 domicile of, an entity to this state by any other means provided for
17 in an operating agreement or other agreement or as otherwise
18 permitted by law including by the amendment of an operating
19 agreement or other agreement.

20 K. Nothing in this section shall be deemed to authorize the
21 conversion of a charitable entity into a domestic limited liability
22 company, if the charitable status of such entity would thereby be
23 lost or impaired.

24

1 SECTION 11. AMENDATORY 18 O.S. 2021, Section 2054.2, is
2 amended to read as follows:

3 Section 2054.2.

4 CONVERSION OF A LIMITED LIABILITY COMPANY TO AN ENTITY

5 A. A domestic limited liability company may convert to an
6 entity upon the authorization of such conversion in accordance with
7 this section. As used in this section, the term "entity" means a
8 domestic or foreign protected or registered series of a limited
9 liability company, a foreign limited liability company, a domestic
10 or foreign public benefit limited liability company, a domestic or
11 foreign corporation including a public benefit corporation, a
12 domestic or foreign partnership whether general or limited, and
13 including a limited liability partnership and a limited liability
14 limited partnership, and any domestic or foreign unincorporated
15 nonprofit or for-profit association, trust or enterprise having
16 members or having outstanding shares of stock or other evidences of
17 financial, beneficial or membership interest therein, whether formed
18 by agreement or under statutory authority or otherwise.

19 B. If the operating agreement specifies the manner of
20 authorizing a conversion of the limited liability company, the
21 conversion shall be authorized as specified in the operating
22 agreement.

23 C. If the operating agreement does not specify the manner of
24 authorizing a conversion of the limited liability company and does

1 not prohibit a conversion of the limited liability company, the
2 conversion shall be authorized in the same manner as is specified in
3 the operating agreement for authorizing a merger or consolidation
4 that involves the limited liability company as a constituent party
5 to a merger or consolidation.

6 D. If the operating agreement does not specify the manner of
7 authorizing a conversion of the limited liability company or a
8 merger or consolidation that involves the limited liability company
9 as a constituent party and does not prohibit a conversion of the
10 limited liability company, the conversion shall be authorized by the
11 approval of a majority of the membership interest or, if there is
12 more than one class or group of members, then by a majority of the
13 membership interest in each class or group of members.
14 Notwithstanding the foregoing, in addition to any other
15 authorization required by this section, if the entity into which the
16 limited liability company is to convert does not afford all of its
17 interest holders protection against personal liability for the debts
18 of the entity, the conversion must be authorized by any and all
19 members who would be exposed to personal liability.

20 E. Unless otherwise agreed, the conversion of a domestic
21 limited liability company to another entity pursuant to this section
22 shall not require the limited liability company to wind up its
23 affairs or pay its liabilities and distribute its assets, and the
24

1 conversion shall not constitute a dissolution of the limited
2 liability company.

3 F. In a conversion of a domestic limited liability company to
4 an entity under this section, rights or securities of or interests
5 in the domestic limited liability company which are to be converted
6 may be exchanged for or converted into cash, property, rights or
7 securities of or memberships or membership, economic or ownership
8 interests in the entity to which the domestic limited liability
9 company is being converted or, in addition to or in lieu thereof,
10 may be exchanged for or converted into cash, property, rights or
11 securities of or memberships or membership, economic or ownership
12 interests in another entity or may be canceled.

13 G. If the governing act of a domestic entity to which the
14 limited liability company is converting does not provide for the
15 filing of a conversion notice with the Secretary of State or the
16 limited liability company is converting to a foreign entity,
17 articles of conversion executed in accordance with Section 2006 of
18 this title, shall be filed in the Office of the Secretary of State
19 in accordance with Section 2007 of this title. The articles of
20 conversion shall state:

21 1. The name of the limited liability company and, if it has
22 been changed, the name under which its articles of organization were
23 originally filed;

24

1 2. The date of filing of its original articles of organization
2 with the Secretary of State;

3 3. The name and type of entity to which the limited liability
4 company is converting and its jurisdiction of formation, if a
5 foreign entity;

6 4. The future effective date or time of the conversion, which
7 shall be a date or time certain not later than ninety (90) days
8 after the filing, if it is not to be effective upon the filing of
9 the articles of conversion;

10 5. That the conversion has been approved in accordance with
11 this section;

12 6. The agreement of the foreign entity that it may be served
13 with process in this state in any action, suit or proceeding for
14 enforcement of any obligation of the foreign entity arising while it
15 was a domestic limited liability company, and that it irrevocably
16 appoints the Secretary of State as its agent to accept service of
17 process in any such action, suit or proceeding, and its street
18 address to which a copy of the process shall be mailed to it by the
19 Secretary of State; and

20 7. If the domestic entity to which the domestic limited
21 liability company is converting was required to make a filing with
22 the Secretary of State as a condition of its formation, the type and
23 date of such filing.

24

1 H. Upon the filing of a conversion notice with the Secretary of
2 State, whether under subsection G of this section or under the
3 governing act of the domestic entity to which the limited liability
4 company is converting, the filing of any formation document required
5 by the governing act of the domestic entity to which the limited
6 liability company is converting, and payment to the Secretary of
7 State of all prescribed fees, the Secretary of State shall certify
8 that the limited liability company has filed all documents and paid
9 all required fees, and thereupon the domestic limited liability
10 company shall cease to exist as a limited liability company of this
11 state. The Secretary of State's certificate shall be prima facie
12 evidence of the conversion by the domestic limited liability
13 company.

14 I. The conversion of a domestic limited liability company to an
15 entity under this section and the resulting cessation of its
16 existence as a domestic limited liability company shall not be
17 deemed to affect any obligations or liabilities of the limited
18 liability company incurred before the conversion or the personal
19 liability of any person incurred before the conversion, nor shall it
20 be deemed to affect the choice of law applicable to the limited
21 liability company with respect to matters arising before the
22 conversion.

23 J. When a domestic limited liability company has converted to
24 an entity under this section, the entity shall be deemed to be the

1 same entity as the limited liability company. All of the rights,
2 privileges and powers of the domestic limited liability company that
3 has converted, and all property, real, personal and mixed, and all
4 debts due to the limited liability company, as well as all other
5 things and causes of action belonging to the limited liability
6 company, shall remain vested in the entity to which the domestic
7 limited liability company has converted and shall be the property of
8 the entity, and the title to any real property vested by deed or
9 otherwise in the domestic limited liability company shall not revert
10 or be in any way impaired by reason of the conversion; but all
11 rights of creditors and all liens upon any property of the limited
12 liability company shall be preserved unimpaired, and all debts,
13 liabilities and duties of the limited liability company that has
14 converted shall remain attached to the entity to which the domestic
15 limited liability company has converted, and may be enforced against
16 it to the same extent as if the debts, liabilities and duties had
17 originally been incurred or contracted by it in its capacity as the
18 entity. The rights, privileges, powers and interests in property of
19 the domestic limited liability company that has converted, as well
20 as the debts, liabilities and duties of the limited liability
21 company, shall not be deemed, as a consequence of the conversion, to
22 have been transferred to the entity to which the limited liability
23 company has converted for any purpose of the laws of this state.

24

1 K. Nothing in this section shall be deemed to authorize the
2 conversion of a charitable domestic limited liability company into
3 another entity, if the charitable status of such domestic limited
4 liability company would thereby be lost or impaired.

5 SECTION 12. AMENDATORY 18 O.S. 2021, Section 2054.3, is
6 amended to read as follows:

7 Section 2054.3. An operating agreement or other agreement may
8 provide that contractual appraisal rights with respect to a
9 membership interest or another interest in a limited liability
10 company shall be available for any class or group of members or
11 membership interests in connection with any amendment of an
12 operating agreement, any merger or consolidation to which the
13 limited liability company is a constituent party, any conversion of
14 the limited liability company to another business entity, any
15 conversion of a protected series to a registered series or a
16 registered series to a protected series, any division of the limited
17 liability company, any plan of division, any transfer to or
18 domestication in any jurisdiction by the limited liability company,
19 or the sale of all or substantially all of the limited liability
20 company's assets. The district court shall have jurisdiction to
21 hear and determine any matter relating to any ~~such~~ contractual
22 appraisal rights.

23 SECTION 13. AMENDATORY 18 O.S. 2021, Section 2054.4, is
24 amended to read as follows:

1 Section 2054.4.

2 SERIES OF MEMBERS, MANAGERS, OR MEMBERSHIP INTERESTS HAVING SEPARATE
3 RIGHTS - PERSONAL OBLIGATION OF MEMBER OR MANAGER

4 A. An operating agreement may establish or provide for the
5 establishment of one or more designated series of members, managers,
6 membership interests or assets. Any such series may have separate
7 rights, powers or duties with respect to specified property or
8 obligations of the limited liability company or profits and losses
9 associated with specified property or obligations, and any such
10 series may have a separate business purpose or investment objective.

11 No provision of subsection B of this section or Section 14 of this
12 act shall be construed to limit the application of the principle of
13 freedom of contract to a series that is not a protected or
14 registered series. Other than under Sections 15, 16, and 17 of this
15 act, a series may not merge, consolidate, or convert under any
16 section of this title or any other statute of this state.

