

---

**By: Delegates Frank and Gordon**

Introduced and read first time: January 21, 1997

Assigned to: Economic Matters

---

A BILL ENTITLED

1 AN ACT concerning

2 **Limited Liability Company Reform Act of 1997**

3 FOR the purpose of altering the requirement that a limited liability company be formed  
4 by two or more persons by allowing formation by any person; altering the powers of  
5 a limited liability company; repealing a requirement that the articles of organization  
6 of a limited liability company contain the latest date on which the limited liability  
7 company is to dissolve; allowing a general partnership or a limited partnership to  
8 convert to a limited liability company and establishing procedures for the  
9 conversion; repealing certain limitations on the authority of a member of a limited  
10 liability company; repealing a requirement that an amendment to an operating  
11 agreement of a limited liability company must be in writing if the operating  
12 agreement is in writing; repealing certain provisions of law relating to distributions  
13 by limited liability companies; allowing assignees of interests in a limited liability  
14 company to elect to become members under certain circumstances; altering a  
15 requirement that a limited liability be dissolved when a person ceases to be a  
16 member to require dissolution only if the limited liability company has had no  
17 members for a certain period of time; repealing certain provisions of law relating to  
18 the continuation of a limited liability company following dissolution; providing that  
19 if a limited liability company is not dissolved after a person ceases to be a member,  
20 the limited liability company may elect to pay the person or the person's successor  
21 in interest a certain amount in complete liquidation of the person's interest;  
22 providing that the members of a limited liability company continuing the business  
23 following the withdrawal of a member will be deemed to have entered into an  
24 operating agreement containing certain terms and conditions; providing that certain  
25 conveyances of partnership property and certain partnership obligations are not  
26 fraudulent under the provisions of the Maryland Uniform Fraudulent Conveyance  
27 Act and applying the Act to limited liability companies; altering a certain definition;  
28 clarifying language; and generally relating to limited liability companies.

29 BY repealing and reenacting, with amendments,  
30 Article - Commercial Law  
31 Section 15-208  
32 Annotated Code of Maryland  
33 (1990 Replacement Volume and 1996 Supplement)

34 BY repealing and reenacting, with amendments,

2

1 Article - Corporations and Associations  
2 Section 4A-202(a), 4A-203, 4A-204(a), 4A-401(d), 4A-402(b)(3), 4A-507, 4A-604,  
3 4A-901(b), 4A-902, 4A-906(a), 4A-907, 4A-909, 4A-910(a), 4A-912,  
4 4A-915(a), and 10-101(m)  
5 Annotated Code of Maryland  
6 (1993 Replacement Volume and 1996 Supplement)

7 BY adding to

8 Article - Corporations and Associations  
9 Section 4A-211, 4A-212, and 4A-606.1  
10 Annotated Code of Maryland  
11 (1993 Replacement Volume and 1996 Supplement)

12 BY repealing

13 Article - Corporations and Associations  
14 Section 4A-503, 4A-504, 4A-904, and 4A-905  
15 Annotated Code of Maryland  
16 (1993 Replacement Volume and 1996 Supplement)

17 BY repealing and reenacting, without amendments,

18 Article - Corporations and Associations  
19 Section 10-101(a)  
20 Annotated Code of Maryland  
21 (1993 Replacement Volume and 1996 Supplement)

22 BY renumbering

23 Article - Corporations and Associations  
24 Section 4A-505, 4A-506, 4A-507, and 4A-906 through 4A-922, respectively  
25 to be Section 4A-503, 4A-504, 4A-505, and 4A-904 through 4A-920, respectively  
26 Annotated Code of Maryland  
27 (1993 Replacement Volume and 1996 Supplement)

28 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
29 MARYLAND, That the Laws of Maryland read as follows:

30 **Article - Commercial Law**

31 15-208.

