



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4500

Introduced 1/21/2022, by Rep. Justin Slaughter

SYNOPSIS AS INTRODUCED:

See Index

Amends the General Not For Profit Corporation Act. Creates provisions concerning reports of interim changes of domestic or foreign corporations. Makes changes in provisions concerning fees for filing documents. Amends the Limited Liability Company Act. Makes changes in provisions concerning registered offices and registered agents. Amends the Uniform Partnership Act (1997). Creates provisions concerning interrogatories to be propounded by the Secretary of State; information disclosed by interrogatories; and assumed names. Makes changes in provisions concerning fees and names. Amends the Uniform Limited Partnership Act (2001). Creates provisions concerning interrogatories to be propounded by the Secretary of State; information disclosed by interrogatories; and reinstatement of limited partnership status. Makes changes in provisions concerning applications to existing relationships. Amends the Limited Worker Cooperative Association Act. Makes changes in provisions concerning cooperative agreements; annual reports; grounds for administrative dissolution; and reinstatement following dissolution or termination. Amends the Entity Omnibus Act. Makes changes in provisions concerning the application of other Acts. Amends the Uniform Commercial Code. Makes changes in provisions concerning fees.

LRB102 25100 SPS 34360 b

1 AN ACT concerning business.

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

4 Section 5. The General Not For Profit Corporation Act of
5 1986 is amended by changing Section 115.10 and by adding
6 Section 114.13 as follows:

7 (805 ILCS 105/114.13 new)

8 Sec. 114.13. Report of interim changes of domestic or
9 foreign corporations. Any corporation, domestic or foreign,
10 may report interim changes in the name, address, or both of its
11 officers and directors, its principal office, or status as a
12 condominium association, homeowners association, or
13 cooperative housing corporation by filing a report under this
14 Section containing the following information:

15 (1) The name of the corporation.

16 (2) The address, including street and number, or rural
17 route number, of its registered office in this State, and
18 the name of its registered agent at that address.

19 (3) The address, including street and number, or rural
20 route number, of its principal office.

21 (4) The names and respective addresses, including
22 street and number, or rural route number, of its directors
23 and officers.

1 (5) A statement as to whether the corporation is a
2 condominium association established under the Condominium
3 Property Act, a cooperative housing corporation defined in
4 Section 216 of the Internal Revenue Code of 1954, or a
5 homeowners association which administers a common interest
6 community as defined in subsection (c) of Section 9-102 of
7 the Code of Civil Procedures.

8 The interim report of changes shall be made on forms
9 prescribed and furnished by the Secretary of State and shall
10 be executed by the corporation by its president, a
11 vice-president, secretary, assistant secretary, treasurer, or
12 other officer duly authorized by the board of directors of the
13 corporation to execute those reports, and verified by him or
14 her, or, if the corporation is in the hands of a receiver or
15 trustee, it shall be executed on behalf of the corporation and
16 verified by the receiver or trustee.

17 (805 ILCS 105/115.10) (from Ch. 32, par. 115.10)

18 Sec. 115.10. Fees for filing documents. The Secretary of
19 State shall charge and collect for:

20 (a) Filing articles of incorporation, \$50.

21 (b) Filing articles of amendment, \$25, unless the
22 amendment is a restatement of the articles of
23 incorporation, in which case the fee shall be \$100.

24 (c) Filing articles of merger or consolidation, \$25.

25 (d) Filing articles of dissolution, \$5.

1 (e) Filing application to reserve a corporate name,
2 \$25.

3 (f) Filing a notice of transfer or cancellation of a
4 reserved corporate name, \$25.

5 (g) Filing statement of change of address of
6 registered office or change of registered agent, or both,
7 \$5.

8 (h) Filing an application of a foreign corporation for
9 authority to conduct affairs in this State, \$50.

10 (i) Filing an application of a foreign corporation for
11 amended authority to conduct affairs in this State, \$25.

12 (j) Filing a copy of amendment to the articles of
13 incorporation of a foreign corporation holding authority
14 to conduct affairs in this State, \$25, unless the
15 amendment is a restatement of the articles of
16 incorporation, in which case the fee shall be \$100.

17 (k) Filing a copy of articles of merger of a foreign
18 corporation holding authority to conduct affairs in this
19 State, \$25.

20 (l) Filing an application for withdrawal and final
21 report or a copy of articles of dissolution of a foreign
22 corporation, \$5.

23 (m) Filing an annual report of a domestic or foreign
24 corporation, \$10, of which \$5 must be deposited into the
25 Charitable Trust Stabilization Fund.

26 (n) Filing an application for reinstatement of a

1 domestic or a foreign corporation, \$25.

2 (o) Filing an application for use of an assumed
3 corporate name, \$150 for each year or part thereof ending
4 in 0 or 5, \$120 for each year or part thereof ending in 1
5 or 6, \$90 for each year or part thereof ending in 2 or 7,
6 \$60 for each year or part thereof ending in 3 or 8, \$30 for
7 each year or part thereof ending in 4 or 9, and a renewal
8 fee for each assumed corporate name, \$150.

9 (p) Filing an application for change or cancellation
10 of an assumed corporate name, \$5.