17 B. A series established in accordance with this subsection is a
18 protected series. Notwithstanding anything to the contrary set
19 forth in the Oklahoma Limited Liability Company Act or under other
20 applicable law, if an operating agreement establishes or provides
21 for the establishment of one or more series, and if to the extent
22 the records maintained for any such series account for the assets
23 associated with such series separately from the other assets of the
24 limited liability company, or any other series thereof, and if the

1 operating agreement so provides, and if notice of the limitation on
2 liabilities of a series as referenced in this subsection is set
3 forth in the articles of organization of the limited liability
4 company, then the debts, liabilities, obligations and expenses
5 incurred, contracted for or otherwise existing with respect to a
6 ~~particular~~ such series shall be enforceable against the assets of
7 such series only, and not against the assets of the limited
8 liability company generally or any other series thereof, and, unless
9 otherwise provided in the operating agreement, none of the debts,
10 liabilities, obligations and expenses incurred, contracted for or
11 otherwise existing with respect to the limited liability company
12 generally or any other series thereof shall be enforceable against
13 the assets of the series. Neither the provisions of this subsection
14 nor any provision pursuant thereto in an operating agreement or
15 articles of organization shall (i) restrict a protected series or
16 limited liability company on behalf of a protected series from
17 agreeing in the operating agreement or otherwise that any or all of
18 the debts, liabilities, obligations, and expenses incurred,
19 contracted for, or otherwise existing with respect to the limited
20 liability company generally or any other series thereof shall be
21 enforceable against the assets of such protected series; or (ii)
22 restrict a limited liability company from agreeing in the operating
23 agreement or otherwise that any or all of the debts, liabilities,
24 obligations, and expenses incurred, contracted for, or otherwise

1 existing with respect to a protected series shall be enforceable
2 against the assets of the limited liability company generally.
3 Assets associated with a protected series may be held directly or
4 indirectly, including in the name of such series, in the name of the
5 limited liability company, through a nominee or otherwise. Records
6 maintained for a protected series that reasonably identify its
7 assets, including by specific listing, category, type, quantity,
8 computational or allocational formula or procedure, including a
9 percentage or share of any asset or assets, or by any other method
10 where the identity of such assets is objectively determinable, will
11 be deemed to account for the assets associated with such series
12 separately from the other assets of the limited liability company,
13 or any other series thereof. Notice in articles of organization of
14 the limitation on liabilities of a protected series as referenced in
15 this subsection shall be sufficient for all purposes regardless of
16 whether the limited liability company has established any protected
17 series when the notice is included in the articles of organization,
18 and there shall be no requirement that any specific protected series
19 of the limited liability company be referenced in the notice or that
20 the notice use the term "protected". The fact that articles of
21 organization containing the foregoing notice of the limitation on
22 liabilities of a protected series are on file in the ~~office~~ Office
23 of the Secretary of State shall constitute notice of the limitation
24 on liabilities of a protected series. As used in this act, a

1 reference to assets of a protected series includes assets associated
2 with such series, and a reference to assets associated with a
3 protected series includes assets of such series. A reference to
4 members or managers of a protected series includes members or
5 managers associated with such series, and a reference to members or
6 managers associated with a protected series includes members or
7 managers of such series. The following shall apply to a protected
8 series:

9 ~~C. 1. A protected series established in accordance with~~
10 ~~subsection B of this section may carry on any lawful business,~~
11 ~~purpose or activity, regardless of whether ~~or not~~ for profit, with~~
12 ~~the exception of the business of a domestic insurer that a limited~~
13 ~~liability company may conduct in this state. Unless otherwise~~
14 ~~provided in the an operating agreement, a protected series~~
15 ~~established in accordance with subsection B of this section shall~~
16 ~~have the power and capacity to, in its own name, contract, hold~~
17 ~~title to assets, including real, personal and intangible property,~~
18 ~~grant liens and security interests, and sue and be sued.;~~

19 ~~D. 2. Except as otherwise provided by this act, no member or~~
20 ~~manager of a protected series shall be obligated personally for any~~
21 ~~debt, obligation, or liability of such series, whether arising in~~
22 ~~contract, tort, or otherwise, solely by reason of being a member or~~
23 ~~acting as manager of such series. Notwithstanding ~~Section 2022 of~~~~
24 ~~this title paragraph, under an operating agreement or under another~~

1 agreement, a member or manager may agree to be obligated personally
2 for any or all of the debts, obligations and liabilities of one or
3 more protected series-;

4 ~~F.~~ 3. An operating agreement may provide for classes or groups
5 of members or managers associated with a protected series having
6 such relative rights, powers and duties as the operating agreement
7 may provide, and may make provision for the future creation in the
8 manner provided in the operating agreement of additional classes or
9 groups of members or managers associated with the series having such
10 relative rights, powers and duties as may from time to time be
11 established, including rights, powers and duties senior to existing
12 classes and groups of members or managers associated with the
13 series. An operating agreement may provide for the taking of an
14 action, including the amendment of the operating agreement, without
15 the vote or approval of any member or manager or class or group of
16 members or managers, including an action to create under the
17 provisions of the operating agreement a class or group of ~~the~~ a
18 protected series of membership interests that was not previously
19 outstanding. An operating agreement may provide that any member or
20 class or group of members associated with a protected series shall
21 have no voting rights-;

22 ~~F.~~ 4. An operating agreement may grant to all or certain
23 identified members or managers or a specified class or group of the
24 members or managers associated with a protected series the right to

1 vote separately or with all or any class or group of the members or
2 managers associated with the series, on any matter. Voting by
3 members or managers associated with a protected series may be on a
4 per capita, number, financial interest, class, group or any other
5 basis-;

6 ~~G.~~ 5. Unless otherwise provided in an operating agreement, the
7 management of a protected series shall be vested in the members
8 associated with the series in proportion to their membership
9 interest, with the decision of members owning a majority of the
10 membership interest controlling; provided, however, that if an
11 operating agreement provides for the management of ~~the~~ a protected
12 series, in whole or in part, by a manager, the management of the
13 series, to the extent so provided, shall be vested in the manager
14 who shall be chosen in the manner provided in the operating
15 agreement. The manager of ~~the~~ a protected series shall also hold
16 the offices and have the responsibilities accorded to the manager as
17 set forth in an operating agreement. A protected series may have
18 more than one manager. Subject to paragraph 3 of Section 2014 of
19 this title, a manager shall cease to be a manager with respect to a
20 protected series as provided in an operating agreement. Except as
21 otherwise provided in an operating agreement, any event under this
22 chapter or in an operating agreement that causes a manager to cease
23 to be a manager with respect to a protected series shall not, in
24

1 itself, cause the manager to cease to be a manager of the limited
2 liability company or with respect to any other series thereof;

3 ~~H.~~ 6. Subject to ~~subsections I and F~~ paragraphs 7 and 10 of
4 this ~~section~~ subsection, and unless otherwise provided in an
5 operating agreement, at the time a member ~~associated with a series~~
6 ~~that has been established in accordance with subsection B of this~~
7 ~~section~~ of a protected series becomes entitled to receive a
8 distribution with respect to the series, the member has the status
9 of, and is entitled to all remedies available to, a creditor of the
10 series, with respect to the distribution. An operating agreement
11 may provide for the establishment of a record date with respect to
12 allocations and distributions with respect to a protected series;

13 ~~F.~~ 7. Notwithstanding Section 2040 of this title, a limited
14 liability company may make a distribution with respect to a
15 protected series ~~that has been established in accordance with~~
16 ~~subsection B of this section~~. A limited liability company shall not
17 make a distribution with respect to a protected series ~~that has been~~
18 ~~established in accordance with subsection B of this section~~ to a
19 member to the extent that at the time of the distribution, after
20 giving effect to the distribution, all liabilities of the series,
21 other than liabilities to members on account of their membership
22 interests with respect to the series and liabilities for which the
23 recourse of creditors is limited to specified property of the
24 series, exceed the fair value of the assets associated with the

1 series, except that the fair value of property of the series that is
2 subject to a liability for which the recourse of creditors is
3 limited shall be included in the assets associated with the series
4 only to the extent that the fair value of that property exceeds that
5 liability. For purposes of the immediately preceding sentence, the
6 term "distribution" shall not include amounts constituting
7 reasonable compensation for present or past services or reasonable
8 payments made in the ordinary course of business pursuant to a bona
9 fide retirement plan or other benefits program. A member who
10 receives a distribution in violation of this ~~subsection~~ paragraph,
11 and who knew or should have known at the time of the distribution
12 that the distribution violated this ~~subsection~~ paragraph, shall be
13 liable to a the protected series for the amount of the distribution.
14 A member who receives a distribution in violation of this ~~subsection~~
15 paragraph, and who did not know and had no reason to know at the
16 time of the distribution that the distribution violated this
17 ~~subsection~~ paragraph, shall not be liable for the amount of the
18 distribution. Subject to subsection C of Section 2040 of this
19 title, which shall apply to any distribution made with respect to a
20 protected series under this ~~subsection~~ paragraph, this ~~subsection~~
21 paragraph shall not affect any obligation or liability of a member
22 under an agreement or other applicable law for the amount of a
23 distribution-;

24

1 ~~J.~~ 8. Unless otherwise provided in the operating agreement, a
2 member shall cease to be associated with a protected series and to
3 have the power to exercise any rights or powers of a member with
4 respect to the series upon the assignment of all of the member's
5 capital interest with respect to the series. Except as otherwise
6 provided in an operating agreement, any event under this chapter or
7 an operating agreement that causes a member to cease to be
8 associated with a protected series shall not, in itself, cause the
9 member to cease to be associated with any other series or terminate
10 the continued membership of a member in the limited liability
11 company or cause the termination of the protected series, regardless
12 of whether the member was the last remaining member associated with
13 the series;

14 ~~K.~~ 9. Subject to Section 2037 of this title, except to the
15 extent otherwise provided in the operating agreement, a protected
16 series may be terminated and its affairs wound up without causing
17 the dissolution of the limited liability company. The termination
18 of a protected series ~~established in accordance with subsection B of~~
19 ~~this section~~ shall not affect the limitation on liabilities of the
20 series ~~provided by subsection B of this section~~. A protected series
21 is terminated and its affairs shall be wound up upon the dissolution
22 of the limited liability company under Section 2037 of this title or
23 otherwise upon the first to occur of the following:

24 ~~1.~~ ~~At~~

1 a. at the time specified in the operating agreement~~†~~1

2 ~~2.~~ Upon

3 b. upon the happening of events specified in the
4 operating agreement~~†~~1

5 ~~3.~~ Unless

6 c. unless otherwise provided in the operating agreement,
7 upon the affirmative vote or written consent of the
8 members of the limited liability company associated
9 with the series or, if there is more than one class or
10 group of members associated with the series, then by
11 each class or group of members associated with the
12 series, in either case, by members associated with the
13 series who own more than two-thirds (2/3) of the then-
14 current membership interest owned by all of the
15 members associated with the series or by the members
16 in each class or group of the series, as appropriate~~†~~1
17 or

18 ~~4.~~ The

19 d. the termination of the series under ~~subsection M~~
20 paragraph 11 of this ~~section.~~ subsection;

21 ~~10.~~ 10. Unless otherwise provided in the operating agreement, a
22 manager associated with a protected series who has not wrongfully
23 terminated the series or, if none, the members associated with the
24 series or a person approved by the members associated with the

1 series or, if there is more than one class or group of members
2 associated with the series, then by each class or group of members
3 associated with the series, in either case, by a majority of the
4 membership interest owned by all of the members associated with the
5 series or by the members in each class or group associated with the
6 series, as appropriate, may wind up the affairs of the series; but,
7 ~~if the series has been established in accordance with subsection B~~
8 ~~of this section,~~ the district court, upon cause shown, may wind up
9 the affairs of ~~the~~ a protected series upon application of any member
10 or manager associated with the series, or the member's personal
11 representative or assignee, and in connection therewith, may appoint
12 a liquidating trustee. The persons winding up the affairs of a
13 protected series may, in the name of the limited liability company
14 and for and on behalf of the limited liability company and the
15 series, take all actions with respect to the series as are permitted
16 under subsection A of Section 2039 of this title. The persons
17 winding up the affairs of a protected series shall provide for the
18 claims and obligations of the series and distribute the assets of
19 the series as provided in Section 2040 of this title, which section
20 shall apply to the winding up and distribution of assets of a
21 protected series. Actions taken in accordance with this subsection
22 shall not affect the liability of members and shall not impose
23 liability on a liquidating trustee;

24

1 ~~M.~~ 11. On application by or for a member or manager associated
2 with a protected series ~~established in accordance with subsection B~~
3 ~~of this section~~, the district court may decree termination of the
4 series whenever it is not reasonably practicable to carry on the
5 business of the series in conformity with an operating agreement;
6 and

7 12. For all purposes of the laws of this state, a protected
8 series is an association, regardless of the number of members or
9 managers, if any, of such series. An operating agreement does not
10 need to use the term "protected" when referencing series or to refer
11 to this section.