32 (A) Every conveyance of partnership property and every partnership obligation  
33 incurred when the partnership is or will be rendered insolvent by it, is fraudulent as to  
34 partnership creditors, if the conveyance is made or the obligation is incurred to:

35 (1) A partner, whether with or without a promise by him to pay partnership  
36 debts, UNLESS THE CONVEYANCE OR OBLIGATION REPRESENTS FAIR AND  
37 REASONABLE COMPENSATION FOR SERVICES PROVIDED OR TO BE PROVIDED BY  
38 THE PARTNER TO THE PARTNERSHIP AND THE SERVICES ARE PROVIDED OR WILL

3  
1 BE PROVIDED WITHIN 120 DAYS BEFORE OR AFTER THE DATE THE CONVEYANCE IS  
2 MADE OR THE OBLIGATION IS INCURRED; or

3 (2) A person not a partner, without fair consideration to the partnership as  
4 distinguished from consideration to the individual partners.

5 (B) EVERY CONVEYANCE OF LIMITED LIABILITY COMPANY PROPERTY AND  
6 EVERY LIMITED LIABILITY COMPANY OBLIGATION INCURRED WHEN THE LIMITED  
7 LIABILITY COMPANY IS OR WILL BE RENDERED INSOLVENT BY IT, IS FRAUDULENT  
8 AS TO CREDITORS OF THE LIMITED LIABILITY COMPANY, IF THE CONVEYANCE IS  
9 MADE OR THE OBLIGATION IS INCURRED TO:

10 (1) A MEMBER, WHETHER WITH OR WITHOUT A PROMISE BY HIM TO  
11 PAY THE LIMITED LIABILITY COMPANY'S DEBTS, UNLESS THE CONVEYANCE OR  
12 OBLIGATION REPRESENTS FAIR AND REASONABLE COMPENSATION FOR SERVICES  
13 PROVIDED OR TO BE PROVIDED BY THE MEMBER TO THE LIMITED LIABILITY  
14 COMPANY AND THE SERVICES ARE PROVIDED OR WILL BE PROVIDED WITHIN 120  
15 DAYS BEFORE OR AFTER THE DATE THE CONVEYANCE IS MADE OR THE  
16 OBLIGATION IS INCURRED; OR

17 (2) A PERSON NOT A MEMBER, WITHOUT FAIR CONSIDERATION TO THE  
18 LIMITED LIABILITY COMPANY AS DISTINGUISHED FROM CONSIDERATION TO THE  
19 INDIVIDUAL MEMBERS.

20 **Article - Corporations and Associations**

21 4A-202.

22 (a) [Two or more persons] ANY PERSON may form a limited liability company by  
23 causing articles of organization to be executed and filed for record with the Department.

24 4A-203.

25 [A] UNLESS OTHERWISE PROVIDED BY LAW OR ITS ARTICLES OF  
26 ORGANIZATION, A limited liability company [may] HAS THE GENERAL POWERS,  
27 WHETHER OR NOT SET FORTH IN ITS ARTICLES OF ORGANIZATION, TO:

28 (1) HAVE PERPETUAL EXISTENCE, ALTHOUGH EXISTENCE MAY BE  
29 LIMITED TO A SPECIFIED PERIOD OF TIME IF THE LIMITATION IS SET FORTH IN ITS  
30 ARTICLES OF ORGANIZATION;

31 [(1)] (2) Sue, be sued, complain, and defend in all courts;

32 [(2)] (3) Transact its business, carry on its operations, and have and  
33 exercise the powers granted by this article in any state and in any foreign country;

34 [(3)] (4) Make contracts and guarantees, incur liabilities, and borrow  
35 money;

36 [(4)] (5) Sell, lease, exchange, transfer, convey, mortgage, pledge, and  
37 otherwise dispose of any of its assets;

4

1                    [(5)] (6) Acquire by purchase or in any other manner, take, receive, own,  
2 hold, improve, and otherwise deal with any interest in real or personal property, wherever  
3 located;

4                    [(6)] (7) Issue notes, bonds, and other obligations and secure any of them  
5 by mortgage or deed of trust or security interest of any or all of its assets;

