

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 Business Corporation Act of 1983 is amended
5 by changing Sections 8.65, 12.40, and 12.45 as follows:

6 (805 ILCS 5/8.65) (from Ch. 32, par. 8.65)

7 Sec. 8.65. Liability of directors in certain cases.

8 (a) In addition to any other liabilities imposed by law
9 upon directors of a corporation, they are liable as follows:

10 (1) The directors of a corporation who vote for or
11 assent to any distribution prohibited by Section 9.10 of
12 this Act shall be jointly and severally liable to the
13 corporation for the amount of such distribution.

14 (2) If a dissolved corporation shall proceed to bar any
15 known claims against it under Section 12.75, the directors
16 of such corporation who fail to take reasonable steps to
17 cause the notice required by Section 12.75 of this Act to
18 be given to any known creditor of such corporation shall be
19 jointly and severally liable to such creditor for all loss
20 and damage occasioned thereby.

21 (3) Unless dissolution is subsequently revoked
22 pursuant to Section 12.25 of this Act, the ~~The~~ directors of
23 a corporation that carries on its business after the filing

1 by the Secretary of State of articles of dissolution with
2 respect to a voluntary dissolution authorized as provided
3 by this Act, otherwise than ~~so far as may be~~ necessary or
4 appropriate to wind up and liquidate its business and
5 affairs ~~for the winding up thereof~~, shall be jointly and
6 severally liable to the creditors of such corporation for
7 all debts and liabilities of the corporation incurred in so
8 carrying on its business. Directors of a corporation that
9 carries on its business during a period of administrative
10 dissolution shall not be liable under this paragraph (a) (3)
11 if the Secretary of State subsequently files an application
12 for reinstatement under subsection (c) of Section 12.45,
13 which reinstatement shall have the effect described in
14 subsection (d) of Section 12.45.

15 (b) A director of a corporation who is present at a meeting
16 of its board of directors at which action on any corporate
17 matter is taken is conclusively presumed to have assented to
18 the action taken unless his or her dissent is entered in the
19 minutes of the meeting or unless he or she files his or her
20 written dissent to such action with the person acting as the
21 secretary of the meeting before the adjournment thereof or
22 forwards such dissent by registered or certified mail to the
23 secretary of the corporation immediately after the adjournment
24 of the meeting. Such right to dissent does not apply to a
25 director who voted in favor of such action.

26 (c) A director shall not be liable for a distribution of

1 assets to the shareholders of a corporation in excess of the
2 amount authorized by Section 9.10 of this Act if he or she
3 relied and acted in good faith upon a balance sheet and profit
4 and loss statement of the corporation represented to him or her
5 to be correct by the president or the officer of such
6 corporation having charge of its books of account, or certified
7 by an independent public or certified public accountant or firm
8 of such accountants to fairly reflect the financial condition
9 of such corporation, nor shall he or she be so liable if in
10 good faith in determining the amount available for any such
11 dividend or distribution he or she considered the assets to be
12 of their book value.

13 (d) Any director against whom a claim is asserted under
14 this Section and who is held liable thereon, is entitled to
15 contribution from the other directors who are likewise liable
16 thereon.

17 Any director against whom a claim is asserted for the
18 improper distribution of assets of a corporation and who is
19 held liable thereon, is entitled to contribution from the
20 shareholders who knowingly accepted or received any such
21 distribution in proportion to the amounts received by them
22 respectively.

23 (Source: P.A. 84-924.)

24 (805 ILCS 5/12.40) (from Ch. 32, par. 12.40)

25 Sec. 12.40. Procedure for administrative dissolution.

1 (a) After the Secretary of State determines that one or
2 more grounds exist under Section 12.35 for the administrative
3 dissolution of a corporation, he or she shall send by regular
4 mail to each delinquent corporation a Notice of Delinquency to
5 its registered office, or, if the corporation has failed to
6 maintain a registered office, then to the president or other
7 principal officer at the last known office of said officer.