12 ~~N.~~ C. If a foreign limited liability company that is
13 registering to do business in this state in accordance with Section
14 2043 of this title is governed by an operating agreement that
15 establishes or provides for the establishment of designated series
16 of members, managers, membership interests or assets having separate
17 rights, powers or duties with respect to specified property or
18 obligations of the foreign limited liability company or profits and
19 losses associated with specified property or obligations, that fact
20 shall be so stated on the application for registration as a foreign
21 limited liability company. In addition, the foreign limited
22 liability company shall state on the application whether the debts,
23 liabilities and obligations incurred, contracted for or otherwise
24 existing with respect to a particular series, if any, shall be

1 enforceable against the assets of the series only, and not against
2 the assets of the foreign limited liability company generally or any
3 other series thereof, and whether any of the debts, liabilities,
4 obligations and expenses incurred, contracted for or otherwise
5 existing with respect to the foreign limited liability company
6 generally or any other series thereof shall be enforceable against
7 the assets of the series.

8 SECTION 14. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 2054.5 of Title 18, unless there
10 is created a duplication in numbering, reads as follows:

11 REGISTERED SERIES OF MEMBERS, MANAGERS, MEMBERSHIP INTERESTS, OR
12 ASSETS

13 A. If an operating agreement provides for the establishment or
14 formation of one or more series, then a registered series may be
15 formed by complying with this section. An operating agreement does
16 not need to use the term "registered" when referencing series or to
17 refer to this section, and a reference in an operating agreement for
18 a registered series, including a registered series resulting from
19 the conversion of a protected series to a registered series, may
20 continue to refer to Section 2054.4 of Title 18 of the Oklahoma
21 Statutes, which reference is deemed a reference to this section with
22 respect to the registered series. A registered series is formed by
23 the filing of articles of registered series in the Office of the
24 Secretary of State.

1 B. Notice of the limitation on liabilities of a registered
2 series as referenced in subsection C of this section shall be set
3 forth in the articles of organization of the limited liability
4 company. Notice in articles of organization of the limitation on
5 liabilities of a registered series as referenced in subsection C of
6 this section shall be sufficient for all purposes of this subsection
7 whether or not the limited liability company has formed any
8 registered series when the notice is included in the articles of
9 organization, and there shall be no requirement that (i) any
10 specific registered series of the limited liability company be
11 referenced in the notice, (ii) the notice use the term "registered"
12 when referencing series or include a reference to this section, or
13 (iii) the articles of organization be amended if it includes a
14 reference to Section 2054.4 of Title 18 of the Oklahoma Statutes.
15 Any reference to Section 2054.4 of Title 18 of the Oklahoma Statutes
16 in the articles of organization of a limited liability company that
17 has one or more registered series is deemed a reference to this
18 section with respect to the registered series. The fact that
19 articles of organization that contain the foregoing notice of the
20 limitation on liabilities of a series is on file in the Office of
21 the Secretary of State shall constitute notice of the limitation on
22 liabilities of a registered series.

23 C. Notwithstanding anything to the contrary set forth in this
24 act or under other applicable law, to the extent the records

1 maintained for a registered series account for the assets associated
2 with the series separately from the other assets of the limited
3 liability company, or any other series thereof, then the debts,
4 liabilities, obligations, and expenses incurred, contracted for, or
5 otherwise existing with respect to the series shall be enforceable
6 against the assets of the series only, and not against the assets of
7 the limited liability company generally or any other series thereof,
8 and, unless otherwise provided in the operating agreement, none of
9 the debts, liabilities, obligations, and expenses incurred,
10 contracted for, or otherwise existing with respect to the limited
11 liability company generally or any other series thereof shall be
12 enforceable against the assets of the series. Neither the
13 provisions of this subsection nor any provision pursuant thereto in
14 an operating agreement, articles of organization, or articles of
15 registered series shall (i) restrict a registered series or limited
16 liability company on behalf of a registered series from agreeing in
17 the operating agreement or otherwise that any or all of the debts,
18 liabilities, obligations, and expenses incurred, contracted for, or
19 otherwise existing with respect to the limited liability company
20 generally or any other series thereof shall be enforceable against
21 the assets of the registered series; or (ii) restrict a limited
22 liability company from agreeing in the operating agreement or
23 otherwise that any or all of the debts, liabilities, obligations,
24 and expenses incurred, contracted for, or otherwise existing with

1 respect to a registered series shall be enforceable against the
2 assets of the limited liability company generally. Assets
3 associated with a registered series may be held directly or
4 indirectly, including in the name of the series, in the name of the
5 limited liability company, through a nominee, or otherwise. Records
6 maintained for a registered series that reasonably identify its
7 assets, including by specific listing, category, type, quantity,
8 computational or allocational formula or procedure including a
9 percentage or share of any asset or assets, or by any other method
10 where the identity of the assets is objectively determinable, will
11 be deemed to account for the assets associated with the series
12 separately from the other assets of the limited liability company,
13 or any other series thereof. As used in this act, a reference to
14 assets of a registered series includes assets associated with the
15 series, a reference to assets associated with a registered series
16 includes assets of the series, a reference to members or managers of
17 a registered series includes members or managers associated with the
18 series, and a reference to members or managers associated with a
19 registered series includes members or managers of the series. The
20 following shall apply to a registered series:

21 1. A registered series may carry on any lawful business,
22 purpose, or activity, regardless of whether for profit, that a
23 limited liability company may conduct in this state. Unless
24 otherwise provided in an operating agreement, a registered series

1 shall have the power and capacity to, in its own name, contract,
2 hold title to assets, including real, personal, and intangible
3 property, grant liens and security interests, and sue and be sued;

4 2. Except as otherwise provided by this act, no member or
5 manager of a registered series shall be obligated personally for any
6 debt, obligation, or liability of the series, whether arising in
7 contract, tort, or otherwise, solely by reason of being a member or
8 acting as manager of the series. Notwithstanding the preceding
9 sentence, under an operating agreement or under another agreement, a
10 member or manager may agree to be obligated personally for any or
11 all of the debts, obligations, and liabilities of one or more
12 registered series;

13 3. An operating agreement may provide for classes or groups of
14 members or managers associated with a registered series having the
15 relative rights, powers, and duties as the operating agreement may
16 provide, and may make a provision for the future creation, in the
17 manner provided in the operating agreement, of additional classes or
18 groups of members or managers associated with the series having the
19 relative rights, powers, and duties as may from time to time be
20 established, including rights, powers, and duties senior to existing
21 classes and groups of members or managers associated with the
22 series. An operating agreement may provide for the taking of an
23 action, including the amendment of the operating agreement, without
24 the vote or approval of any member, manager, or class or group of

1 members or managers, including an action to create under the
2 provisions of the operating agreement a class or group of a
3 registered series of membership interests that was not previously
4 outstanding. An operating agreement may provide that any member or
5 class or group of members associated with a registered series shall
6 have no voting rights;

7 4. An operating agreement may grant to all or certain
8 identified members or managers or a specified class or group of the
9 members or managers associated with a registered series the right to
10 vote separately or with all or any class or group of the members or
11 managers associated with the series, on any matter. Voting by
12 members or managers associated with a registered series may be on a
13 per capita, number, financial interest, class, group, or any other
14 basis;

15 5. Unless otherwise provided in an operating agreement, the
16 management of a registered series shall be vested in the members
17 associated with the series in proportion to the then current
18 percentage or other interest of members in the profits of the series
19 owned by all of the members associated with the series, the decision
20 of members owning a majority of the percentage or other interest in
21 the profits controlling; provided, however, that if an operating
22 agreement provides for the management of a registered series, in
23 whole or in part, by a manager, the management of the series, to the
24 extent so provided, shall be vested in the manager who shall be

1 chosen in the manner provided in the operating agreement. The
2 manager of a registered series shall also hold the offices and have
3 the responsibilities accorded to the manager as set forth in an
4 operating agreement. A registered series may have more than one
5 manager. Subject to Section 2014 of Title 18 of the Oklahoma
6 Statutes, a manager shall cease to be a manager with respect to a
7 registered series as provided in an operating agreement. Except as
8 otherwise provided in an operating agreement, any event under this
9 act or in an operating agreement that causes a manager to cease to
10 be a manager with respect to a registered series shall not, in
11 itself, cause the manager to cease to be a manager of the limited
12 liability company or with respect to any other series thereof;

13 6. Notwithstanding Section 2029 of Title 18 of the Oklahoma
14 Statutes, but subject to paragraphs 7 and 10 of this subsection, and
15 unless otherwise provided in an operating agreement, at the time a
16 member of a registered series becomes entitled to receive a
17 distribution with respect to the series, the member has the status
18 of, and is entitled to all remedies available to, a creditor of the
19 series, with respect to the distribution. An operating agreement
20 may provide for the establishment of a record date with respect to
21 allocations and distributions with respect to a registered series;

22 7. Notwithstanding subsection A of Section 2030 of Title 18 of
23 the Oklahoma Statutes, a limited liability company may make a
24 distribution with respect to a registered series. A limited

1 liability company shall not make a distribution with respect to a
2 registered series to a member to the extent that at the time of the
3 distribution, after giving effect to the distribution, all
4 liabilities of the series, other than liabilities to members on
5 account of their membership interests with respect to the series and
6 liabilities for which the recourse of creditors is limited to
7 specified property of the series, exceed the fair value of the
8 assets associated with the series, except that the fair value of
9 property of the series that is subject to a liability for which the
10 recourse of creditors is limited shall be included in the assets
11 associated with the series only to the extent that the fair value of
12 that property exceeds that liability. For purposes of the
13 immediately preceding sentence, the term "distribution" shall not
14 include amounts constituting reasonable compensation for present or
15 past services or reasonable payments made in the ordinary course of
16 business pursuant to a bona fide retirement plan or other benefits
17 program. A member who receives a distribution in violation of this
18 paragraph, and who knew at the time of the distribution that the
19 distribution violated this paragraph, shall be liable to the
20 registered series for the amount of the distribution. A member who
21 receives a distribution in violation of this paragraph, and who did
22 not know at the time of the distribution that the distribution
23 violated this paragraph, shall not be liable for the amount of the
24 distribution. Subject to Section 2031 of Title 18 of the Oklahoma