6                    [(7)] (8) Purchase, take, receive, subscribe for or otherwise acquire, own,  
7 hold, vote, use, employ, sell, mortgage, loan, pledge, or otherwise dispose of and  
8 otherwise use and deal in and with stock or other interests in and obligations of other  
9 corporations, associations, general or limited partnerships, limited liability companies,  
10 foreign limited liability companies, business trusts, and individuals;

11                   [(8)] (9) Invest its surplus funds, lend money in any manner which may be  
12 appropriate to enable it to carry on the operations or fulfill the purposes set forth in its  
13 articles of organization, and take and hold real property and personal property as security  
14 for the payment of funds so loaned or invested;

15                   [(9)] (10) Render professional services within or without this State;

16                   [(10)] (11) Elect or appoint agents and define their duties and fix their  
17 compensation;

18                   [(11)] (12) Sell, convey, mortgage, pledge, lease, exchange, transfer, and  
19 otherwise dispose of all or any part of its property and assets;

20                   [(12)] (13) Be a promoter, stockholder, partner, member, associate, or agent  
21 of any corporation, partnership, limited liability company, foreign limited liability  
22 company, joint venture, trust, or other enterprise;

23                   [(13)] (14) Indemnify and hold harmless any member, agent, or employee  
24 from and against any and all claims and demands, except in the case of action or failure  
25 to act by the member, agent, or employee which constitutes willful misconduct or  
26 recklessness, and subject to the standards and restrictions, if any, set forth in the articles  
27 of organization or operating agreement;

28                   [(14)] (15) Make and alter operating agreements, not inconsistent with its  
29 articles of organization or with the laws of the State, for the administration and regulation  
30 of the affairs of the limited liability company;

31                   [(15)] (16) Cease its activities and dissolve; and

32                   [(16)] (17) Do every other act not inconsistent with law which is appropriate  
33 to promote and attain the purposes set forth in its articles of organization.

34 4A-204.

35                   (a) The articles of organization shall set forth:

36                   (1) The name of the limited liability company;

37                   (2) [The latest date on which the limited liability company is to dissolve;

38                   (3)] The purpose for which the limited liability company is formed;

5

1                    [(4)] (3) The address of its principal office in this State and the name and  
2 address of its resident agent; and

3                    [(5)] (4) Any other provision, not inconsistent with law, which the members  
4 elect to set out in the articles, including, but not limited to, a statement that the authority  
5 of members to act for the limited liability company solely by virtue of their being members  
6 is limited.

7 4A-211.

8                    (A) A GENERAL PARTNERSHIP FORMED UNDER THE PROVISIONS OF TITLE 9  
9 OF THIS ARTICLE OR A LIMITED PARTNERSHIP FORMED UNDER THE PROVISIONS OF  
10 TITLE 10 OF THIS ARTICLE MAY CONVERT TO A LIMITED LIABILITY COMPANY BY  
11 FILING ARTICLES OF ORGANIZATION THAT MEET THE REQUIREMENTS OF § 4A-204  
12 OF THIS SUBTITLE AND INCLUDE THE FOLLOWING:

13                    (1) THE NAME OF THE FORMER GENERAL PARTNERSHIP OR LIMITED  
14 PARTNERSHIP; AND

15                    (2) THE DATE AND PLACE OF FILING OF THE INITIAL STATEMENT OF  
16 PARTNERSHIP OR CERTIFICATE OF LIMITED PARTNERSHIP OF THE FORMER  
17 GENERAL PARTNERSHIP OR LIMITED PARTNERSHIP.

18                    (B) THE TERMS AND CONDITIONS OF A CONVERSION OF A GENERAL OR  
19 LIMITED PARTNERSHIP TO A LIMITED LIABILITY COMPANY SHALL BE APPROVED BY  
20 THE PARTNERS IN THE MANNER PROVIDED IN THE PARTNERSHIP'S PARTNERSHIP  
21 AGREEMENT FOR AMENDMENTS TO THE PARTNERSHIP AGREEMENT OR, IF NO  
22 SUCH PROVISION IS MADE IN A PARTNERSHIP AGREEMENT, BY UNANIMOUS  
23 AGREEMENT OF THE PARTNERS.