11 (q) Filing an application to register the corporate
12 name of a foreign corporation, \$50; and an annual renewal
13 fee for the registered name, \$50.

14 (r) Filing an application for cancellation of a
15 registered name of a foreign corporation, \$5.

16 (s) Filing a statement of correction, \$25.

17 (t) Filing an election to accept this Act, \$25.

18 (u) Filing any other statement or report, \$5.

19 (v) Filing a report of interim changes, \$10.

20 (Source: P.A. 94-605, eff. 1-1-06; 95-655, eff. 6-1-08.)

21 Section 10. The Limited Liability Company Act is amended
22 by changing Section 1-35 as follows:

23 (805 ILCS 180/1-35)

24 Sec. 1-35. Registered office and registered agent.

1 (a) Each limited liability company and foreign limited
2 liability company shall continuously maintain in this State a
3 registered agent and registered office, which agent must be an
4 individual resident of this State or other person authorized
5 to transact business in this State.

6 (b) A limited liability company or foreign limited
7 liability company may change its registered agent or the
8 address of its registered office pursuant to Section 1-36 and
9 the registered agent of a limited liability company or a
10 foreign limited liability company may change the address of
11 its registered office pursuant to Section 1-37.

12 (c) The registered agent may at any time resign by filing
13 in the Office of the Secretary of State written notice thereof
14 and by mailing a copy thereof to the limited liability company
15 or foreign limited liability company at its principal office
16 as it is known to the resigning registered agent. The notice
17 must be mailed at least 10 days before the date of filing
18 thereof with the Secretary of State. The notice shall be
19 executed by the registered agent, if an individual, or, if a
20 business entity, in the manner authorized by the governing
21 statute. The notice shall set forth all of the following:

22 (1) The name of the limited liability company for
23 which the registered agent is acting.

24 (2) The name of the registered agent.

25 (3) The address, including street, number, and city of
26 the limited liability company's then registered office in

1 this State.

2 (4) That the registered agent resigns.

3 (5) The effective date of the resignation, which shall
4 not be sooner than 30 days after the date of filing.

5 (6) The address of the principal office of the limited
6 liability company as it is known to the registered agent.

7 (7) A statement that a copy of the notice has been sent
8 by registered or certified mail to the principal office of
9 the limited liability company within the time and in the
10 manner prescribed by this Section.

11 (d) A new registered agent must be placed on record within
12 60 days after a registered agent's notice of resignation under
13 this Section.

14 (e) Upon the voluntary, administrative, or judicial
15 dissolution of a limited liability company, the registered
16 agent and the registered office of the limited liability
17 company on record with the Secretary of State on the date of
18 the issuance of the certificate or judgment of dissolution
19 shall be an agent of the limited liability company upon whom
20 claims can be served or service of process can be had during
21 the 5-year, post-dissolution period, unless such agent resigns
22 or the limited liability company properly reports a change of
23 registered office or registered agent.

24 (Source: P.A. 96-988, eff. 7-2-10.)

25 Section 15. The Uniform Partnership Act (1997) is amended

1 by changing Sections 108 and 1002 and by adding Sections 110,
2 111 and 1006 as follows:

3 (805 ILCS 206/108)

4 Sec. 108. Fees.

5 (a) The Secretary of State shall charge and collect in
6 accordance with the provisions of this Act and rules
7 promulgated under its authority:

8 (1) fees for filing documents;

9 (2) miscellaneous charges; and

10 (3) fees for the sale of lists of filings and for
11 copies of any documents.

12 (b) The Secretary of State shall charge and collect:

13 (1) for furnishing a copy or certified copy of any
14 document, instrument, or paper relating to a registered
15 limited liability partnership, \$25;

16 (2) for the transfer of information by computer
17 process media to any purchaser, fees established by rule;

18 (3) for filing a statement of partnership authority,
19 \$25;

20 (4) for filing a statement of denial, \$25;

21 (5) for filing a statement of dissociation, \$25;

22 (6) for filing a statement of dissolution, \$100;

23 (7) for filing a statement of merger, \$100;

24 (8) for filing a statement of qualification for a
25 limited liability partnership organized under the laws of

1 this State, \$100 for each partner, but in no event shall
2 the fee be less than \$200 or exceed \$5,000;

3 (9) for filing a statement of foreign qualification,
4 \$500;

5 (10) for filing a renewal statement for a limited
6 liability partnership organized under the laws of this
7 State, \$100 for each partner, but in no event shall the fee
8 be less than \$200 or exceed \$5,000;

9 (11) for filing a renewal statement for a foreign
10 limited liability partnership, \$300;

11 (12) for filing an amendment or cancellation of a
12 statement, \$25;

13 (13) for filing a statement of withdrawal, \$100;

14 (14) for the purposes of changing the registered agent
15 name or registered office, or both, \$25;

16 (15) for filing an application for reinstatement,
17 \$200;

18 (16) for filing any other document, \$25; -

19 (17) for filing an application for use of an assumed
20 name under Section 1006 of this Act, \$150 for each year or
21 part thereof ending in 0 or 5, \$120 for each year or part
22 thereof ending in 1 or 6, \$90 for each year or part thereof
23 ending in 2 or 7, \$60 for each year or part thereof ending
24 in 3 or 8, \$30 for each year or part thereof ending in 4 or
25 9, and a renewal for each assumed name, \$150;

26 (18) for filing an application for change of an

1 assumed name, \$25;

2 (19) for filing an application for cancellation of an

3 assumed name, \$5.