1 Statutes, which shall apply to any distribution made with respect to
2 a registered series under this paragraph, this paragraph shall not
3 affect any obligation or liability of a member under an agreement or
4 other applicable law for the amount of a distribution;

5 8. Unless otherwise provided in the operating agreement, a
6 member shall cease to be associated with a registered series and to
7 have the power to exercise any rights or powers of a member with
8 respect to the series upon the assignment of all of the member's
9 membership interest with respect to the series. Except as otherwise
10 provided in an operating agreement, any event under this act or an
11 operating agreement that causes a member to cease to be associated
12 with a registered series shall not, in itself, cause the member to
13 cease to be associated with any other series or terminate the
14 continued membership of a member in the limited liability company or
15 cause the dissolution of the registered series, regardless of
16 whether the member was the last remaining member associated with the
17 series;

18 9. Subject to Section 2037 of Title 18 of the Oklahoma
19 Statutes, except to the extent otherwise provided in the operating
20 agreement, a registered series may be dissolved and its affairs
21 wound up without causing the dissolution of the limited liability
22 company. The dissolution of a registered series shall not affect
23 the limitation on liabilities of the series provided by this
24 subsection. A registered series is dissolved and its affairs shall

1 be wound up upon the dissolution of the limited liability company
2 under Section 2037 of Title 18 of the Oklahoma Statutes or otherwise
3 upon the first to occur of the following:

- 4 a. at the time specified in the operating agreement,
- 5 b. upon the happening of events specified in the
6 operating agreement,
- 7 c. unless otherwise provided in the operating agreement,
8 upon the vote or consent of members associated with
9 the series who own more than two-thirds of the then-
10 current percentage or other interest in the profits of
11 the series of the limited liability company owned by
12 all of the members associated with the series, or
- 13 d. the dissolution of the series under paragraph 11 of
14 this subsection;

15 10. Notwithstanding Section 2039 of Title 18 of the Oklahoma
16 Statutes, unless otherwise provided in the operating agreement, a
17 manager associated with a registered series who has not wrongfully
18 dissolved the series or, if none, the members associated with the
19 series or a person approved by the members associated with the
20 series, in either case, by members who own a majority of the then
21 current percentage or other interest in the profits of the series
22 owned by all of the members associated with the series, may wind up
23 the affairs of the series; but the district court, upon cause shown,
24 may wind up the affairs of a registered series upon application of

1 any member or manager associated with the series, or the member's
2 personal representative or assignee, and in connection therewith,
3 may appoint a liquidating trustee. The persons winding up the
4 affairs of a registered series may, in the name of the limited
5 liability company and for and on behalf of the limited liability
6 company and the series, take all actions with respect to the series
7 as are permitted under subsection A of Section 2039 of Title 18 of
8 the Oklahoma Statutes. The persons winding up the affairs of a
9 registered series shall provide for the claims and obligations of
10 the series and distribute the assets of the series as provided in
11 Section 2039 of Title 18 of the Oklahoma Statutes, which section
12 shall apply to the winding up and distribution of assets of a
13 registered series. Actions taken in accordance with this paragraph
14 shall not affect the liability of members and shall not impose
15 liability on a liquidating trustee;

16 11. On application by or for a member or manager associated
17 with a registered series, the district court may decree dissolution
18 of the series whenever it is not reasonably practicable to carry on
19 the business of the series in conformity with an operating
20 agreement; and

21 12. For all purposes of the laws of this state, a registered
22 series is an association, regardless of the number of members or
23 managers, if any, of the series.

24

1 D. To form a registered series of a limited liability company,
2 articles of registered series must be filed in accordance with this
3 subsection.

4 1. The articles of registered series:

5 a. shall set forth:

6 (1) the name of the limited liability company,

7 (2) the name of the registered series, and

8 (3) the street address of its principal place of

9 business, wherever located, and the name and

10 street address of its registered agent which

11 shall be identical to its registered office in

12 this state, and

13 b. may include any other matter that the members of the
14 registered series determine to include therein.

15 2. Articles of registered series shall be executed in
16 accordance with Section 2006 of Title 18 of the Oklahoma Statutes
17 and shall be filed in the Office of the Secretary of State in
18 accordance with Section 2007 of Title 18 of the Oklahoma Statutes.
19 Articles of registered series shall be effective as of the effective
20 time of the filing unless a later effective date or time, which
21 shall be a date or time certain, is provided for in the articles of
22 registered series. The articles of registered series are not an
23 amendment to the articles of organization of the limited liability
24 company. The filing of articles of registered series in the office

1 of the Secretary of State shall make it unnecessary to file any
2 other documents under this act.

3 3. The articles of registered series are amended by filing
4 articles of amendment in the Office of the Secretary of State. The
5 articles of amendment of the articles of registered series shall set
6 forth:

- 7 a. the name of the limited liability company,
- 8 b. the name of the registered series, and
- 9 c. the amendment to the articles of registered series.

10 4. A manager of a registered series or, if there is no manager,
11 then any member of a registered series who becomes aware that any
12 statement in the articles of registered series filed with respect to
13 the registered series was false when made, or that any matter
14 described therein has changed making the articles of registered
15 series false in any material respect, shall promptly amend the
16 articles of registered series.

17 5. The articles of registered series may be amended at any time
18 for any other proper purpose.

19 6. Unless otherwise provided in this act or unless a later
20 effective date or time, which shall be a date or time certain, is
21 provided for in the articles of amendment of the articles of
22 registered series, the articles of amendment shall be effective at
23 the time of filing with the Secretary of State.

24

1 7. The articles of registered series shall be canceled upon the
2 cancellation of the articles of organization of the limited
3 liability company named in the articles of registered series, or
4 upon the filing of articles of dissolution of the articles of
5 registered series or upon the future effective date or time of the
6 articles of dissolution of the articles of registered series, or as
7 provided in subsection B of Section 2012.1 of Title 18 of the
8 Oklahoma Statutes, or upon the filing of articles of merger or
9 consolidation of the registered series if the registered series is
10 not the surviving or resulting registered series in a merger or
11 consolidation, or upon the future effective date or time of the
12 articles of merger or consolidation of the registered series if the
13 registered series is not the surviving or resulting registered
14 series in a merger or consolidation, or upon the filing of the
15 articles of conversion of the registered series to a protected
16 series, or upon the future effective date or time of the articles of
17 conversion of the registered series to a protected series. Articles
18 of dissolution of the articles of registered series may be filed at
19 any time, and shall be filed, in the Office of the Secretary of
20 State to accomplish the cancellation of the articles of registered
21 series upon the dissolution of a registered series for which the
22 articles of registered series were filed and completion of the
23 winding up of the registered series. Articles of dissolution of the
24 articles of registered series shall set forth:

- 1 a. the name of the limited liability company,
2 b. the name of the registered series,
3 c. the date of filing of the articles of registered
4 series,
5 d. the future effective date or time, which shall be a
6 date or time certain, of cancellation if it is not to
7 be effective upon the filing of the articles of
8 dissolution, and
9 e. any other information the person filing the articles
10 of dissolution of the articles of registered series
11 determines.

12 8. Articles of dissolution that are filed in the Office of the
13 Secretary of State before the dissolution or the completion of
14 winding up of a registered series may be corrected as an erroneously
15 executed articles of dissolution by filing with the Office of the
16 Secretary of State articles of correction of the articles of
17 dissolution of the articles of registered series in accordance with
18 Section 2012 of Title 18 of the Oklahoma Statutes.

19 9. The Secretary of State shall not issue articles of good
20 standing with respect to a registered series if its articles of
21 registered series are canceled or the limited liability company has
22 ceased to be in good standing.
23
24

1 SECTION 15. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 2054.6 of Title 18, unless there
3 is created a duplication in numbering, reads as follows:

4 CONVERSION OF A PROTECTED SERIES TO A REGISTERED SERIES

5 A. A protected series of a domestic limited liability company
6 may convert to a registered series of the domestic limited liability
7 company by complying with this section and filing in the Office of
8 the Secretary of State in accordance with Section 2007 of Title 18
9 of the Oklahoma Statutes:

10 1. Articles of conversion of protected series to registered
11 series that have been executed in accordance with Section 2006 of
12 Title 18 of the Oklahoma Statutes; and

13 2. Articles of registered series that comply with subsection D
14 of Section 14 of this act and have been executed by one or more
15 authorized persons in accordance with Section 2006 of Title 18 of
16 the Oklahoma Statutes. Each of the articles required by this
17 subsection shall be filed simultaneously in the Office of the
18 Secretary of State and, if the articles are not to become effective
19 upon their filing as permitted by subsection C of Section 2007 of
20 Title 18 of the Oklahoma Statutes, then each of the articles shall
21 provide for the same effective date or time in accordance with
22 subsection C of Section 2007 of Title 18 of the Oklahoma Statutes.
23 Upon the filing of a certificate of conversion of protected series
24 to registered series, or upon the future effective date or time of a

1 certificate of conversion of protected series to registered series,
2 the protected series with respect to which such filing is made is
3 converted to a registered series with the effect provided in this
4 section. An existing series may not become a registered series
5 other than under this section.

6 B. If the operating agreement specifies the manner of
7 authorizing a conversion of a protected series of the limited
8 liability company to a registered series of the limited liability
9 company, the conversion of a protected series to a registered series
10 shall be authorized as specified in the operating agreement. If the
11 operating agreement does not specify the manner of authorizing a
12 conversion of a protected series of the limited liability company to
13 a registered series of the limited liability company and does not
14 prohibit a conversion of a protected series to a registered series,
15 the conversion shall be authorized by members of the protected
16 series who own a majority of the then current percentage or other
17 interest in the profits of the protected series owned by all of the
18 members of the protected series.

19 C. Unless otherwise agreed, the conversion of a protected
20 series of a limited liability company to a registered series of the
21 limited liability company under this section shall not require the
22 limited liability company or the protected series of the limited
23 liability company to wind up its affairs under Section 2039 or
24 Section 2054.4 of Title 18 of the Oklahoma Statutes or pay its

1 liabilities and distribute its assets under Section 2040 or Section
2 2054.4 of Title 18 of the Oklahoma Statutes, and the conversion of a
3 protected series of a limited liability company to a registered
4 series of the limited liability company shall not constitute a
5 dissolution of the limited liability company or a termination of the
6 protected series. When a protected series of a limited liability
7 company has converted to a registered series of the limited
8 liability company under this section, for all purposes of the laws
9 of this state, the registered series is deemed to be the same series
10 as the converting protected series and the conversion shall
11 constitute a continuation of the existence of the protected series
12 in the form of the registered series.