24                    (C) (1) A GENERAL PARTNER WHO BECOMES A MEMBER OF A LIMITED  
25 LIABILITY COMPANY AS A RESULT OF THE CONVERSION REMAINS LIABLE AS A  
26 GENERAL PARTNER FOR AN OBLIGATION INCURRED BY THE PARTNERSHIP BEFORE  
27 THE CONVERSION TAKES EFFECT.

28                    (2) THE GENERAL PARTNER'S LIABILITY FOR ALL OBLIGATIONS OF THE  
29 LIMITED LIABILITY COMPANY INCURRED AFTER THE CONVERSION TAKES EFFECT  
30 IS THAT OF A MEMBER OF A LIMITED LIABILITY COMPANY, AS PROVIDED IN THIS  
31 TITLE.

32 4A-212.

33                    (A) A GENERAL OR LIMITED PARTNERSHIP THAT HAS BEEN CONVERTED TO  
34 A LIMITED LIABILITY COMPANY PURSUANT TO § 4A-211 OF THIS SUBTITLE SHALL BE  
35 DEEMED FOR ALL PURPOSES THE SAME ENTITY THAT EXISTED BEFORE THE  
36 CONVERSION.

37                    (B) WHEN A CONVERSION TAKES EFFECT:

38                    (1) ALL PROPERTY OWNED BY THE CONVERTING GENERAL OR LIMITED  
39 PARTNERSHIP REMAINS VESTED IN THE CONVERTED ENTITY;

6

1 (2) ALL OBLIGATIONS OF THE CONVERTING GENERAL OR LIMITED  
2 PARTNERSHIP REMAIN VESTED IN THE CONVERTED ENTITY; AND

3 (3) AN ACTION OR PROCEEDING PENDING AGAINST THE CONVERTING  
4 GENERAL OR LIMITED PARTNERSHIP MAY BE CONTINUED AS IF THE CONVERSION  
5 HAD NOT OCCURRED.

6 (C) IN THE CASE OF A LIMITED PARTNERSHIP THAT HAS BEEN CONVERTED  
7 PURSUANT TO § 4A-211 OF THIS SUBTITLE, THE ARTICLES OF ORGANIZATION FILED  
8 PURSUANT TO § 4A-211(A) OF THIS SUBTITLE SHALL SERVE AS A CERTIFICATE OF  
9 CANCELLATION OF THE CONVERTING LIMITED PARTNERSHIP.

10 4A-401.

11 (d) Unless the members unanimously consent or unless all other members have  
12 abandoned the business, no member has authority to:

13 (1) Assign the property of the limited liability company in trust for creditors  
14 or on the assignee's promise to pay the debts of the limited liability company;

15 (2) Dispose of the goodwill of the business; OR

16 (3) Do any other act which would make it impossible to carry on the  
17 ordinary business of the limited liability company[;

18 (4) Confess a judgment; or

19 (5) Submit a limited liability company claim or liability to arbitration or  
20 reference].

21 4A-402.

22 (b) (3) An amendment to an operating agreement must be evidenced by a  
23 writing signed by an authorized person if:

24 (i) [The operating agreement is in writing;

25 (ii)] The amendment was adopted without the unanimous consent of  
26 members; or

27 [(iii)] (II) An interest in the limited liability company has been assigned  
28 to a person who has not been admitted as a member.

29 [4A-503.

30 (a) A distribution may not be made if, after giving effect to the distribution:

31 (1) The limited liability company would not be able to pay its debts as they  
32 become due in the usual course of business; or

33 (2) The limited liability company's total assets would be less than the sum of  
34 its total liabilities plus, unless the operating agreement permits otherwise, the amount  
35 that would be needed, if the affairs of the limited liability company were to be wound up  
36 at the time of the distribution, to satisfy any preferential rights which are superior to the  
37 rights of members receiving the distribution.