4 (c) All fees collected pursuant to this Act shall be
5 deposited into the Division of Corporations Registered Limited
6 Liability Partnership Fund.

7 (d) There is hereby continued in the State treasury a
8 special fund to be known as the Division of Corporations
9 Registered Limited Liability Partnership Fund. Moneys
10 deposited into the Fund shall, subject to appropriation, be
11 used by the Business Services Division of the Office of the
12 Secretary of State to administer the responsibilities of the
13 Secretary of State under this Act. On or before August 31 of
14 each year, the balance in the Fund in excess of \$600,000 shall
15 be transferred to the General Revenue Fund.

16 (e) Filings, including annual reports, made by electronic
17 means shall be treated as if submitted in person and may not be
18 charged excess fees as expedited services solely because of
19 submission by electronic means.

20 (Source: P.A. 99-620, eff. 1-1-17; 99-933, eff. 1-27-17;
21 100-186, eff. 7-1-18; 100-486, eff. 1-1-18; 100-863, eff.
22 8-14-18.)

23 (805 ILCS 206/110 new)

24 Sec. 110. Interrogatories to be propounded by the
25 Secretary of State. The Secretary of State may propound to any

1 limited liability partnership or foreign limited liability
2 partnership subject to the provisions of this Act, and to any
3 partner thereof, such interrogatories as may be reasonably
4 necessary and proper to enable the Secretary of State to
5 ascertain whether the limited liability partnership has
6 complied with all of the provisions of this Act applicable to
7 the limited liability partnership. The interrogatories shall
8 be answered within 30 days after the mailing thereof, or
9 within such additional time as shall be fixed by the Secretary
10 of State, and the answers thereto shall be full and complete
11 and shall be made in writing and under oath. If the
12 interrogatories are directed to an individual, they shall be
13 answered by him or her, and if directed to a limited liability
14 partnership, they shall be answered by the partners thereof.
15 The Secretary of State need not file any document to which the
16 interrogatories relate until the interrogatories are answered
17 as herein provided, and not then if the answers thereto
18 disclose that the document is not in conformity with the
19 provisions of this Act. The Secretary of State shall certify
20 to the Attorney General, for such action as the Attorney
21 General may deem appropriate, all interrogatories and answers
22 thereto that disclose a violation of any of the provisions of
23 this Act.

24 (805 ILCS 206/111 new)

25 Sec. 111. Information disclosed by interrogatories.

1 Interrogatories propounded by the Secretary of State and the
2 answers thereto shall not be open to public inspection, nor
3 shall the Secretary of State disclose any facts or information
4 obtained, except insofar as official duty may require them to
5 be made public or in the event the interrogatories or the
6 answers thereto are required for evidence in any criminal
7 proceeding or in any other action by the State.

8 (805 ILCS 206/1002)

9 Sec. 1002. Name.

10 (a) The name of a limited liability partnership must end
11 with "Registered Limited Liability Partnership", "Limited
12 Liability Partnership", "R.L.L.P.", "L.L.P.", "RLLP", or
13 "LLP".

14 (b) The limited liability partnership shall be the name
15 under which the limited liability partnership transacts
16 business in this State unless the limited liability
17 partnership also elects to adopt an assumed name or names as
18 provided in this Act. However, the limited liability
19 partnership may use any divisional designation or trade name
20 without complying with the requirements of this Act, if the
21 limited liability partnership also clearly discloses its name.

22 (c) Nothing in this Section or Section 1006 shall abrogate
23 or limit the common law or statutory law of unfair competition
24 or unfair trade practices, nor derogate from the common law or
25 principles of equity or the statutes of this State or of the

1 United States of America with respect to the right to acquire
2 and protect copyrights, trade names, trademarks, service
3 marks, service names, or any other right to the exclusive use
4 of names or symbols.

5 (d) The name shall be distinguishable upon the records in
6 the Office of the Secretary of State from any assumed name that
7 is registered with the Secretary of State under Section 1006.

8 (Source: P.A. 92-740, eff. 1-1-03.)

9 (805 ILCS 206/1006 new)

10 Sec. 1006. Assumed name.

11 (a) A limited liability partnership or a foreign limited
12 liability partnership admitted to transact business or making
13 application for admission to transact business in Illinois may
14 elect to adopt an assumed name that complies with the
15 requirements of Section 1002 of this Act.

16 (a-5) As used in this Act, "assumed name" means any name
17 other than the true limited liability partnership name, except
18 that the following do not constitute the use of an assumed name
19 under this Act:

20 (1) a limited liability partnership's identification
21 of its business with a trademark or service mark of which
22 the partnership is the owner or licensed user; and

23 (2) the use of a name of a division, not containing the
24 word "limited", "liability", or "partnership" or an
25 abbreviation of one of those words, provided that the

1 limited liability partnership also clearly discloses its
2 true name.