13 D. In connection with a conversion of a protected series of a
14 limited liability company to a registered series of the limited
15 liability company under this section, rights or securities of or
16 interests in the protected series which is to be converted may be
17 exchanged for or converted into cash, property, rights, or
18 securities of, or interests in, the registered series into which the
19 protected series is being converted or, in addition to or in lieu
20 thereof, may be exchanged for or converted into cash, property,
21 rights, or securities of, or interests in, any other business
22 entity, may remain outstanding, or may be canceled.

23 E. If a protected series shall convert to a registered series
24 in accordance with this section, articles of conversion of a

1 protected series to a registered series executed in accordance with
2 Section 2006 of Title 18 of the Oklahoma Statutes shall be filed in
3 the Office of the Secretary of State in accordance with Section 2007
4 of Title 18 of the Oklahoma Statutes. The articles of conversion of
5 a protected series to a registered series shall state:

6 1. The name of the limited liability company and, if it has
7 been changed, the name under which its articles of organization were
8 originally filed;

9 2. The name of the protected series and, if it has been
10 changed, the name of the protected series as originally established;

11 3. The name of the registered series as set forth in its
12 articles of registered series filed in accordance with subsection A
13 of this section;

14 4. The date of filing of the original articles of organization
15 of the limited liability company with the Secretary of State;

16 5. The date on which the protected series was established;

17 6. The future effective date or time, which shall be a date or
18 time certain, of the conversion if it is not to be effective upon
19 the filing of the articles of conversion of a protected series to a
20 registered series; and

21 7. That the conversion has been approved in accordance with
22 this section.

23 F. A copy of the articles of conversion of a protected series
24 to a registered series certified by the Secretary of State shall be

1 prima facie evidence of the conversion by the protected series to a
2 registered series of the limited liability company.

3 G. When any conversion shall have become effective under this
4 section, for all purposes of the laws of this state, all of the
5 rights, privileges, and powers of the protected series that has
6 converted, and all property, real, personal, and mixed, and all
7 debts due to the protected series, as well as all other things and
8 causes of action belonging to the protected series, shall remain
9 vested in the registered series to which the protected series has
10 converted and shall be the property of the registered series. The
11 title to any real property vested by deed or otherwise in the
12 protected series shall not revert or be in any way impaired by
13 reason of this act; but all rights of creditors and all liens upon
14 any property of the protected series shall be preserved unimpaired,
15 and all debts, liabilities, and duties of the protected series that
16 has converted shall remain attached to the registered series to
17 which the protected series has converted, and may be enforced
18 against it to the same extent as if the debts, liabilities, and
19 duties had originally been incurred or contracted by it in its
20 capacity as the registered series. The rights, privileges, powers,
21 and interests in property of the protected series that has
22 converted, as well as the debts, liabilities, and duties of the
23 protected series, shall not be deemed, as a consequence of the
24 conversion, to have been transferred to the registered series to

1 which the protected series of the limited liability company has
2 converted for any purpose of the laws of this state.

3 H. An operating agreement may provide that a protected series
4 of a limited liability company shall not have the power to convert
5 to a registered series of the limited liability company as set forth
6 in this section.

7 SECTION 16. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 2054.7 of Title 18, unless there
9 is created a duplication in numbering, reads as follows:

10 CONVERSION OF A REGISTERED SERIES TO A PROTECTED SERIES

11 A. Upon compliance with this section, a registered series of a
12 domestic limited liability company may convert to a protected series
13 of the domestic limited liability company. An existing registered
14 series may not become a protected series other than under this
15 section.

16 B. If the operating agreement specifies the manner of
17 authorizing a conversion of a registered series of the limited
18 liability company to a protected series of the limited liability
19 company, the conversion of a registered series to a protected series
20 shall be authorized as specified in the operating agreement. If the
21 operating agreement does not specify the manner of authorizing a
22 conversion of a registered series of the limited liability company
23 to a protected series of the limited liability company and does not
24 prohibit a conversion of a registered series to a protected series,

1 the conversion shall be authorized by members of the registered
2 series who own a majority of the then current percentage or other
3 interest in the profits of the registered series owned by all of the
4 members of the registered series.

5 C. Unless otherwise agreed, the conversion of a registered
6 series of a limited liability company to a protected series of the
7 limited liability company under this section shall not require the
8 limited liability company or the registered series of the limited
9 liability company to wind up its affairs under Section 2039 of Title
10 18 of the Oklahoma Statutes or Section 14 of this act or pay its
11 liabilities and distribute its assets under Section 2040 of Title 18
12 of the Oklahoma Statutes or Section 14 of this act, and the
13 conversion of a registered series of a limited liability company to
14 a protected series of the limited liability company shall not
15 constitute a dissolution of the limited liability company or of the
16 registered series. When a registered series of a limited liability
17 company has converted to a protected series of the limited liability
18 company under this section, for all purposes of the laws of this
19 state, the protected series is deemed to be the same series as the
20 converting registered series and the conversion shall constitute a
21 continuation of the existence of the registered series in the form
22 of the protected series.

23 D. In connection with a conversion of a registered series of a
24 limited liability company to protected series of the limited

1 liability company under this section, rights or securities of or
2 interests in the registered series which is to be converted may be
3 exchanged for or converted into cash, property, rights, or
4 securities of, or interests in, the protected series into which the
5 registered series is being converted or, in addition to or in lieu
6 thereof, may be exchanged for or converted into cash, property,
7 rights, or securities of, or interests in, any other business
8 entity, may remain outstanding or may be canceled.

9 E. If a registered series shall convert to a protected series
10 in accordance with this section, articles of conversion of
11 registered series to protected series executed in accordance with
12 Section 2006 of Title 18 of the Oklahoma Statutes shall be filed in
13 the Office of the Secretary of State in accordance with Section 2007
14 of Title 18 of the Oklahoma Statutes. The articles of conversion of
15 registered series to protected series shall state:

16 1. The name of the limited liability company and, if it has
17 been changed, the name under which its articles of organization were
18 originally filed;

19 2. The date of filing of the original articles of organization
20 of the limited liability company with the Secretary of State;

21 3. The name of the registered series and, if it has been
22 changed, the name under which its articles of registered series were
23 originally filed;

24

1 4. The date of filing of its original articles of registered
2 series with the Secretary of State;

3 5. The future effective date or time, which shall be a date or
4 time certain, of the conversion if it is not to be effective upon
5 the filing of the articles of conversion of registered series to
6 protected series; and

7 6. That the conversion has been approved in accordance with
8 this section.

9 F. Upon the filing of a certificate of conversion of registered
10 series to protected series, or upon the future effective date or
11 time of a certificate of conversion of registered series to
12 protected series, the registered series filing the certificate is
13 converted to a protected series with the effect provided in this
14 section. A copy of the articles of conversion of registered series
15 to protected series certified by the Secretary of State shall be
16 prima facie evidence of the conversion by the registered series to a
17 protected series of the limited liability company.

18 G. When any conversion shall have become effective under this
19 section, for all purposes of the laws of this state, all of the
20 rights, privileges, and powers of the registered series that has
21 converted, and all property, real, personal, and mixed, and all
22 debts due to the registered series, as well as all other things and
23 causes of action belonging to the registered series, shall remain
24 vested in the protected series to which the registered series has

1 converted and shall be the property of the protected series. The
2 title to any real property vested by deed or otherwise in the
3 registered series shall not revert or be in any way impaired by
4 reason of this act; but all rights of creditors and all liens upon
5 any property of the registered series shall be preserved unimpaired,
6 and all debts, liabilities, and duties of the registered series that
7 has converted shall remain attached to the protected series to which
8 the registered series has converted, and may be enforced against it
9 to the same extent as if the debts, liabilities, and duties had
10 originally been incurred or contracted by it in its capacity as the
11 protected series. The rights, privileges, powers, and interests in
12 property of the registered series that has converted, as well as the
13 debts, liabilities, and duties of the registered series, shall not
14 be deemed, as a consequence of the conversion, to have been
15 transferred to the protected series to which the registered series
16 of the limited liability company has converted for any purpose of
17 the laws of this state.

18 H. An operating agreement may provide that a registered series
19 of a limited liability company shall not have the power to convert
20 to a protected series of the limited liability company as set forth
21 in this section.

22 SECTION 17. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 2054.8 of Title 18, unless there
24 is created a duplication in numbering, reads as follows:

1 MERGER AND CONSOLIDATION OF REGISTERED SERIES

2 A. Under an agreement of merger or consolidation, one or more
3 registered series may merge or consolidate with or into one or more
4 other registered series of the same limited liability company with
5 such registered series as the agreement shall provide being the
6 surviving or resulting registered series. Unless otherwise provided
7 in the operating agreement, an agreement of merger or consolidation
8 shall be approved by each registered series which is to merge or
9 consolidate by members of the registered series who own a majority
10 of the then current percentage or other interest in the profits of
11 the registered series owned by all of the members of the registered
12 series. In connection with a merger or consolidation hereunder,
13 rights or securities of, or interests in, a registered series which
14 is a constituent party to the merger or consolidation may be
15 exchanged for or converted into cash, property, rights, or
16 securities of, or interests in, the surviving or resulting
17 registered series or, in addition to or in lieu thereof, may be
18 exchanged for or converted into cash, property, rights, or
19 securities of, or interests in, a domestic limited liability company
20 or other business entity which is not the surviving or resulting
21 registered series in the merger or consolidation, may remain
22 outstanding, or may be canceled. Notwithstanding prior approval, an
23 agreement of merger or consolidation may be terminated or amended

1 under a provision for such termination or amendment contained in the
2 agreement of merger or consolidation.

3 B. If a registered series is merging or consolidating under
4 this section, the registered series surviving or resulting in or
5 from the merger or consolidation shall file articles of merger or
6 consolidation of registered series executed by one or more
7 authorized persons on behalf of the registered series when it is the
8 surviving or resulting registered series in the Office of the
9 Secretary of State. The articles of merger or consolidation of
10 registered series shall state:

11 1. The name of each registered series which is to merge or
12 consolidate and the name of the limited liability company that
13 formed the registered series;

14 2. That an agreement of merger or consolidation has been
15 approved and executed by or on behalf of each registered series
16 which is to merge or consolidate;

17 3. The name of the surviving or resulting registered series;

18 4. Such amendment, if any, to the articles of registered series
19 of the registered series that is the surviving registered series to
20 change the name of the surviving registered series, as is desired to
21 be effected by the merger;

22 5. The future effective date or time, which shall be a date or
23 time certain, of the merger or consolidation if it is not to be
24

1 effective upon the filing of the articles of merger or consolidation
2 of registered series;

3 6. That the agreement of merger or consolidation is on file at
4 a place of business of the surviving or resulting registered series
5 or the limited liability company that formed such registered series,
6 and shall state the address thereof; and

7 7. That a copy of the agreement of merger or consolidation will
8 be furnished by the surviving or resulting registered series, on
9 request and without cost, to any member of any registered series
10 which is to merge or consolidate.