7

1 (b) The limited liability company may base a determination that a distribution is  
2 not prohibited under subsection (a) of this section on:

3 (1) Financial statements prepared on the basis of accounting practices and  
4 principles that are reasonable under the circumstances; or

5 (2) A fair valuation or other method that is reasonable under the  
6 circumstances.

7 (c) Except as provided in subsection (e) of this section, the effect of a distribution  
8 under subsection (a) of this section is measured as of:

9 (1) The date the distribution is authorized, if the payment occurs within 120  
10 days after the date of authorization; or

11 (2) The date the payment is made, if it occurs more than 120 days after the  
12 date of authorization.

13 (d) A limited liability company's indebtedness to a member incurred by reason of  
14 an obligation to make a distribution in accordance with this section is at parity with the  
15 limited liability company's indebtedness to its general, unsecured creditors, except to the  
16 extent subordinated by agreement.

17 (e) (1) If terms of the indebtedness provide that payment of principal and  
18 interest is to be made only if, and to the extent that, payment of a distribution to members  
19 could then be made under this section, indebtedness of a limited liability company,  
20 including indebtedness issued as a distribution, is not a liability for purposes of  
21 determinations made under subsection (b) of this section.

22 (2) If the indebtedness is issued as a distribution, each payment of principal  
23 or interest on the indebtedness is treated as a distribution, the effect of which is measured  
24 on the date the payment is actually made.]

25 [4A-504.

26 If a member has received a distribution in violation of the operating agreement or §  
27 4A-503 of this subtitle, the member who has received the distribution and any other  
28 member or authorized person who approved or authorized the distribution are jointly and  
29 severally liable to the limited liability company for the amount wrongfully distributed.]

30 4A-507.

31 [Except as limited by §§ 4A-503 and 4A-504 of this subtitle, a] A member OF A  
32 LIMITED LIABILITY COMPANY who becomes entitled to receive a distribution has the  
33 status of, and is entitled to all remedies available to, a creditor of the limited liability  
34 company with respect to the distribution.

35 4A-604.

36 (a) An assignee of an interest in a limited liability company may become a  
37 member if and to the extent that:

38 (1) The assignor gives the assignee that right under authority described in  
39 the operating agreement; [or]

8

1 (2) The members unanimously consent; OR

2 (3) EXCEPT AS OTHERWISE PROVIDED IN THE OPERATING  
3 AGREEMENT, IF THE LIMITED LIABILITY COMPANY HAS NO MEMBERS, ALL OF THE  
4 ASSIGNEES OF MEMBERS MAY ELECT TO BECOME MEMBERS.

5 (b) An assignee who becomes a member:

6 (1) Has, to the extent assigned, the rights and powers, and is subject to the  
7 restrictions and liabilities, of a member under the operating agreement and this title; and

8 (2) Is liable for any obligations of his assignor to make capital contributions.

9 (c) If an assignee of an interest in a limited liability company becomes a member,  
10 the assignor is not released from the assignor's liability under [ §§ 4A-502 and 4A-504 ]  
11 § 4A-502 of this title to the limited liability company.

12 4A-606.1.

13 UNLESS THE OPERATING AGREEMENT PROVIDES OTHERWISE, IF THE LIMITED  
14 LIABILITY COMPANY IS NOT DISSOLVED AFTER A MEMBER CEASES TO BE A  
15 MEMBER PURSUANT TO § 4A-606 OF THIS SUBTITLE:

16 (1) WITHIN A REASONABLE TIME AFTER A PERSON HAS CEASED TO BE  
17 A MEMBER, THE LIMITED LIABILITY COMPANY MAY ELECT TO PAY TO THAT PERSON  
18 OR THAT PERSON'S SUCCESSOR IN INTEREST, IN COMPLETE LIQUIDATION OF THE  
19 PERSON'S INTEREST, THE FAIR VALUE OF THAT PERSON'S INTEREST IN THE LIMITED  
20 LIABILITY COMPANY AS OF THE DATE THE PERSON CEASED TO BE A MEMBER,  
21 BASED UPON THE PERSON'S RIGHT TO SHARE IN DISTRIBUTIONS FROM THE  
22 LIMITED LIABILITY COMPANY; AND