8 (b) If the corporation does not correct the default
9 described in paragraphs (a) through (e) of Section 12.35 within
10 90 days following such notice, the Secretary of State shall
11 thereupon dissolve the corporation by issuing a certificate of
12 dissolution that recites the ground or grounds for dissolution
13 and its effective date. If the corporation does not correct the
14 default described in paragraphs (f) through (h) of Section
15 12.35, within 30 days following such notice, the Secretary of
16 State shall thereupon dissolve the corporation by issuing a
17 certificate of dissolution as herein prescribed. The Secretary
18 of State shall file the original of the certificate in his or
19 her office and mail one copy to the corporation at its
20 registered office or, if the corporation has failed to maintain
21 a registered office, then to the president or other principal
22 officer at the last known office of said officer.

23 (c) The administrative dissolution of a corporation
24 terminates its corporate existence and such a dissolved
25 corporation shall not thereafter carry on any business,
26 provided however, that such a dissolved corporation may take

1 all action authorized under Section 12.75 or as otherwise
2 necessary or appropriate to wind up and liquidate its business
3 and affairs under Section 12.30.

4 (Source: P.A. 96-1121, eff. 1-1-11.)

5 (805 ILCS 5/12.45) (from Ch. 32, par. 12.45)

6 Sec. 12.45. Reinstatement following administrative
7 dissolution.

8 (a) A domestic corporation administratively dissolved
9 under Section 12.40 may be reinstated by the Secretary of State
10 following the date of issuance of the certificate of
11 dissolution upon:

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

13 (2) The filing with the Secretary of State by the
14 corporation of all reports then due and theretofore
15 becoming due.

16 (3) The payment to the Secretary of State by the
17 corporation of all fees, franchise taxes, and penalties
18 then due and theretofore becoming due.

19 (b) The application for reinstatement shall be executed and
20 filed in duplicate in accordance with Section 1.10 of this Act
21 and shall set forth:

22 (1) The name of the corporation at the time of the
23 issuance of the certificate of dissolution.

24 (2) If such name is not available for use as determined
25 by the Secretary of State at the time of filing the

1 application for reinstatement, the name of the corporation
2 as changed, provided however, and any change of name is
3 properly effected pursuant to Section 10.05 and Section
4 10.30 of this Act.

5 (3) The date of the issuance of the certificate of
6 dissolution.

7 (4) The address, including street and number, or rural
8 route number of the registered office of the corporation
9 upon reinstatement thereof, and the name of its registered
10 agent at such address upon the reinstatement of the
11 corporation, provided however, that any change from either
12 the registered office or the registered agent at the time
13 of dissolution is properly reported pursuant to Section
14 5.10 of this Act.

15 (c) When a dissolved corporation has complied with the
16 provisions of this Section the Secretary of State shall file
17 the application for reinstatement.

18 (d) Upon the filing of the application for reinstatement,
19 the corporate existence for all purposes shall be deemed to
20 have continued without interruption from the date of the
21 issuance of the certificate of dissolution, and the corporation
22 shall stand revived with such powers, duties and obligations as
23 if it had not been dissolved; and all acts and proceedings of
24 its ~~officers, directors and~~ shareholders, directors, officers,
25 employees, and agents, acting or purporting to act in that
26 capacity ~~as such,~~ and which would have been legal and valid but

1 for such dissolution, shall stand ratified and confirmed.

2 (e) Without limiting the generality of subsection (d), upon
3 the filing of the application for reinstatement, no
4 shareholder, director, or officer shall be personally liable,
5 under Section 8.65 of this Act or otherwise, for the debts and
6 liabilities of the corporation incurred during the period of
7 administrative dissolution by reason of the fact that the
8 corporation was administratively dissolved at the time the
9 debts or liabilities were incurred.

10 (Source: P.A. 96-328, eff. 8-11-09.)