11 C. Unless a future effective date or time is provided in
12 articles of merger or consolidation of registered series, a merger
13 or consolidation under this section shall be effective upon the
14 filing in the Office of the Secretary of State of articles of merger
15 or consolidation of registered series.

16 D. Articles of merger or consolidation of registered series
17 cancel the articles of registered series of the registered series
18 which is not the surviving or resulting registered series in the
19 merger or consolidation. Articles of merger or consolidation of
20 registered series that set forth any amendment in accordance with
21 paragraph 4 of subsection B of this section is deemed to be an
22 amendment to the articles of registered series of the surviving
23 registered series, and no further action shall be required to amend
24 the articles of registered series of the surviving registered series

1 under Section 14 of this act with respect to such amendments set
2 forth in such articles of merger or consolidation. Whenever this
3 section requires the filing of articles of merger or consolidation
4 of registered series, such requirement is deemed satisfied by the
5 filing of an agreement of merger or consolidation containing the
6 information required by this section to be set forth in such
7 articles of merger or consolidation.

8 E. An agreement of merger or consolidation approved in
9 accordance with subsection A of this section may effect any
10 amendment to the operating agreement relating solely to the
11 registered series that are constituent parties to the merger or
12 consolidation. Any amendment to an operating agreement relating
13 solely to the registered series that are constituent parties to the
14 merger or consolidation made under this subsection shall be
15 effective at the effective time or date of the merger or
16 consolidation and shall be effective notwithstanding any provision
17 of the operating agreement relating to amendment of the operating
18 agreement, other than a provision that by its terms applies to an
19 amendment to the operating agreement in connection with a merger or
20 consolidation. The provisions of this subsection shall not be
21 construed to limit the accomplishment of a merger or of any of the
22 matters referred to herein by any other means provided for in an
23 operating agreement or other agreement or as otherwise permitted by
24 law, including that the operating agreement relating to any

1 constituent registered series to the merger or consolidation,
2 including a registered series formed for the purpose of consummating
3 a merger or consolidation, shall be the operating agreement of the
4 surviving or resulting registered series.

5 F. When any merger or consolidation shall have become effective
6 under this section, for all purposes of the laws of this state, all
7 of the rights, privileges, and powers of each of the registered
8 series that have merged or consolidated, and all property, real,
9 personal, and mixed, and all debts due to any of the registered
10 series, as well as all other things and causes of action belonging
11 to each of the registered series, shall be vested in the surviving
12 or resulting registered series, and shall thereafter be the property
13 of the surviving or resulting registered series as they were of each
14 of the registered series that have merged or consolidated. The
15 title to any real property vested by deed or otherwise, under the
16 laws of this state, in any of the registered series, shall not
17 revert or be in any way impaired by reason of this act; but all
18 rights of creditors and all liens upon any property of any of the
19 registered series shall be preserved unimpaired, and all debts,
20 liabilities, and duties of each of the registered series that have
21 merged or consolidated shall remain attached to the surviving or
22 resulting registered series, and may be enforced against it to the
23 same extent as if the debts, liabilities, and duties had been
24 incurred or contracted by it. Unless otherwise agreed, a merger or

1 consolidation of a registered series of a limited liability company,
2 including a registered series which is not the surviving or
3 resulting registered series in the merger or consolidation, shall
4 not require the registered series to wind up its affairs under
5 Section 14 of this act, or pay its liabilities and distribute its
6 assets under Section 14 of this act, and the merger or consolidation
7 shall not constitute a dissolution of the registered series.

8 G. An operating agreement may provide that a registered series
9 of a limited liability company shall not have the power to merge or
10 consolidate as set forth in this section.

11 SECTION 18. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 2054.9 of Title 18, unless there
13 is created a duplication in numbering, reads as follows:

14 DIVISION OF A LIMITED LIABILITY COMPANY

15 A. As used in this act:

16 1. "Dividing company" means the domestic limited liability
17 company that is effecting a division in the manner provided in this
18 section;

19 2. "Division" means the division of a dividing company into two
20 or more domestic limited liability companies in accordance with this
21 section;

22 3. "Division company" means a surviving company, if any, and
23 each resulting company;

24

1 4. "Division contact" means, in connection with any division, a
2 natural person who is a resident of this state, any division company
3 in the division or any other domestic limited liability company, or
4 other entity as defined in Section 2054 of Title 18 of the Oklahoma
5 Statutes formed or organized under the laws of this state, which
6 division contact shall maintain a copy of the plan of division for a
7 period of six (6) years from the effective date of the division and
8 shall comply with paragraph 3 of subsection G of this section;

9 5. "Organizational documents" means the articles of
10 organization and operating agreement of a domestic limited liability
11 company;

12 6. "Resulting company" means a domestic limited liability
13 company formed as a consequence of a division; and

14 7. "Surviving company" means a dividing company that survives
15 the division.

16 B. Under a plan of division, any domestic limited liability
17 company may, in the manner provided in this section, be divided into
18 two or more domestic limited liability companies. The division of a
19 domestic limited liability company in accordance with this section
20 and, if applicable, the resulting cessation of the existence of the
21 dividing company under articles of division shall not be deemed to
22 affect the personal liability of any person incurred before the
23 division with respect to matters arising before the division, nor
24 shall it be deemed to affect the validity or enforceability of any

1 obligations or liabilities of the dividing company incurred before
2 the division; provided, that the obligations and liabilities of the
3 dividing company shall be allocated to and vested in, and valid and
4 enforceable obligations of, the division company or companies to
5 which the obligations and liabilities have been allocated under the
6 plan of division, as provided in subsection H of this section. Each
7 resulting company in a division shall be formed in compliance with
8 the requirements of this act and subsection H of this section.

9 C. If the operating agreement of the dividing company specifies
10 the manner of adopting a plan of division, the plan of division
11 shall be adopted as specified in the operating agreement. If the
12 operating agreement of the dividing company does not specify the
13 manner of adopting a plan of division and does not prohibit a
14 division of the limited liability company, the plan of division
15 shall be adopted in the same manner as is specified in the operating
16 agreement for authorizing a merger or consolidation that involves
17 the limited liability company as a constituent party to the merger
18 or consolidation. If the operating agreement of the dividing
19 company does not specify the manner of adopting a plan of division
20 or authorizing a merger or consolidation that involves the limited
21 liability company as a constituent party and does not prohibit a
22 division of the limited liability company, the adoption of a plan of
23 division shall be authorized by the approval of members who own a
24 majority of the then current percentage or other interest in the

1 profits of the dividing company owned by all of the members.
2 Notwithstanding prior approval, a plan of division may be terminated
3 or amended under a provision for the termination or amendment
4 contained in the plan of division.

5 D. Unless otherwise provided in a plan of division, the
6 division of a domestic limited liability company under this section
7 shall not require the limited liability company to wind up its
8 affairs under Section 2039 of Title 18 of the Oklahoma Statutes or
9 pay its liabilities and distribute its assets under Section 2040 of
10 Title 18 of the Oklahoma Statutes, and the division shall not
11 constitute a dissolution of the limited liability company.

12 E. In connection with a division under this section, rights or
13 securities of, or interests in, the dividing company may be
14 exchanged for or converted into cash, property, rights, or
15 securities of, or interests in, the surviving company or any
16 resulting company or, in addition to or in lieu thereof, may be
17 exchanged for or converted into cash, property, rights, or
18 securities of, or interests in, a domestic limited liability company
19 or any other business entity which is not a division company or may
20 be canceled or remain outstanding, if the dividing company is a
21 surviving company.

22 F. A plan of division adopted in accordance with subsection C
23 of this section:

24

1 1. May effect any amendment to the operating agreement of the
2 dividing company if it is a surviving company in the division; or

3 2. May effect the adoption of a new operating agreement for the
4 dividing company if it is a surviving company in the division; and

5 3. Shall effect the adoption of an operating agreement for each
6 resulting company. Any amendment to an operating agreement or
7 adoption of a new operating agreement for the dividing company, if
8 it is a surviving company in the division, or adoption of an
9 operating agreement for each resulting company made under the
10 foregoing sentence shall be effective at the effective time or date
11 of the division. Any amendment to an operating agreement or
12 adoption of an operating agreement for the dividing company, if it
13 is a surviving company in the division, shall be effective
14 notwithstanding any provision in the operating agreement of the
15 dividing company relating to amendment or adoption of a new
16 operating agreement, other than a provision that by its terms
17 applies to an amendment to the operating agreement or the adoption
18 of a new operating agreement, in either case, in connection with a
19 division, merger, or consolidation.

20 G. If a domestic limited liability company is dividing under
21 this section, the dividing company shall adopt a plan of division
22 which shall set forth:

23 1. The terms and conditions of the division, including:
24

1 a. any conversion or exchange of the membership interests
2 of the dividing company into or for membership
3 interests or other securities or obligations of any
4 division company or cash, property, or rights or
5 securities or obligations of or interests in any other
6 business entity or domestic limited liability company
7 which is not a division company, or that the
8 membership interests of the dividing company shall
9 remain outstanding or be canceled, or any combination
10 of the foregoing, and

11 b. the allocation of assets, property, rights, series,
12 debts, liabilities, and duties of the dividing company
13 among the division companies;

14 2. The name of each resulting company and, if the dividing
15 company will survive the division, the name of the surviving
16 company;

17 3. The name and business address of a division contact which
18 shall have custody of a copy of the plan of division. The division
19 contact, or any successor division contact, shall serve for a period
20 of six (6) years following the effective date of the division.
21 During the six-year period the division contact shall provide,
22 without cost, to any creditor of the dividing company, within thirty
23 (30) days following the division contact's receipt of a written
24 request from any creditor of the dividing company, the name and

1 business address of the division company to which the claim of the
2 creditor was allocated under the plan of division; and

3 4. Any other matters that the dividing company determines to
4 include therein.