23 (2) UNLESS OTHERWISE AGREED, THE MEMBERS OF THE LIMITED  
24 LIABILITY COMPANY CONTINUING THE BUSINESS FOLLOWING THE WITHDRAWAL  
25 OF A MEMBER WILL BE DEEMED TO HAVE ENTERED INTO AN OPERATING  
26 AGREEMENT UNDER § 4A-402 OF THIS TITLE CONTAINING THE SAME TERMS AND  
27 CONDITIONS AS THOSE CONTAINED IN THE OPERATING AGREEMENT IN EFFECT  
28 IMMEDIATELY PRIOR TO THE WITHDRAWAL, EXCEPT THAT THE MEMBERS BOUND  
29 BY THE OPERATING AGREEMENT SHALL BE ONLY THOSE MEMBERS WHOSE  
30 INTERESTS ARE NOT REQUIRED TO BE LIQUIDATED PURSUANT TO THIS SECTION OR  
31 THE OPERATING AGREEMENT.

32 4A-901.

33 (b) On dissolution, the limited liability company is not terminated but continues  
34 [either:

35 (1) In accordance with § 4A-904 of this subtitle; or

36 (2) Until] UNTIL terminated in accordance with [ § 4A-910 ] § 4A-908 of  
37 this subtitle.



9

1 4A-902.

2 A limited liability company is dissolved and shall[, except as otherwise provided in  
3 § 4A-904 of this subtitle,] commence the winding up of its affairs on the first to occur of  
4 the following:

5 (1) At the time or on the happening of the events specified in the articles of  
6 organization or the operating agreement;

7 (2) At the time specified by the unanimous consent of the members;

8 (3) [Except as otherwise provided in the operating agreement, when a  
9 person ceases to be a member pursuant to § 4A-606 of this title; or

10 (4)] At the time of the entry of a decree of judicial dissolution under §  
11 4A-903 of this subtitle; OR

12 (4) EXCEPT AS OTHERWISE PROVIDED IN THE OPERATING  
13 AGREEMENT, AT THE TIME THE LIMITED LIABILITY COMPANY HAS HAD NO  
14 MEMBERS FOR A PERIOD OF 90 CONSECUTIVE DAYS.

15 [4A-904.

16 Notwithstanding any other provision of this title, if there is at least one remaining  
17 member, the limited liability company may continue to carry on its business or affairs  
18 following dissolution, other than a judicial decree of dissolution, if, within 90 days after  
19 the event causing dissolution, the remaining member consents, or, if there is more than  
20 one remaining member, the remaining members unanimously consent to the continuation  
21 of the limited liability company.]

22 [4A-905.

23 Unless the operating agreement provides otherwise, if the limited liability company  
24 is continued under § 4A-904 of this subtitle following dissolution:

25 (1) Subject to the limitations of § 4A-503 of this title, a person ceasing to be  
26 a member, or the legal representative or other successor to the interest of that member,  
27 shall be entitled to receive, in liquidation of the member's interest:

28 (i) The distributions, if any, which that member is entitled to receive  
29 under the operating agreement; or

30 (ii) If not otherwise provided in the operating agreement, within a  
31 reasonable time after that person has ceased to be a member, the fair market value of  
32 that person's interest in the limited liability company as of the date the person ceased to  
33 be a member; and

34 (2) Unless otherwise agreed, the members of the limited liability company  
35 continuing the business following dissolution will be deemed to have entered into an  
36 operating agreement under § 4A-402 of this title containing the same terms and  
37 conditions as those contained in the operating agreement in effect immediately prior to  
38 the dissolution, except that the members bound by the operating agreement shall be only  
39 those members whose interests are not required to be liquidated pursuant to this section  
40 or the operating agreement.]