3 (b) Before transacting any business in Illinois under an
4 assumed limited liability partnership name or names, the
5 limited liability partnership shall, for each assumed name,
6 execute and file in duplicate an application setting forth all
7 of the following:

8 (1) the true limited liability partnership name;

9 (2) the state or country under the laws of which it is
10 organized;

11 (3) that it intends to transact business under an
12 assumed limited liability partnership name; and

13 (4) the assumed name that it proposes to use.

14 (c) The right to use an assumed name shall be effective
15 from the date of filing by the Secretary of State until the
16 first day of the anniversary month of the limited liability
17 partnership that falls within the next calendar year evenly
18 divisible by 5. However, if an application is filed within the
19 2 months immediately preceding the anniversary month of a
20 limited liability partnership that falls within a calendar
21 year evenly divisible by 5, the right to use the assumed name
22 shall be effective until the first day of the anniversary
23 month of the limited liability partnership that falls within
24 the next succeeding calendar year evenly divisible by 5.

25 (d) A limited liability partnership shall renew the right
26 to use its assumed name or names, if any, within the 60 days

1 preceding the expiration of the right, for a period of 5 years,
2 by making an election to do so at the time of filing its annual
3 report form and by paying the renewal fee as prescribed by this
4 Act.

5 (e) A limited liability partnership or foreign limited
6 liability partnership may change or cancel any or all of its
7 assumed names by executing and filing an application setting
8 forth all of the following:

9 (1) the true limited liability partnership name;

10 (2) the state or country under the laws of which it is
11 organized;

12 (3) that it intends to cease transacting business
13 under an assumed name by changing or cancelling it;

14 (4) the assumed name to be changed or cancelled; and

15 (5) if the assumed name is to be changed, the assumed
16 name that the limited liability partnership proposes to
17 use.

18 (f) Upon the filing of an application to change an assumed
19 name, the limited liability partnership shall have the right
20 to use the assumed name for the balance of the period
21 authorized.

22 (g) The right to use an assumed name shall be cancelled by
23 the Secretary of State if any of the following occurs:

24 (1) the limited liability partnership fails to renew
25 an assumed name;

26 (2) the limited liability partnership has filed an

1 application to change or cancel the assumed name;

2 (3) a limited liability partnership has been
3 dissolved; and

4 (4) a foreign limited liability partnership has had
5 its admission to do business in Illinois revoked.

6 (h) Any limited liability partnership or foreign limited
7 liability partnership failing to pay the prescribed fee for
8 assumed name renewal when due and payable shall be given
9 notice of nonpayment by the Secretary of State by regular
10 mail. If the fee, together with a late fee of \$100, is not paid
11 within 60 days after the notice is mailed, the right to use the
12 assumed name shall cease. Any limited liability partnership or
13 foreign limited liability partnership that (1) puts forth any
14 sign or advertisement assuming any name other than that under
15 which it is organized or otherwise authorized by law to act or
16 (2) violates Section 1-27 is guilty of a petty offense and
17 shall be fined not less than \$501 and not more than \$1,000. A
18 limited liability partnership or foreign limited liability
19 partnership shall be deemed guilty of an additional offense
20 for each day it shall continue to so offend. Each limited
21 liability partnership or foreign limited liability partnership
22 that fails or refuses (i) to answer truthfully and fully
23 within the time prescribed by this Act interrogatories
24 propounded by the Secretary of State in accordance with this
25 Act, or (ii) to perform any other act required by this Act to
26 be performed by the limited liability partnership or foreign

1 limited liability partnership is guilty of a petty offense and
2 shall be fined not less than \$501 and not more than \$1,000.

3 (i) A foreign limited liability partnership may not use an
4 assumed or fictitious name in the conduct of its business to
5 intentionally misrepresent the geographic origin or location
6 of the company.

7 Section 20. The Uniform Limited Partnership Act (2001) is
8 amended by changing Section 1206 and by adding Sections 120,
9 121 and 813 as follows:

10 (805 ILCS 215/120 new)

11 Sec. 120. Interrogatories to be propounded by the
12 Secretary of State. The Secretary of State may propound to any
13 limited partnership or foreign limited partnership subject to
14 the provisions of this Act, and to any partner thereof,
15 whether general partner or limited partner, such
16 interrogatories as may be reasonably necessary and proper to
17 enable the Secretary of State to ascertain whether the limited
18 partnership has complied with all the provisions of this Act
19 applicable to the limited partnership. The interrogatories
20 shall be answered within 30 days after the mailing thereof, or
21 within such additional time as shall be fixed by the Secretary
22 of State, and the answers thereto shall be full and complete
23 and shall be made in writing and under oath. If the
24 interrogatories are directed to an individual, they shall be

1 answered by him or her, and if directed to a limited
2 partnership, they shall be answered by the partners thereof.
3 The Secretary of State need not file any document to which the
4 interrogatories relate until the interrogatories are answered
5 as herein provided, and not then if the answers thereto
6 disclose that the document is not in conformity with the
7 provisions of this Act. The Secretary of State shall certify
8 to the Attorney General, for such action as the Attorney
9 General may deem appropriate, all interrogatories and answers
10 thereto that disclose a violation of any of the provisions of
11 this Act.