5 H. If a domestic limited liability company divides under this
6 section, the dividing company shall file articles of division
7 executed by one or more authorized persons on behalf of the dividing
8 company in the Office of the Secretary of State in accordance with
9 Section 2006 of Title 18 of the Oklahoma Statutes and articles of
10 organization that comply with Section 2005 of Title 18 of the
11 Oklahoma Statutes for each resulting company executed by one or more
12 authorized persons in accordance with Section 2006 of Title 18 of
13 the Oklahoma Statutes. The articles of division shall state:

14 1. The name of the dividing company and, if it has been
15 changed, the name under which its articles of organization were
16 originally filed and whether the dividing company is a surviving
17 company;

18 2. The date of filing of the dividing company's original
19 articles of organization with the Secretary of State;

20 3. The name of each division company;

21 4. The name and business address of the division contact
22 required by paragraph 3 of subsection G of this section;

23

24

1 5. The future effective date or time, which shall be a date or
2 time certain, of the division if it is not to be effective upon the
3 filing of the articles of division;

4 6. That the division has been approved in accordance with this
5 section;

6 7. That the plan of division is on file at a place of business
7 of the division company as is specified therein, and shall state the
8 address thereof;

9 8. That a copy of the plan of division will be furnished by the
10 division company as is specified therein, on request and without
11 cost, to any member of the dividing company; and

12 9. Any other information the dividing company determines to
13 include therein.

14 I. The articles of division and each of the articles of
15 organization for each resulting company required by subsection H of
16 this section shall be filed simultaneously in the Office of the
17 Secretary of State and, if the articles are not to become effective
18 upon their filing as permitted by subsection C of Section 2007 of
19 Title 18 of the Oklahoma Statutes, then each of the articles shall
20 provide for the same effective date or time in accordance with
21 subsection C of Section 2007 of Title 18 of the Oklahoma Statutes.
22 Concurrently with the effective date or time of a division, the
23 operating agreement of each resulting company shall become
24 effective.

1 J. The articles of division shall act as a cancellation of the
2 articles of organization for a dividing company which is not a
3 surviving company.

4 K. An operating agreement may provide that a domestic limited
5 liability company shall not have the power to divide as set forth in
6 this section.

7 L. Upon the division of a domestic limited liability company
8 becoming effective:

9 1. The dividing company shall be divided into the distinct and
10 independent resulting companies named in the plan of division, and,
11 if the dividing company is not a surviving company, the existence of
12 the dividing company shall cease;

13 2. For all purposes of the laws of this state, all of the
14 rights, privileges, and powers, and all the property, real,
15 personal, and mixed, of the dividing company and all debts due on
16 whatever account to it, and all other things and other causes of
17 action belonging to it, shall without further action be allocated to
18 and vested in the applicable division company in the manner and
19 basis and with the effect as is specified in the plan of division,
20 and the title to any real property or interest therein allocated to
21 and vested in any division company shall not revert or be in any way
22 impaired by reason of the division;

23 3. Each division company shall, from and after effectiveness of
24 the articles of division, be liable as a separate and distinct

1 domestic limited liability company for the debts, liabilities, and
2 duties of the dividing company as are allocated to the division
3 company under the plan of division in the manner and on the basis
4 provided in subparagraph b of paragraph 1 of subsection G of this
5 section;

6 4. Each of the debts, liabilities, and duties of the dividing
7 company shall without further action be allocated to and be the
8 debts, liabilities, and duties of the division company as is
9 specified in the plan of division as having the debts, liabilities,
10 and duties allocated to it, in the manner and basis and with the
11 effect as is specified in the plan of division, and no other
12 division company shall be liable therefor, so long as the plan of
13 division does not constitute a fraudulent transfer under applicable
14 law, and all liens upon any property of the dividing company shall
15 be preserved unimpaired, and all debts, liabilities, and duties of
16 the dividing company shall remain attached to the division company
17 to which the debts, liabilities, and duties have been allocated in
18 the plan of division, and may be enforced against the division
19 company to the same extent as if the debts, liabilities, and duties
20 had originally been incurred or contracted by it in its capacity as
21 a domestic limited liability company;

22 5. In the event that any allocation of assets, debts,
23 liabilities, and duties to division companies in accordance with a
24 plan of division is determined by a court of competent jurisdiction

1 to constitute a fraudulent transfer, each division company shall be
2 jointly and severally liable on account of the fraudulent transfer
3 notwithstanding the allocations made in the plan of division;
4 provided, however, the validity and effectiveness of the division
5 are not otherwise affected thereby;

6 6. Debts and liabilities of the dividing company that are not
7 allocated by the plan of division shall be the joint and several
8 debts and liabilities of all of the division companies;

9 7. It shall not be necessary for a plan of division to list
10 each individual asset, property, right, series, debt, liability, or
11 duty of the dividing company to be allocated to a division company
12 so long as the assets, property, rights, series, debts, liabilities,
13 or duties so allocated are reasonably identified by any method where
14 the identity of the assets, property, rights, series, debts,
15 liabilities, or duties is objectively determinable;

16 8. The rights, privileges, powers, and interests in property of
17 the dividing company that have been allocated to a division company,
18 as well as the debts, liabilities, and duties of the dividing
19 company that have been allocated to the division company under a
20 plan of division, shall remain vested in the division company and
21 shall not be deemed, as a result of the division, to have been
22 assigned or transferred to the division company for any purpose of
23 the laws of this state; and

24

1 9. Any action or proceeding pending against a dividing company
2 may be continued against the surviving company as if the division
3 did not occur, but subject to paragraph 4 of subsection L of this
4 section and against any resulting company to which the asset,
5 property, right, series, debt, liability, or duty associated with
6 the action or proceeding was allocated under the plan of division by
7 adding or substituting the resulting company as a party in the
8 action or proceeding.

9 M. In applying the provisions of this act on distributions, a
10 direct or indirect allocation of property or liabilities in a
11 division is not deemed a distribution for purposes of this act.

12 N. The provisions of this section shall not be construed to
13 limit the means of accomplishing a division by any other means
14 provided for in an operating agreement or other agreement or as
15 otherwise permitted by this act or as otherwise permitted by law.

16 O. All limited liability companies formed on or after November
17 1, 2023, shall be governed by this section. All limited liability
18 companies formed before November 1, 2023, shall be governed by this
19 section; provided, that if the dividing company is a party to any
20 written contract, indenture, or other agreement entered into before
21 November 1, 2023, that, by its terms, restricts, conditions, or
22 prohibits the consummation of a merger or consolidation by the
23 dividing company with or into another party, or the transfer of
24 assets by the dividing company to another party, then the

1 restriction, condition, or prohibition is deemed to apply to a
2 division as if it were a merger, consolidation, or transfer of
3 assets, as applicable.

4 SECTION 19. AMENDATORY 18 O.S. 2021, Section 2055, is
5 amended to read as follows:

6 Section 2055. The Secretary of State shall charge and collect
7 the following fees:

8 1. For filing the original articles of organization, a fee of
9 One Hundred Dollars (\$100.00);

10 2. For filing ~~amended, corrected or~~ restated articles of
11 organization, including amended and restated articles of
12 organization, a fee of Fifty Dollars (\$50.00);

13 3. For filing articles of correction, amendment, merger or
14 consolidation, registered series, conversion, or division and
15 issuing a certificate of correction, amendment, merger or
16 consolidation or filing articles of, registered series, conversion,
17 or division, a fee of One Hundred Dollars (\$100.00);

18 4. For filing articles of dissolution and issuing a certificate
19 of cancellation, a fee of Fifty Dollars (\$50.00);

20 5. For filing a certificate of correction of statements in an
21 application for registration of a foreign limited liability company,
22 a fee of One Hundred Dollars (\$100.00);

23 6. For issuing a certificate for any purpose whatsoever, a fee
24 of Ten Dollars (\$10.00);

1 7. For filing an application for reservation of a name, or for
2 filing a notice of the transfer or cancellation of any name
3 reservation, a fee of Ten Dollars (\$10.00);

4 8. For filing a statement of change of address of the principal
5 office or change of resident agent, or both, a fee of Twenty-five
6 Dollars (\$25.00);

7 9. For filing a change of address for an individual,
8 corporation, limited liability company or limited partnership
9 designated by a limited liability company as its registered agent
10 for service of process, for change of name of registered agent or
11 for the resignation of a registered agent, a fee of Twenty-five
12 Dollars (\$25.00) for the first forty corporations and Five Dollars
13 (\$5.00) for each additional corporation within any bulk filing;

14 10. For filing an application for registration as a foreign
15 limited liability company, a fee of Three Hundred Dollars (\$300.00);

16 11. For filing an application of withdrawal as provided in
17 Section 2047 of this title, a fee of One Hundred Dollars (\$100.00);

18 12. For any service of notice, demand, or process upon the
19 Secretary of State as resident agent of a limited liability company
20 or registered series, a fee of Twenty-five Dollars (\$25.00), which
21 amount may be recovered as taxable costs by the party to be sued,
22 action, or proceeding causing such service to be made if such party
23 prevails therein; and

24

1 13. For acting as the registered agent of a limited liability
2 company or registered series, a fee of Forty Dollars (\$40.00) shall
3 be paid on July 1 each year to the Office of the Secretary of State.

4 All fees shall be properly accounted for and shall be paid into
5 the State Treasury monthly. All fees received by the Secretary of
6 State pursuant to the provisions of this section shall be paid to
7 the credit of the Revolving Fund for the Office of the Secretary of
8 State created pursuant to Section 276.1 of Title 62 of the Oklahoma
9 Statutes.

10 SECTION 20. AMENDATORY 18 O.S. 2021, Section 2055.1, is
11 amended to read as follows:

12 Section 2055.1.

13 FAILURE TO PAY REGISTERED AGENT FEES

14 A domestic or foreign limited liability company or registered
15 series for which the Secretary of State acts as the registered agent
16 that fails to pay the registered agent fee by the due date as
17 provided in paragraph 12 of Section 2055 of this title shall be
18 subject to the provisions of Sections ~~29~~ 2012.1 and ~~39~~ 2055.2 of
19 this ~~act~~ title.

20 SECTION 21. AMENDATORY 18 O.S. 2021, Section 2055.2, is
21 amended to read as follows:

22 Section 2055.2.

23 ANNUAL CERTIFICATE FOR DOMESTIC LIMITED LIABILITY COMPANY AND
24 REGISTERED SERIES AND FOREIGN LIMITED LIABILITY COMPANY

1 A. Every domestic limited liability company and every foreign
2 limited liability company registered to do business in this state
3 shall file a certificate each year in the Office of the Secretary of
4 State, which confirms it is an active business and includes its
5 principal place of business address, and shall pay an annual
6 certificate fee of Twenty-five Dollars (\$25.00).

7 B. The annual certificate shall be due on the anniversary date
8 of filing the articles of organization, articles of registered
9 series, or registration, as the case may be, until cancellation of
10 the articles of organization or articles of registered series or
11 withdrawal of the registration.

