

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL 649

By: Montgomery of the Senate

and

Echols of the House

6
7
8
9 COMMITTEE SUBSTITUTE

10 [limited liability companies - limited partnerships
11 - registered series - effective date]

12
13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

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

16 Section 1006.

17 CERTIFICATE OF INCORPORATION; CONTENTS

18 A. The certificate of incorporation shall set forth:

19 1. The name of the corporation which shall contain one of the
20 words "association", "company", "corporation", "club", "foundation",
21 "fund", "incorporated", "institute", "society", "union",
22 "syndicate", or "limited" or abbreviations thereof, with or without
23 punctuation, or words or abbreviations thereof, with or without
24 punctuation, of like import of foreign countries or jurisdictions;

1 provided that such abbreviations are written in Roman characters or
2 letters, and which shall be such as to distinguish it upon the
3 records in the Office of the Secretary of State from:

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

7 b. names of partnerships whether general or limited, or
8 domestic or foreign, then in good standing or
9 registered or which were in good standing or
10 registered at any time during the preceding three (3)
11 years,

12 c. names of limited liability companies, whether domestic
13 or foreign, then in good standing or registered or
14 which were in good standing or registered at any time
15 during the preceding three (3) years,

16 d. names of registered series of a limited liability
17 company,

18 e. trade names or fictitious names filed with the
19 Secretary of State, or

20 ~~e. corporate, limited liability company or limited~~
21 ~~partnership names~~

22 f. names of corporations, limited liability companies,
23 limited partnerships, or registered series of limited

1 liability companies reserved with the Secretary of
2 State;

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

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

13 4. If the corporation is to be authorized to issue only one
14 class of stock, the total number of shares of stock which the
15 corporation shall have authority to issue and the par value of each
16 of such shares, or a statement that all such shares are to be
17 without par value. If the corporation is to be authorized to issue
18 more than one class of stock, the certificate of incorporation shall
19 set forth the total number of shares of all classes of stock which
20 the corporation shall have authority to issue and the number of
21 shares of each class, and shall specify each class the shares of
22 which are to be without par value and each class the shares of which
23 are to have par value and the par value of the shares of each such
24 class. The provisions of this paragraph shall not apply to

1 corporations which are not organized for profit and which are not to
2 have authority to issue capital stock. In the case of such
3 corporations, the fact that they are not to have authority to issue
4 capital stock shall be stated in the certificate of incorporation.
5 The provisions of this paragraph shall not apply to nonstock
6 corporations. In the case of nonstock corporations, the fact that
7 they are not authorized to issue capital stock shall be stated in
8 the certificate of incorporation. The conditions of membership, or
9 other criteria for identifying members, of nonstock corporations
10 shall likewise be stated in the certificate of incorporation or the
11 bylaws. Nonstock corporations shall have members, but the failure
12 to have members shall not affect otherwise valid corporate acts or
13 work a forfeiture or dissolution of the corporation. Nonstock
14 corporations may provide for classes or groups of members having
15 relative rights, powers and duties, and may make provision for the
16 future creation of additional classes or groups of members having
17 such relative rights, powers and duties as may from time to time be
18 established, including rights, powers and duties senior to existing
19 classes and groups of members. Except as otherwise provided in the
20 Oklahoma General Corporation Act, nonstock corporations may also
21 provide that any member or class or group of members shall have
22 full, limited, or no voting rights or powers, including that any
23 member or class or group of members shall have the right to vote on
24 a specified transaction even if that member or class or group of

1 members does not have the right to vote for the election of members
2 of the governing body of the corporation. Voting by members of a
3 nonstock corporation may be on a per capita, number, financial
4 interest, class, group, or any other basis set forth. The
5 provisions referred to in the three preceding sentences may be set
6 forth in the certificate of incorporation or the bylaws. If neither
7 the certificate of incorporation nor the bylaws of a nonstock
8 corporation state the conditions of membership, or other criteria
9 for identifying members, the members of the corporation shall be
10 deemed to be those entitled to vote for the election of the members
11 of the governing body pursuant to the certificate of incorporation
12 or bylaws of such corporation or otherwise until thereafter
13 otherwise provided by the certificate of incorporation or the
14 bylaws;

15 5. The name and mailing address of the incorporator or
16 incorporators;

17 6. If the powers of the incorporator or incorporators are to
18 terminate upon the filing of the certificate of incorporation, the
19 names and mailing addresses of the persons who are to serve as
20 directors until the first annual meeting of shareholders or until
21 their successors are elected and qualify;

22 7. If the corporation is not for profit:

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

- 1 b. the name and mailing address of each member of the
2 governing body,
3 c. the number of members of the governing body to be
4 elected at the first meeting, and
5 d. in the event the corporation is a church, the street
6 address of the location of the church.