11 Section 10. The General Not For Profit Corporation Act of
12 1986 is amended by changing Sections 108.65, 112.40, and 112.45
13 as follows:

14 (805 ILCS 105/108.65) (from Ch. 32, par. 108.65)

15 Sec. 108.65. Liability of directors in certain cases.

16 (a) In addition to any other liabilities imposed by law
17 upon directors of a corporation, they are liable as follows:

18 (1) The directors of a corporation who vote for or
19 assent to any distribution not authorized by Section 109.10
20 or Article 12 of this Act shall be jointly and severally
21 liable to the corporation for the amount of such
22 distribution.

23 (2) If a dissolved corporation shall proceed to bar any
24 known claims against it under Section 112.75 of this Act,

1 the directors of such corporation who fail to take
2 reasonable steps to cause the notice required by Section
3 112.75 of this Act to be given to any known creditor of
4 such corporation shall be jointly and severally liable to
5 such creditor for all loss and damage occasioned thereby.

6 (3) Unless dissolution is subsequently revoked
7 pursuant to Section 112.25 of this Act, the ~~The~~ directors
8 of a corporation that conducts its affairs after the filing
9 by the Secretary of State of articles of dissolution with
10 respect to a voluntary dissolution authorized as provided
11 by this Act, otherwise than so far as may be necessary or
12 appropriate to wind up and liquidate its affairs for the
13 ~~winding up thereof,~~ shall be jointly and severally liable
14 to the creditors of such corporation for all debts and
15 liabilities of the corporation incurred in so conducting
16 its affairs. Directors of a corporation that conducts its
17 affairs during a period of administrative dissolution
18 shall not be liable under this paragraph (a)(3) if the
19 Secretary of State subsequently files an application for
20 reinstatement under subsection (c) of Section 112.45,
21 which reinstatement shall have the effect described in
22 subsection (d) of Section 112.45.

23 (b) A director of a corporation who is present at a meeting
24 of its board of directors at which action on any corporate
25 matter is taken is conclusively presumed to have assented to
26 the action taken unless his or her dissent or abstention is

1 entered in the minutes of the meeting or unless he or she files
2 his or her written dissent or abstention to such action with
3 the person acting as the secretary of the meeting before the
4 adjournment thereof or forwards such dissent or abstention by
5 registered or certified mail to the secretary of the
6 corporation immediately after the adjournment of the meeting.
7 Such right to dissent or abstain does not apply to a director
8 who voted in favor of such action.

9 (c) A director shall not be liable for a distribution of
10 assets to any person in excess of the amount authorized by
11 Section 109.10 or Article 12 of this Act if he or she relied
12 and acted in good faith upon a balance sheet and profit and
13 loss statement of the corporation represented to him or her to
14 be correct by the president or the officer of such corporation
15 having charge of its books of account, or certified by an
16 independent public or certified public accountant or firm of
17 such accountants to fairly reflect the financial condition of
18 such corporation, nor shall he or she be so liable if in good
19 faith in determining the amount available for any such
20 distribution he or she considered the assets to be of their
21 book value.

22 (d) Any director against whom a claim is asserted under
23 this Section and who is held liable thereon, is entitled to
24 contribution from the other directors who are likewise liable
25 thereon. Any director against whom a claim is asserted for the
26 improper distribution of assets of a corporation, and who is

1 held liable thereon, is entitled to contribution from the
2 persons who knowingly accepted or received any such
3 distribution in proportion to the amounts received by them
4 respectively.

5 (Source: P.A. 84-1423.)

6 (805 ILCS 105/112.40) (from Ch. 32, par. 112.40)

7 Sec. 112.40. Procedure for administrative dissolution.

8 (a) After the Secretary of State determines that one or
9 more grounds exist under Section 112.35 of this Act for the
10 administrative dissolution of a corporation, he or she shall
11 send by regular mail to each delinquent corporation a Notice of
12 Delinquency to its registered office, or, if the corporation
13 has failed to maintain a registered office, then to the
14 president or other principal officer at the last known office
15 of said officer.