12 (805 ILCS 215/121 new)

13 Sec. 121. Information disclosed by interrogatories.
14 Interrogatories propounded by the Secretary of State and the
15 answers thereto shall not be open to public inspection, nor
16 shall the Secretary of State disclose any facts or information
17 obtained therefrom, except as official duty may require them
18 to be made public or if the interrogatories or the answers
19 thereto are required for evidence in any criminal proceeding
20 or in any other action by the State.

21 (805 ILCS 215/813 new)

22 Sec. 813. Reinstatement of limited partnership status.

23 (a) A partnership whose status as a limited partnership or
24 foreign limited partnership has expired as a result of the

1 failure to amend its certificate of limited partnership
2 required by Section 1206 may reinstate such status as a
3 limited partnership or foreign limited partnership upon:

4 (1) the filing with the Secretary of State of an
5 application for reinstatement;

6 (2) the filing with the Secretary of State of all
7 reports then due and becoming due; and

8 (3) the payment to the Secretary of State of all fees
9 then due and becoming due.

10 (b) The application for reinstatement shall be executed
11 and filed in duplicate in accordance with Section 201 and
12 shall set forth all of the following:

13 (1) the name of the limited partnership at the time of
14 expiration;

15 (2) the date of expiration;

16 (3) the name and address of the agent for service of
17 process, provided that any change to either the agent for
18 service of process or the address of the agent for service
19 of process is properly reported.

20 (c) When a partnership whose status as a limited
21 partnership or foreign limited partnership has expired has
22 complied with the provisions of this Section, the Secretary of
23 State shall file the application for reinstatement.

24 (d) Upon filing of the application for reinstatement:

25 (i) status as a limited partnership or foreign limited
26 partnership shall be deemed to have continued without

1 interruption from the date of expiration and shall stand
2 revived with the powers, duties, and obligations, as if it
3 had not expired; and

4 (ii) all acts and proceedings of its partners, acting
5 or purporting to act in that capacity, that would have
6 been legal and valid but for the expiration shall stand
7 ratified and confirmed.

8 (805 ILCS 215/1206)

9 Sec. 1206. Application to existing relationships.

10 (a) Before January 1, 2008, this Act governs only:

11 (1) a limited partnership formed on or after January
12 1, 2005; and

13 (2) except as otherwise provided in subsections (c)
14 and (d), a limited partnership formed before January 1,
15 2005 which elects, in the manner provided in its
16 partnership agreement or by law for amending the
17 partnership agreement, to be subject to this Act.

18 (b) Except as otherwise provided in subsection (c), on and
19 after January 1, 2008 this Act governs all limited
20 partnerships.

21 (c) With respect to a limited partnership formed before
22 January 1, 2005, the following rules apply except as the
23 partners otherwise elect in the manner provided in the
24 partnership agreement or by law for amending the partnership
25 agreement:

1 (1) Section 104(c) does not apply and the limited
2 partnership has whatever duration it had under the law
3 applicable immediately before January 1, 2005.

4 (2) Section 108(d) does not apply.

5 (3) The limited partnership is not required to amend
6 its certificate of limited partnership to comply with
7 Section 201(a)(4), but failure to amend its certificate
8 shall result in the expiration of the limited partnership
9 when its term has expired. Expired limited partnerships
10 may be reinstated pursuant to Section 813.

11 (4) Sections 601 and 602 do not apply and a limited
12 partner has the same right and power to dissociate from
13 the limited partnership, with the same consequences, as
14 existed immediately before January 1, 2005.

15 (5) Section 603(4) does not apply.

16 (6) Section 603(5) does not apply and a court has the
17 same power to expel a general partner as the court had
18 immediately before January 1, 2005.

19 (7) Section 801(3) does not apply and the connection
20 between a person's dissociation as a general partner and
21 the dissolution of the limited partnership is the same as
22 existed immediately before January 1, 2005.

23 (d) With respect to a limited partnership that elects
24 pursuant to subsection (a)(2) to be subject to this Act, after
25 the election takes effect the provisions of this Act relating
26 to the liability of the limited partnership's general partners

1 to third parties apply:

2 (1) before January 1, 2008, to:

3 (A) a third party that had not done business with
4 the limited partnership in the year before the
5 election took effect; and

6 (B) a third party that had done business with the
7 limited partnership in the year before the election
8 took effect only if the third party knows or has
9 received a notification of the election; and

10 (2) on and after January 1, 2008, to all third
11 parties, but those provisions remain inapplicable to any
12 obligation incurred while those provisions were
13 inapplicable under paragraph (1) (B).

14 (Source: P.A. 93-967, eff. 1-1-05.)