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

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

- 12 a. that the corporation is organized exclusively for
13 charitable, religious, educational, and scientific
14 purposes including, for such purposes, the making of
15 distributions to organizations that qualify as exempt
16 organizations under ~~section~~ Section 501(c)(3) of the
17 Internal Revenue Code, or the corresponding section of
18 any future federal tax code,
19 b. that upon the dissolution of the corporation, its
20 assets shall be distributed for one or more exempt
21 purposes within the meaning of ~~section~~ Section
22 501(c)(3) of the Internal Revenue Code, or the
23 corresponding section of any future federal tax code,
24 for a public purpose, and

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

3 B. In addition to the matters required to be set forth in the
4 certificate of incorporation pursuant to the provisions of
5 subsection A of this section, the certificate of incorporation may
6 also contain any or all of the following matters:

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

17 2. The following provisions, in substantially the following
18 form:

19 a. for a corporation, other than a nonstock corporation:

20 "Whenever a compromise or arrangement is proposed
21 between this corporation and its creditors or any
22 class of them and/or between this corporation and its
23 shareholders or any class of them, any court of
24 equitable jurisdiction within the State of Oklahoma,

1 on the application in a summary way of this
2 corporation or of any creditor or shareholder thereof
3 or on the application of any receiver or receivers
4 appointed for this corporation under the provisions of
5 Section 1106 of this title or on the application of
6 trustees in dissolution or of any receiver or
7 receivers appointed for this corporation under the
8 provisions of Section 1100 of this title, may order a
9 meeting of the creditors or class of creditors, and/or
10 of the shareholders or class of shareholders of this
11 corporation, as the case may be, to be summoned in
12 such manner as the court directs. If a majority in
13 number representing three-fourths (3/4) in value of
14 the creditors or class of creditors, and/or of the
15 shareholders or class of shareholders of this
16 corporation, as the case may be, agree to any
17 compromise or arrangement and to any reorganization of
18 this corporation as a consequence of such compromise
19 or arrangement, the compromise or arrangement and the
20 reorganization, if sanctioned by the court to which
21 the application has been made, shall be binding on all
22 the creditors or class of creditors, and/or on all the
23 shareholders or class of shareholders, of this
24

1 corporation, as the case may be, and also on this
2 corporation", and

3 b. for a nonstock corporation:

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

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

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

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

1 5. A provision limiting the duration of the corporation's
2 existence to a specified date; otherwise, the corporation shall have
3 perpetual existence;

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

10 7. A provision eliminating or limiting the personal liability
11 of a director to the corporation or its shareholders for monetary
12 damages for breach of fiduciary duty as a director, provided that
13 such provision shall not eliminate or limit the liability of a
14 director:

- 15 a. for any breach of the director's duty of loyalty to
16 the corporation or its shareholders,
- 17 b. for acts or omissions not in good faith or which
18 involve intentional misconduct or a knowing violation
19 of law,
- 20 c. under Section 1053 of this title, or
- 21 d. for any transaction from which the director derived an
22 improper personal benefit.

1 No such provision shall eliminate or limit the liability of a
2 director for any act or omission occurring before the date when such
3 provision becomes effective.

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

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

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

22 Section 2001.

23 DEFINITIONS

24

1 As used in the Oklahoma Limited Liability Company Act, unless
2 the context otherwise requires:

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

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

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

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

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

22 6. "Charitable entity" means any nonprofit limited liability
23 company or other entity that is exempt from taxation under Section

1 501(c)(3) of the United States Internal Revenue Code, 26 U.S.C.,
2 Section 501(c)(3), or any successor provisions;

3 7. "Corporation" means a corporation organized under the laws
4 of this state or the laws of any jurisdiction other than this state;

5 ~~7.~~ 8. "Court" includes every court and judge having
6 jurisdiction in the case;

7 ~~8.~~ 9. "Document" means:

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

11 b. an electronic transmission;

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

20 11. "Foreign corporation" means a corporation organized under
21 the laws of any jurisdiction other than this state;

22 ~~9.~~ 12. "Foreign limited liability company" means:

23 a. an unincorporated association,
24

1 b. formed under the laws of any jurisdiction other than
2 this state, and

3 c. formed under a statute pursuant to which an
4 association may be formed that affords to each of its
5 members limited liability with respect to the
6 liabilities of the entity;

7 ~~10.~~ 13. "Foreign limited partnership" means a limited
8 partnership formed under the laws of any jurisdiction other than
9 this state;

10 ~~11.~~ 14. "Jurisdiction", when used to refer to a political
11 entity, means the United States, a state, a tribal government, a
12 foreign country or a political subdivision of a foreign country;

13 ~~12.~~ 15. "Limited liability company" or "domestic limited
14 liability company" means an entity formed under the Oklahoma Limited
15 Liability Company Act and existing under the laws of this state;

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

19 ~~14.~~ 17. "Manager" or "managers" means a person or persons
20 designated by the members of a limited liability company to manage
21 the limited liability company as provided in the articles of
22 organization or an operating agreement and includes a manager of the
23 limited liability company generally and a manager associated with a
24 series of the limited liability company. Unless the context

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

5 ~~15.~~ 18. "Member" means a person with an ownership interest in a
6 limited liability company, with the rights and obligations specified
7 under the Oklahoma Limited Liability Company Act and includes a
8 member of the limited liability company generally and a member
9 associated with a series of the limited liability company. Unless
10 the context otherwise requires, references in this act to a member
11 shall be deemed to be references to a member of the limited
12 liability company generally and to a member associated with a series
13 with respect to such series;