16 (b) If the corporation does not correct the default within
17 90 days following such notice, the Secretary of State shall
18 thereupon dissolve the corporation by issuing a certificate of
19 dissolution that recites the ground or grounds for dissolution
20 and its effective date. The Secretary of State shall file the
21 original of the certificate in his or her office and mail one
22 copy to the corporation at its registered office or, if the
23 corporation has failed to maintain a registered office, then to
24 the president or other principal officer at the last known
25 office of said officer.

1 (c) The administrative dissolution of a corporation
2 terminates its corporate existence and such a dissolved
3 corporation shall not thereafter carry on any affairs, provided
4 however, that such a dissolved corporation may take all action
5 authorized under Section 112.75 of this Act or as otherwise
6 necessary or appropriate to wind up and liquidate its affairs
7 under Section 112.30 of this Act.

8 (Source: P.A. 96-1121, eff. 1-1-11.)

9 (805 ILCS 105/112.45) (from Ch. 32, par. 112.45)

10 Sec. 112.45. Reinstatement following administrative
11 dissolution.

12 (a) A domestic corporation administratively dissolved
13 under Section 112.40 of this Act may be reinstated by the
14 Secretary of State following the date of issuance of the
15 certificate of dissolution upon:

16 (1) The filing of an application for reinstatement;

17 (2) The filing with the Secretary of State by the
18 corporation of all reports then due and theretofore
19 becoming due;

20 (3) The payment to the Secretary of State by the
21 corporation of all fees and penalties then due and
22 theretofore becoming due.

23 (b) The application for reinstatement shall be executed and
24 filed in duplicate in accordance with Section 101.10 of this
25 Act and shall set forth:

1 (1) The name of the corporation at the time of the
2 issuance of the certificate of dissolution;

3 (2) If such name is not available for use as determined
4 by the Secretary of State at the time of filing the
5 application for reinstatement, the name of the corporation
6 as changed; provided, however, that any change of name is
7 properly effected pursuant to Section 110.05 and Section
8 110.30 of this Act;

9 (3) The date of the issuance of the certificate of
10 dissolution;

11 (4) The address, including street and number, or rural
12 route number, of the registered office of the corporation
13 upon reinstatement thereof, and the name of its registered
14 agent at such address upon the reinstatement of the
15 corporation, provided however, that any change from either
16 the registered office or the registered agent at the time
17 of dissolution is properly reported pursuant to Section
18 105.10 of this Act.

19 (c) When a dissolved corporation has complied with the
20 provisions of this Section, the Secretary of State shall file
21 the application for reinstatement.

22 (d) Upon the filing of the application for reinstatement,
23 the corporate existence for all purposes shall be deemed to
24 have continued without interruption from the date of the
25 issuance of the certificate of dissolution, and the corporation
26 shall stand revived with such powers, duties and obligations as

1 if it had not been dissolved; and all acts and proceedings of
2 its shareholders, members, officers, employees, and agents
3 ~~officers, directors and members~~, acting or purporting to act in
4 that capacity as such, and which would have been legal and
5 valid but for such dissolution, shall stand ratified and
6 confirmed.

7 (e) Without limiting the generality of subsection (d), upon
8 filing of the application for reinstatement, no shareholder,
9 director, or officer shall be personally liable, under Section
10 108.65 of this Act or otherwise, for the debts and liabilities
11 of the corporation incurred during the period of administrative
12 dissolution by reason of the fact that the corporation was
13 administratively dissolved at the time the debts or liabilities
14 were incurred.

15 (Source: P.A. 94-605, eff. 1-1-06.)

16 Section 15. The Limited Liability Company Act is amended by
17 changing Sections 35-30 and 35-40 as follows:

18 (805 ILCS 180/35-30)

19 Sec. 35-30. Procedure for administrative dissolution.

20 (a) After the Secretary of State determines that one or
21 more grounds exist under Section 35-25 for the administrative
22 dissolution of a limited liability company, the Secretary of
23 State shall send a notice of delinquency by regular mail to
24 each delinquent limited liability company at its registered

1 office or, if the limited liability company has failed to
2 maintain a registered office, then to the last known address
3 shown on the records of the Secretary of State for the
4 principal place of business of the limited liability company.