12 C. The Secretary of State shall, at least sixty (60) days
13 before the anniversary date of each year, cause a notice of the
14 annual certificate to be sent to each domestic limited liability
15 company and registered series and each foreign limited liability
16 company and registered series required to comply with the provisions
17 of this section to its last known electronic mail address of record
18 with the Secretary of State.

19 D. A domestic limited liability company or registered series or
20 foreign limited liability company or registered series that fails to
21 file the annual certificate and pay the annual certificate fee
22 within sixty (60) days after the date due shall cease to be in good
23 standing as a domestic limited liability company or registered
24

1 series or registered as a foreign limited liability company or
2 registered series in this state.

3 E. Except for accepting a resignation of a registered agent
4 when a successor registered agent is not being appointed or an
5 application for reinstatement, the Secretary of State shall not
6 accept for filing any certificate or articles, or issue any
7 certificate of good standing, in respect to any domestic limited
8 liability company or registered series that has ceased to be in good
9 standing or foreign limited liability company or registered series
10 that has ceased to be registered, unless or until the domestic
11 limited liability company or registered series has been reinstated
12 ~~as a domestic limited liability company~~ in good standing or the
13 foreign limited liability company or registered series has been
14 reinstated as a foreign limited liability company or registered
15 series duly registered in this state.

16 F. A domestic limited liability company or registered series
17 that has ceased to be in good standing or a foreign limited
18 liability company or registered series that has ceased to be
19 registered in this state may not maintain any action, suit or
20 proceeding in any court of this state until the domestic limited
21 liability company or registered series has been reinstated ~~as a~~
22 ~~domestic limited liability company~~ in good standing or the foreign
23 limited liability company or registered series has been reinstated
24 as a foreign limited liability company or registered series duly

1 registered in this state. An action, suit or proceeding may not be
2 maintained in any court of this state by any successor or assignee
3 of the domestic limited liability company or registered series or
4 foreign limited liability company or registered series on any right,
5 claim or demand arising out of the transaction of business by the
6 domestic limited liability company or registered series after it has
7 ceased to be in good standing or a foreign limited liability company
8 or registered series that has ceased to be registered in this state
9 until the domestic limited liability company or registered series or
10 foreign limited liability company or registered series, or any
11 person that has acquired all or substantially all of its assets, has
12 caused the limited liability company or registered series to be
13 reinstated as ~~a domestic limited liability company~~ in good standing
14 or as a foreign limited liability company or registered series duly
15 registered in this state, as applicable.

16 SECTION 22. AMENDATORY 18 O.S. 2021, Section 2055.3, is
17 amended to read as follows:

18 Section 2055.3.

19 REINSTATEMENT OF A LIMITED LIABILITY COMPANY OR REGISTERED SERIES

20 A. A domestic limited liability company or registered series
21 not in good standing for failure to file an annual certificate and
22 pay the annual certificate fees or registered agent fees, including
23 a domestic limited liability company or registered series whose
24 articles of organization or registered series have been canceled

1 under subsection B of Section 2012.1 of ~~Title 18 of the Oklahoma~~
2 ~~Statutes~~ this title, or a foreign limited liability company or
3 registered series whose registration was withdrawn for failure to
4 file an annual certificate and pay the annual certificate fees or
5 registered agent fees may apply to the Secretary of State for
6 reinstatement by:

7 1. Filing all delinquent annual certificates with the Secretary
8 of State and paying all delinquent annual certificate fees or paying
9 all delinquent registered agent fees to the Secretary of State; and

10 2. Filing an application for reinstatement with the Secretary
11 of State stating its name at the time it ceased to be in good
12 standing or was withdrawn, the date it ceased to be in good standing
13 or was withdrawn, and its current name, if its name at the time it
14 ceased to be in good standing or was withdrawn is no longer
15 available under Section 2008 or 2045 of ~~Title 18 of the Oklahoma~~
16 ~~Statutes~~ this title.

17 If the Secretary of State determines that the application
18 contains the required information, the information is correct, all
19 delinquent certificates or other filings are submitted, all
20 delinquent fees are paid, and the name satisfies the requirements of
21 Section 2008 or 2045 of ~~Title 18 of the Oklahoma Statutes~~ this
22 title, the Secretary of State shall accept the application for
23 reinstatement and issue a certificate of reinstatement in the manner
24 provided in Section 2007 of ~~Title 18 of the Oklahoma Statutes~~ this

1 title for domestic limited liability companies, Section 14 of this
2 act for domestic registered series, or Section 2044 of Title 18 of
3 ~~the Oklahoma Statutes~~ this title for foreign limited liability
4 companies or foreign registered series. If the limited liability
5 company or registered series is required to change its name because
6 its name at the time it ceased to be in good standing or was
7 withdrawn is no longer available, acceptance of the reinstatement
8 shall constitute an amendment to the domestic limited liability
9 company's articles of organization or the domestic registered
10 series' articles of registered series to change its name or the
11 adoption of a fictitious name by the foreign limited liability
12 company or registered series, as applicable. The application for
13 reinstatement may amend the articles of organization of the domestic
14 limited liability company or the articles of registered series of
15 the registered series or the application for registration of the
16 foreign limited liability company or registered series, subject in
17 either case to the payment of the additional fee required in Section
18 2055 of ~~Title 18 of the Oklahoma Statutes~~ this title for amendments;
19 provided, that the application may not extend the term of a limited
20 liability company or registered series that had expired before the
21 application for reinstatement. For purposes of this section, a
22 foreign limited liability company or registered series applying for
23 reinstatement is deemed to have done business continually in the
24 state following the administrative withdrawal.

1 B. When reinstatement under this section has become effective,
2 the reinstatement relates back to and takes effect as if the
3 domestic limited liability company or registered series had never
4 ceased to be in good standing and as if its articles of organization
5 or articles of registered series, as the case may be, had never been
6 canceled, or as if the foreign limited liability ~~company's~~ or
7 registered series registration was never withdrawn.

8 C. The failure of a domestic limited liability company or
9 registered series or foreign limited liability company or registered
10 series to file an annual certificate and pay an annual certificate
11 fee or a registered agent fee to the Secretary of State shall not
12 impair the validity on any contract, deed, mortgage, security
13 interest, lien or act of the domestic limited liability company or
14 registered series or foreign limited liability company or registered
15 series or prevent the domestic limited liability company or
16 registered series or foreign limited liability company or registered
17 series from defending any action, suit or proceeding with any court
18 of this state.

19 D. All real and personal property, and all rights and
20 interests, which belonged to the domestic limited liability company
21 or registered series at the time its articles of organization or
22 articles of registered series, as the case may be, were canceled or
23 which were acquired by the limited liability company or registered
24 series after cancellation, and which were not disposed of before its

1 reinstatement, shall be vested in the limited liability company or
2 registered series after its reinstatement as fully as they were held
3 by the limited liability company or registered series at, and after,
4 as the case may be, the time its articles of organization or
5 articles of registered series were canceled.

6 E. A member or manager of a domestic limited liability company
7 or registered series or foreign limited liability company or
8 registered series is not liable for the debts, obligations or
9 liabilities of the domestic limited liability company or registered
10 series or foreign limited liability company or registered series
11 solely by reason of the failure of the domestic limited liability
12 company or registered series or foreign limited liability company or
13 registered series to file an annual certificate and pay an annual
14 certificate fee or a registered agent fee to the Secretary of State
15 or by reason of the domestic limited liability company or registered
16 series ceasing to be in good standing or its articles of
17 organization or articles of registered series being canceled or the
18 foreign limited liability company or registered series ceasing to be
19 duly registered.

20 SECTION 23. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 2058.1 of Title 18, unless there
22 is created a duplication in numbering, reads as follows:

23 DOCUMENT FORM, SIGNATURE, AND DELIVERY.
24

1 A. Except as provided in subsection B of this section, without
2 limiting the manner in which any act or transaction may be
3 documented, or the manner in which a document may be signed or
4 delivered:

5 1. Any act or transaction contemplated or governed by the
6 Oklahoma Limited Liability Company Act or an operating agreement may
7 be provided for in a document, and an electronic transmission is the
8 equivalent of a written document;

9 2. Whenever the Oklahoma Limited Liability Company Act or an
10 operating agreement requires or permits a signature, the signature
11 may be a manual, facsimile, conformed, or electronic signature.
12 "Electronic signature" means an electronic symbol or process that is
13 attached to, or logically associated with, a document and executed
14 or adopted by a person with an intent to execute, authenticate, or
15 adopt the document. A person may execute a document with such
16 person's signature;

17 3. Unless otherwise provided in an operating agreement or
18 agreed upon between the sender and recipient, an electronic
19 transmission is delivered to a person for purposes of this title and
20 an operating agreement when it enters an information processing
21 system that the person has designated for the purpose of receiving
22 electronic transmissions of the type delivered, so long as the
23 electronic transmission is in a form capable of being processed by
24 that system and such person is able to retrieve the electronic

1 transmission. Whether a person has so designated an information
2 processing system is determined by the operating agreement or from
3 the context and surrounding circumstances, including the party's
4 conduct. An electronic transmission is delivered under this section
5 even if no person is aware of its receipt. Receipt of an electronic
6 acknowledgement from an information processing system establishes
7 that an electronic transmission was received but, by itself, does
8 not establish that the content sent corresponds to the content
9 received.

10 This section shall not prohibit one or more persons from
11 conducting a transaction in accordance with the Uniform Electronic
12 Transactions Act so long as the part or parts of the transaction
13 that are governed by the Oklahoma Limited Liability Company Act or
14 an operating agreement are documented, signed, and delivered in
15 accordance with this subsection or otherwise in accordance with this
16 section. This subsection shall apply solely for purposes of
17 determining whether an act or transaction has been documented, and
18 the document has been signed and delivered, in accordance with the
19 Oklahoma Limited Liability Company Act or an operating agreement.

20 B. Subsection A of this section shall not apply to a document
21 filed with or submitted to the Secretary of State, a county clerk,
22 or a court or other judicial or governmental body of this state.
23 This subsection shall not create any presumption about the lawful
24 means to document a matter addressed by this subsection, or the

1 lawful means to sign or deliver a document addressed by this
2 subsection. A provision of an operating agreement shall not limit
3 the application of subsection A of this section unless the provision
4 expressly restricts one or more of the means of documenting an act
5 or transaction, or of signing or delivering a document, permitted by
6 subsection A of this section.

7 C. If any provision of this section is deemed to modify, limit,
8 or supersede the Electronic Signatures in Global and National
9 Commerce Act, 15 U.S.C. Section 7001 et. seq., the provisions of
10 this section shall control to the fullest extent permitted by
11 Section 7002(a)(2) of such act.

12 SECTION 24. This act shall become effective November 1, 2023.

13

14 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS AND COMMERCE, dated
15 04/05/2023 - DO PASS.

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