15 Section 25. The Limited Worker Cooperative Association Act
16 is amended by changing Sections 35, 36, 61, and 63 as follows:

17 (805 ILCS 317/35)

18 Sec. 35. Cooperative agreement.

19 (a) A cooperative agreement shall include:

20 (1) a statement of the capital structure of the
21 limited worker cooperative association;

22 (2) the classes or other types of members' interests
23 and the relative rights, preferences, privileges, and
24 restrictions granted to or imposed upon each class or

1 other type of member's interest, including:

2 (A) a statement concerning the manner in which
3 profits and losses are allocated and distributions are
4 made among members and, if community investors are
5 authorized, the manner in which profits and losses are
6 allocated and how distributions are made among
7 investor members and between members and community
8 investors;

9 (B) a statement designating voting and other
10 governance rights of each class or other type of
11 members' interests and, if relevant, community
12 investors, including which members have voting power
13 and any restriction on voting power;

14 (3) a statement of the method for admission of
15 members;

16 (4) a statement that a member's interest is
17 transferable, if it is to be transferable, and a statement
18 of the conditions upon which it may be transferred;

19 (5) a statement concerning:

20 (A) whether persons that are not members but
21 conduct business with the association may be permitted
22 to share in allocations of profits and losses and
23 receive distributions; and

24 (B) the manner in which profits and losses are
25 allocated and distributions are made with respect to
26 those persons; and

1 (6) a statement of the number and terms of managers or
2 managing members ~~directors~~ or the method by which the
3 number and terms are determined; and

4 (7) a statement addressing members' contributions.

5 (b) A cooperative agreement may contain any other
6 provision for managing and regulating the affairs of the
7 association.

8 (c) The cooperative agreement may not:

9 (1) unreasonably restrict a right to information or
10 access to records available under Section 1-40 or Section
11 10-15 of the Limited Liability Company Act;

12 (2) vary the right to expel a member in an event
13 specified in subdivision (6) of Section 35-45 of the
14 Limited Liability Company Act;

15 (3) vary the requirement to wind up the limited worker
16 cooperative association's business in a case specified in
17 subdivision (4), (5), or (6) of subsection (a) of Section
18 35-1 of the Limited Liability Company Act;

19 (4) restrict rights of a person, other than a manager,
20 managing member, ~~director,~~ member, and transferee of a
21 member's distributional interest, under this Act;

22 (5) restrict the power of a member to dissociate under
23 Section 35-50 of the Limited Liability Company Act,
24 although a cooperative agreement may determine whether a
25 dissociation is wrongful under Section 35-50 of the
26 Limited Liability Company Act;

1 (6) eliminate or reduce the obligation of good faith
2 and fair dealing under subsection (d) of Section 15-3 of
3 the Limited Liability Company Act, but the cooperative
4 agreement may determine the standards by which the
5 performance of the member's duties or the exercise of the
6 member's rights is to be measured;

7 (7) eliminate, vary, or restrict the priority of a
8 statement of authority over provisions in the articles of
9 organization as provided in subsection (h) of Section
10 13-15 of the Limited Liability Company Act;

11 (8) vary the law applicable under Section 1-65 of the
12 Limited Liability Company Act;

13 (9) vary the power of the court under Section 5-50 of
14 the Limited Liability Company Act; or

15 (10) restrict the right to approve a merger,
16 conversion, or domestication under Article 37 of the
17 Limited Liability Company Act or the Entity Omnibus Act of
18 a member that will have personal liability with respect to
19 a surviving, converted, or domesticated organization.

20 (d) The cooperative agreement may:

21 (1) restrict or eliminate a fiduciary duty, other than
22 the duty of care described in subsection (c) of Section
23 15-3 of the Limited Liability Company Act, but only to the
24 extent the restriction or elimination in the cooperative
25 agreement is clear and unambiguous;

26 (2) identify specific types or categories of

1 activities that do not violate any fiduciary duty; and

2 (3) alter the duty of care, except to authorize
3 intentional misconduct or knowing violation of law.

4 (e) The cooperative agreement may specify the method by
5 which a specific act or transaction that would otherwise
6 violate the duty of loyalty may be authorized or ratified by
7 one or more disinterested and independent persons after full
8 disclosure of all material facts.

9 (f) The cooperative agreement may alter or eliminate the
10 right to payment or reimbursement for a member, managing
11 member, or manager ~~director~~ provided by Section 15-7 of the
12 Limited Liability Company Act and may eliminate or limit a
13 member's, managing member's, or manager's ~~director's~~ liability
14 to the limited worker cooperative association and members for
15 money damages, except for:

16 (1) subject to subsections (d) and (e) of this
17 Section, breach of the duties as required in subdivisions
18 (1), (2), and (3) of subsection (b) of Section 15-3 of the
19 Limited Liability Company Act;

20 (2) a financial benefit received by the member,
21 managing member, or manager ~~director~~ to which the member,
22 managing member, or manager ~~director~~ is not entitled;

23 (3) a breach of a duty under Section 25-35 of the
24 Limited Liability Company Act;

25 (4) intentional infliction of harm on the association
26 or a member; or

1 (5) an intentional violation of criminal law.

2 (g) A limited worker cooperative association is bound by
3 and may enforce the cooperative agreement, whether or not the
4 association has itself manifested assent to the cooperative
5 agreement.

6 (h) A person that becomes a member of a limited worker
7 cooperative association is deemed to assent to the cooperative
8 agreement.

9 (i) A cooperative agreement may be entered into before,
10 after, or at the time of filing of articles of organization
11 and, whether entered into before, after, or at the time of the
12 filing, may be made effective as of the time of formation of
13 the limited worker cooperative association or as of the time
14 or date provided in the cooperative agreement.

15 (Source: P.A. 101-292, eff. 1-1-20; 102-351, eff. 8-13-21.)