5 (b) If the limited liability company does not correct the
6 default described in paragraphs (1) or (2) of Section 35-25
7 within 120 days following the date of the notice of
8 delinquency, the Secretary of State shall thereupon dissolve
9 the limited liability company by issuing a certificate of
10 dissolution that recites the grounds for dissolution and its
11 effective date. If the limited liability company does not
12 correct the default described in paragraphs (2.5), (3), (4), or
13 (5) of Section 35-25 within 60 days following the notice, the
14 Secretary of State shall dissolve the limited liability company
15 by issuing a certificate of dissolution that recites the
16 grounds for dissolution and its effective date. The Secretary
17 of State shall file the original of the certificate in his or
18 her office and mail one copy to the limited liability company
19 at its registered office or, if the limited liability company
20 has failed to maintain a registered office, then to the last
21 known address shown on the records of the Secretary of State
22 for the principal place of business of the limited liability
23 company.

24 (c) Upon the administrative dissolution of a limited
25 liability company, a dissolved limited liability company shall
26 continue for only the purpose of winding up its business. A

1 dissolved limited liability company may take all action
2 authorized under Section 1-30 or otherwise necessary or
3 appropriate to wind up its business and affairs and terminate.
4 (Source: P.A. 98-171, eff. 8-5-13.)

5 (805 ILCS 180/35-40)

6 Sec. 35-40. Reinstatement following administrative
7 dissolution.

8 (a) A limited liability company administratively dissolved
9 under Section 35-25 may be reinstated by the Secretary of State
10 following the date of issuance of the notice of dissolution
11 upon:

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

13 (2) The filing with the Secretary of State by the
14 limited liability company of all reports then due and
15 theretofore becoming due.

16 (3) The payment to the Secretary of State by the
17 limited liability company of all fees and penalties then
18 due and theretofore becoming due.

19 (b) The application for reinstatement shall be executed and
20 filed in duplicate in accordance with Section 5-45 of this Act
21 and shall set forth all of the following:

22 (1) The name of the limited liability company at the
23 time of the issuance of the notice of dissolution.

24 (2) If the name is not available for use as determined
25 by the Secretary of State at the time of filing the

1 application for reinstatement, the name of the limited
2 liability company as changed, provided that any change of
3 name is properly effected under Section 1-10 and Section
4 5.25 of this Act.

5 (3) The date of issuance of the notice of dissolution.

6 (4) The address, including street and number or rural
7 route number of the registered office of the limited
8 liability company upon reinstatement thereof and the name
9 of its registered agent at that address upon the
10 reinstatement of the limited liability company, provided
11 that any change from either the registered office or the
12 registered agent at the time of dissolution is properly
13 reported under Section 1-35 of this Act.

14 (c) When a dissolved limited liability company has complied
15 with the provisions of the Section, the Secretary of State
16 shall file the application for reinstatement.

17 (d) Upon the filing of the application for reinstatement,
18 the limited liability company existence shall be deemed to have
19 continued without interruption from the date of the issuance of
20 the notice of dissolution, and the limited liability company
21 shall stand revived with the powers, duties, and obligations as
22 if it had not been dissolved; and all acts and proceedings of
23 its members, ~~or~~ managers, officers, employees, and agents,
24 acting or purporting to act in that capacity, and which ~~that~~
25 would have been legal and valid but for the dissolution, shall
26 stand ratified and confirmed.

1 (e) Without limiting the generality of subsection (d), upon
2 the filing of the application for reinstatement, no member,
3 manager, or officer shall be personally liable for the debts
4 and liabilities of the limited liability company incurred
5 during the period of administrative dissolution by reason of
6 the fact that the limited liability company was
7 administratively dissolved at the time the debts or liabilities
8 were incurred.

9 (Source: P.A. 94-605, eff. 1-1-06.)