10

1 4A-906.

2 (a) Unless otherwise provided in the articles of organization or the operating  
3 agreement, [or unless the business or affairs of the limited liability company are  
4 continued under § 4A-904 of this subtitle,] the remaining members OF A LIMITED  
5 LIABILITY COMPANY may wind up the affairs of the limited liability company.

6 4A-907.

7 Following dissolution, [if the business or affairs of the limited liability company are  
8 not continued under § 4A-904 of this subtitle,] a member OF A LIMITED LIABILITY  
9 COMPANY can bind the limited liability company:

10 (1) By any act appropriate for winding up the affairs of the limited liability  
11 company or completing transactions unfinished at the time of dissolution, unless the  
12 member purporting to act on behalf of the limited liability company does not have the  
13 authority to do so and the person with whom the member is dealing has actual knowledge  
14 or actual notice of the absence of authority; and

15 (2) In any transaction which would have been binding on the limited liability  
16 company had it not been dissolved; provided, that the person with whom the member is  
17 dealing does not have actual knowledge or actual notice of the dissolution.

18 4A-909.

19 (a) (1) [Unless the limited liability company is continued pursuant to § 4A-904  
20 of this subtitle, the] THE remaining members OF A LIMITED LIABILITY COMPANY may  
21 cause articles of dissolution to be filed with the Department at any time after dissolution  
22 and before termination.

23 (2) Articles of dissolution shall contain:

24 (i) The name of the limited liability company;

25 (ii) The date of filing of the articles of organization and each  
26 amendment thereto;

27 (iii) The date of the dissolution; and

28 (iv) Any other information the members determine.

29 (b) (1) If, at any time after the articles of dissolution have been filed but before  
30 the limited liability company has been terminated, the members UNANIMOUSLY agree to  
31 continue the limited liability company [ pursuant to § 4A-904 of this subtitle], the  
32 members shall cause articles of continuation to be filed with the Department.

33 (2) Articles of continuation shall contain:

34 (i) The name of the limited liability company;

35 (ii) The date of filing of the articles of dissolution;

36 (iii) The date of dissolution set forth in the articles of dissolution;

11

1 (iv) The date the members agreed to continue the limited liability  
2 company; and

3 (v) Any other information the members determine.

4 4A-910.

5 (a) The limited liability company is terminated on the later of:

6 (1) The date on which the Department accepts for record the articles of  
7 cancellation filed pursuant to [§ 4A-911] § 4A-909 of this subtitle; or

8 (2) The effective date of the articles of cancellation.

9 4A-912.

10 A limited liability company shall file articles of cancellation for record with the  
11 Department:

12 (1) If there are known creditors of the limited liability company, after 19  
13 days following the sending of notice under [§ 4A-911(5)] § 4A-909(5) of this subtitle; or

14 (2) If there are no known creditors, at any time.

15 4A-915.

16 (a) If the Department is satisfied that a limited liability company named in the  
17 proclamation has not failed to pay the tax, unemployment insurance contributions, or  
18 reimbursement payments, or file the report within the period specified in [§ 4A-913] §  
19 4A-911 of this subtitle, or that it has been mistakenly reported to the Department by the  
20 State Comptroller or the Secretary of Business and Economic Development, the  
21 Department may correct the mistake by filing its proclamation to that effect in its records.

22 10-101.

23 (a) In this title, unless the context requires otherwise, the following words have  
24 the meanings indicated.

25 (m) "Person" means a natural person, partnership, limited partnership (domestic  
26 or foreign), trust, estate, association, LIMITED LIABILITY COMPANY (DOMESTIC OR  
27 FOREIGN), or corporation.

28 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 4A-505,  
29 4A-506, 4A-507, and 4A-906 through 4A-922, respectively, of Article - Corporations and  
30 Associations of the Annotated Code of Maryland be renumbered to be Section(s)  
31 4A-503, 4A-504, 4A-505, and 4A-904 through 4A-920, respectively.

32 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
33 October 1, 1997.