16 (805 ILCS 317/36)

17 Sec. 36. Annual reports.

18 (a) A limited worker cooperative association organized
19 under the laws of this State shall file, within the time
20 prescribed by this Act, an annual report setting forth all of
21 the following:

22 (1) The name of the limited worker cooperative
23 association.

24 (2) The address, including street and number or rural
25 route number, of its registered office in this State and

1 the name of its registered agent at that address.

2 (3) The address, including street and number or rural
3 route number of its principal place of business.

4 (4) The name and business address of all of the
5 managers ~~directors~~ and managing members ~~any member having~~
6 ~~the authority of a director.~~

7 (5) Additional information that may be necessary or
8 appropriate in order to enable the Secretary of State to
9 administer this Act and to verify the proper amount of
10 fees payable by the limited worker cooperative
11 association.

12 The annual report shall be made on forms prescribed and
13 furnished by the Secretary of State, and the information
14 therein required by paragraphs (1) through (4) of this
15 subsection (a), both inclusive, shall be given as of the date
16 of execution of the annual report. The annual report shall be
17 executed by a manager, managing member, ~~director~~ or, if none,
18 a member designated by the members pursuant to limited worker
19 cooperative association action properly taken under Section
20 15-1 of the Limited Liability Company Act.

21 (b) The annual report, together with all fees and charges
22 prescribed by this Act, shall be delivered to the Secretary of
23 State within 60 days immediately preceding the first day of
24 the anniversary month. Proof to the satisfaction of the
25 Secretary of State that, before the first day of the
26 anniversary month of the limited worker cooperative

1 association, the report, together with all fees and charges as
2 prescribed by this Act, was deposited in the United States
3 mail in a sealed envelope, properly addressed, with postage
4 prepaid, shall be deemed a compliance with this requirement.

5 If the Secretary of State finds that the report conforms to the
6 requirements of this Act, he or she shall file it. If the
7 Secretary of State finds that it does not so conform, he or she
8 shall promptly return it to the limited worker cooperative
9 association for any necessary corrections, in which event the
10 penalties prescribed for failure to file the report within the
11 time provided shall not apply if the report is corrected to
12 conform to the requirements of this Act and returned to the
13 Secretary of State within 60 days of the original due date of
14 the report.

15 (Source: P.A. 102-351, eff. 8-13-21.)

16 (805 ILCS 317/61)

17 Sec. 61. Grounds for administrative dissolution. The
18 Secretary of State may dissolve any limited worker cooperative
19 association administratively if:

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

24 (2) it has failed to file in the Office of the
25 Secretary of State any report after the expiration of the

1 period prescribed for filing the report;

2 (3) it has misrepresented any material matter in any
3 application, report, affidavit, or other document
4 submitted by the limited worker cooperative association;

5 (4) it has failed to appoint and maintain a registered
6 agent in Illinois;

7 (5) a manager, managing member, ~~director~~ or member to
8 whom interrogatories have been propounded by the Secretary
9 of State as provided in Section 5-60 of the Limited
10 Liability Company Act fails to answer the interrogatories
11 fully and to timely file the answer in the Office of the
12 Secretary of State; or

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

17 (Source: P.A. 102-351, eff. 8-13-21.)

18 (805 ILCS 317/63)

19 Sec. 63. Reinstatement following dissolution or
20 termination.

21 (a) A limited worker cooperative association dissolved or
22 terminated under Section 60 may be reinstated by the Secretary
23 of State following the date of issuance of the notice of
24 dissolution or statement of termination upon:

25 (1) The filing of an application for reinstatement.

1 (2) The filing with the Secretary of State by the
2 limited worker cooperative association of all reports then
3 due and theretofore becoming due.

4 (3) The payment to the Secretary of State by the
5 limited worker cooperative association of all fees and
6 penalties then due and theretofore becoming due.

7 (b) The application for reinstatement shall be executed
8 and filed in duplicate in accordance with Section 25 of this
9 Act and shall set forth all of the following:

10 (1) The name of the limited worker cooperative
11 association at the time of the issuance of the notice of
12 dissolution or statement of termination.

13 (2) If the name is not available for use as determined
14 by the Secretary of State at the time of filing the
15 application for reinstatement, the name of the limited
16 worker cooperative association as changed, provided that
17 any change of name is properly effected under Section 1-10
18 and Section 5-25 of the Limited Liability Company Act.

19 (3) The date of issuance of the notice of dissolution
20 or statement of termination.

21 (4) The address, including street and number or rural
22 route number of the registered office of the limited
23 worker cooperative association upon reinstatement thereof
24 and the name of its registered agent at that address upon
25 the reinstatement of the limited worker cooperative
26 association, provided that any change from either the

1 registered office or the registered agent at the time of
2 dissolution is properly reported under Section 1-35 of the
3 Limited Liability Company Act.

4 (c) When a dissolved or terminated limited worker
5 cooperative association has complied with the provisions of
6 the Section, the Secretary of State shall file the application
7 for reinstatement.