10 Section 20. The Uniform Limited Partnership Act (2001) is
11 amended by changing Sections 809 and 810 as follows:

12 (805 ILCS 215/809)

13 Sec. 809. Administrative dissolution.

14 (a) The Secretary of State may dissolve a limited
15 partnership administratively if the limited partnership does
16 not, within 60 days after the due date:

17 (1) pay any fee, tax, or penalty due to the Secretary
18 of State under this Act or other law;

19 (2) file its annual report with the Secretary of State;

20 or

21 (3) appoint and maintain an agent for service of
22 process in Illinois after a registered agent's notice of
23 resignation under Section 116.

24 (b) If the Secretary of State determines that a ground

1 exists for administratively dissolving a limited partnership,
2 the Secretary of State shall file a record of the determination
3 and send a copy of the filed record to the limited
4 partnership's agent for service of process in this State, or if
5 the limited partnership does not appoint and maintain a proper
6 agent, to the limited partnership's designated office.

7 (c) If within 60 days after service of the copy of the
8 record of determination the limited partnership does not
9 correct each ground for dissolution or demonstrate to the
10 reasonable satisfaction of the Secretary of State that each
11 ground determined by the Secretary of State does not exist, the
12 Secretary of State shall administratively dissolve the limited
13 partnership by preparing, signing, and filing a declaration of
14 dissolution that states the grounds for dissolution. The
15 Secretary of State shall send a copy to the limited
16 partnership's agent for service of process in this State, or if
17 the limited partnership does not appoint and maintain a proper
18 agent, to the limited partnership's designated office.

19 (d) A limited partnership administratively dissolved
20 continues its existence but may carry on only activities
21 necessary or appropriate to wind up its activities ~~and~~
22 ~~liquidate its assets~~ under Sections 803 and 812 and to notify
23 claimants under Sections 806 and 807.

24 (e) The administrative dissolution of a limited
25 partnership does not terminate the authority of its agent for
26 service of process.

1 (Source: P.A. 97-839, eff. 7-20-12.)

2 (805 ILCS 215/810)

3 Sec. 810. Reinstatement following administrative
4 dissolution.

5 (a) A limited partnership that has been administratively
6 dissolved under Section 809 may be reinstated by the Secretary
7 of State following the date of dissolution upon:

8 (1) the filing of an application for reinstatement;

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

11 (3) the payment to the Secretary of State of all fees
12 and penalties then due and becoming due.

13 (b) The application for reinstatement shall be executed and
14 filed in duplicate in accordance with Section 204 and shall set
15 forth all of the following:

16 (1) the name of the limited partnership at the time of
17 dissolution;

18 (2) the date of dissolution;

19 (3) the agent for service of process and the address of
20 the agent for service of process; provided that any change
21 to either the agent for service of process or the address
22 of the agent for service of process is properly reported
23 under Section 115.

24 (c) When a limited partnership that has been
25 administratively dissolved has complied with the provisions of

1 this Section, the Secretary of State shall file the application
2 for reinstatement.

3 (d) Upon filing of the application for reinstatement, ~~and (i)~~
4 the limited partnership existence shall be deemed to have
5 continued without interruption from the date of dissolution and
6 shall stand revived with such ~~the~~ powers, duties, and
7 obligations, as if it had not been dissolved. ~~and (ii)~~ All
8 ~~all~~ acts and proceedings of its partners, officers, employees,
9 and agents, acting or purporting to act in that capacity, and
10 which ~~that~~ would have been legal and valid but for the
11 dissolution shall stand ratified and confirmed.

12 (e) Without limiting the generality of subsection (d), upon
13 the filing of the application for reinstatement, no limited
14 partner or officer of the partnership shall be personally
15 liable for the debts and liabilities of the limited partnership
16 incurred during the period of administrative dissolution by
17 reason of the fact that the limited partnership was
18 administratively dissolved at the time the debts or liabilities
19 were incurred.

20 (Source: P.A. 97-839, eff. 7-20-12.)