8 (d) Upon the filing of the application for reinstatement,
9 the limited worker cooperative association existence shall be
10 deemed to have continued without interruption from the date of
11 the issuance of the notice of dissolution or statement of
12 termination. The limited worker cooperative association shall
13 stand revived with the powers, duties, and obligations as if
14 it had not been dissolved or terminated. All acts and
15 proceedings of its members, managing members, managers
16 ~~directors~~, officers, employees, and agents, acting or
17 purporting to act in that capacity, and which would have been
18 legal and valid but for the dissolution or termination, shall
19 stand ratified and confirmed.

20 (e) Without limiting the generality of subsection (d),
21 upon the filing of the application for reinstatement, no
22 member, managing member, manager ~~director~~, or officer shall be
23 personally liable for the debts and liabilities of the limited
24 worker cooperative association incurred during the period of
25 dissolution or termination by reason of the fact that the
26 limited worker cooperative association was dissolved or

1 terminated at the time the debts or liabilities were incurred.
2 (Source: P.A. 102-351, eff. 8-13-21.)

3 Section 30. The Entity Omnibus Act is amended by changing
4 Section 111 as follows:

5 (805 ILCS 415/111)

6 Sec. 111. Application of other Acts. The Business
7 Corporation Act of 1983, ~~the General Not For Profit~~
8 ~~Corporation Act of 1986~~, the Limited Liability Company Act,
9 the Uniform Limited Partnership Act (2001), ~~and~~ the Uniform
10 Partnership Act (1997), and the Limited Worker Cooperative
11 Association Act, as now or hereafter amended, shall govern all
12 matters related to the entities named in each of those Acts and
13 in this Act except where inconsistent with the letter and
14 purpose of this Act. Not-for-profit corporations, subject to
15 the General Not For Profit Corporation Act of 1986, shall not
16 be allowed to convert into a for-profit business entity,
17 whether domestic or foreign. This Act controls in the event of
18 any conflict with the provisions of the above-named Acts or
19 other laws.

20 (Source: P.A. 101-491, eff. 8-23-19; 102-351, eff. 8-13-21.)

21 Section 35. The Uniform Commercial Code is amended by
22 changing Section 9-525 as follows:

1 (810 ILCS 5/9-525)

2 Sec. 9-525. Fees.

3 (a) Initial financing statement or other record: general
4 rule. Except as otherwise provided in subsection (e), the fee
5 for filing and indexing a record under this Part, other than an
6 initial financing statement of the kind described in
7 subsection (b), is:

8 (1) \$20 if the record is communicated in writing and
9 consists of one or two pages;

10 (2) \$20 if the record is communicated in writing and
11 consists of more than two pages; ~~and~~

12 (3) \$20 if the record is communicated by another
13 medium authorized by filing-office rule; and-

14 (4) \$5 if the record is a termination amendment
15 communicated in writing or by another medium authorized by
16 filing-office rule.

17 (b) Initial financing statement: public-finance and
18 manufactured-housing transactions. Except as otherwise
19 provided in subsection (e), the fee for filing and indexing an
20 initial financing statement of the following kind is:

21 (1) \$20 if the financing statement indicates that it
22 is filed in connection with a public-finance transaction;

23 (2) \$20 if the financing statement indicates that it
24 is filed in connection with a manufactured-home
25 transaction.

26 (c) Number of names. The number of names required to be

1 indexed does not affect the amount of the fee in subsections
2 (a) and (b).

3 (d) Response to information request. The fee for
4 responding to a request for information from the filing
5 office, including for issuing a certificate showing
6 communicating whether there is on file any financing statement
7 naming a particular debtor, is:

8 (1) \$10 if the request is communicated in writing; and

9 (2) \$10 if the request is communicated by another
10 medium authorized by filing-office rule.

11 (e) Record of mortgage. This Section does not require a
12 fee with respect to a record of a mortgage which is effective
13 as a financing statement filed as a fixture filing or as a
14 financing statement covering as-extracted collateral or timber
15 to be cut under Section 9-502(c). However, the recording and
16 satisfaction fees that otherwise would be applicable to the
17 record of the mortgage apply.

18 (f) Of the total money collected for each filing with the
19 Secretary of State of an original financing statement, amended
20 statement, continuation, or assignment, or for a release of
21 collateral, \$12 of the filing fee shall be paid into the
22 Secretary of State Special Services Fund. The remaining \$8
23 shall be deposited into the General Revenue Fund in the State
24 treasury. Of the total money collected for a termination, \$3
25 of the filing fee shall be paid into the Secretary of State
26 Special Services Fund. The remaining \$2 shall be deposited

1 into the General Revenue Fund in the State treasury.

2 (Source: P.A. 93-990, eff. 8-23-04.)

1 INDEX

2 Statutes amended in order of appearance

3 805 ILCS 105/114.13 new

4 805 ILCS 105/115.10 from Ch. 32, par. 115.10

5 805 ILCS 180/1-35

6 805 ILCS 206/108

7 805 ILCS 206/110 new

8 805 ILCS 206/111 new

9 805 ILCS 206/1002

10 805 ILCS 206/1006 new

11 805 ILCS 215/120 new

12 805 ILCS 215/121 new

13 805 ILCS 215/813 new

14 805 ILCS 215/1206

15 805 ILCS 317/35

16 805 ILCS 317/36

17 805 ILCS 317/61

18 805 ILCS 317/63

19 805 ILCS 415/111

20 810 ILCS 5/9-525