14 ~~16.~~ 19. "Membership interest" or "interest" means a member's
15 rights in the limited liability company, collectively including the
16 member's share of the profits and losses of the limited liability
17 company, the right to receive distributions of the limited liability
18 company's assets and capital interest, any right to vote or
19 participate in management and such other rights accorded to members
20 under the articles of organization, operating agreement or the
21 Oklahoma Limited Liability Company Act;

22 ~~17.~~ 20. "Operating agreement", regardless of whether referred
23 to as an operating agreement and whether oral, in a record, implied
24 or in any combination thereof, means any agreement of the members,

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

5 ~~18.~~ 21. "Person" means an individual, a general partnership, a
6 limited partnership, a limited liability company, a trust, an
7 estate, an association, a corporation or any other legal or
8 commercial entity;

9 ~~19.~~ 22. "Protected series" means a designated series of
10 members, managers, membership interests, or assets that is
11 established in accordance with Section 2054.4 of this title;

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

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

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

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

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

1 1. The name of the limited liability company;

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

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

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

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

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

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

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

4 2. Articles of amendment, registered series, merger,
5 consolidation, conversion, division, or dissolution must be signed
6 by a manager.

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

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

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

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

20 Section 2008. A. The name of each limited liability company as
21 set forth in its articles of organization~~+~~

22 ~~1. Shall~~ shall contain either the words "limited liability
23 company" or "limited company" or the abbreviations "LLC", "LC",
24

1 "L.L.C.", or "L.C." The word "limited" may be abbreviated as "LTD."
2 and the word "Company" may be abbreviated as "CO." ~~and~~

3 ~~2. a. May.~~

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

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

11 ~~(1) names~~

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

18 ~~(2) names;~~

19 2. Names upon the records in the Office of the Secretary of
20 State of corporations organized under the laws of this state or of
21 foreign corporations registered in accordance with the laws of this
22 state then existing or which existed at any time during the
23 preceding three (3) years, ~~or~~

24 ~~(3) names;~~

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

7 ~~(4) trade;~~

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

13 5. Trade names, fictitious names, or other names reserved with
14 the Secretary of State.

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

18 ~~(1) the~~

19 1. The written consent of the other limited liability company,
20 registered series, corporation, limited partnership, or holder of
21 the trade name, fictitious name or other reserved name to use the
22 same or indistinguishable name with the addition of one or more
23 words, numerals, numbers or letters to make that name
24 distinguishable upon the records of the Secretary of State, except

1 that the addition of words, numerals, numbers or letters to make the
2 name distinguishable shall not be required where such written
3 consent states that the consenting entity is about to change its
4 name, cease to do business, withdraw from the state or be wound up;
5 or

6 ~~(2) a~~

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

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

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

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

17 2. A registered agent for service of process on the limited
18 liability company or registered series that may be the domestic
19 limited liability company or registered series itself, an individual
20 resident of this state or a domestic or qualified foreign
21 corporation, limited liability company or general or limited
22 partnership including a limited liability partnership or a limited
23 liability limited partnership. Each registered agent shall maintain
24 a business office identical with the registered office which is open

1 during regular business hours to accept service of process and
2 otherwise perform the functions of a registered agent.

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

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

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

19 C. 1. A registered agent who changes its, his or her name or
20 street address in the state may notify the Office of the Secretary
21 of State of the change by filing with the Office of the Secretary of
22 State a statement of the change signed by the agent or on the
23 agent's behalf.

24 2. The statement shall include:

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

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

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

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

D. 1. A registered agent may resign by filing with the Office of the Secretary of State a copy of the resignation, signed and acknowledged by the registered agent, which contains a statement that notice of the resignation was given to the limited liability

1 company or registered series at least thirty (30) days before the
2 filing of the resignation by mailing or delivering the notice to the
3 limited liability company or registered series at its address last
4 known to the registered agent and specifying the address therein.

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

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

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

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

21 Section 2012. A. If any document filed with the Office of the
22 Secretary of State under ~~this act contains any typographical error,~~
23 ~~error of transcription, or other technical error or has been~~
24 ~~defectively executed~~ Section 2000 et seq. of this title is an

1 inaccurate record of the action referred to or was defectively or
2 erroneously executed, the document may be corrected by the filing of
3 articles of correction.

4 B. Articles of correction shall set forth:

5 1. The title of the document being corrected;

6 2. The date that the document being corrected was filed; and

7 3. The provision in the document as previously filed and as
8 corrected and, if execution of the document was defective, the
9 manner in which it was defective.

10 C. Articles of correction may not make any other change or
11 amendment which would not have complied in all respects with the
12 requirements of ~~this act~~ the Oklahoma Limited Liability Company Act
13 at the time the document being corrected was filed.

14 D. Articles of correction shall be executed in the same manner
15 in which the document being corrected was required to be executed.

16 E. Articles of correction may not:

17 1. Change the effective date of the document being corrected;

18 or

19 2. Affect any right or liability accrued or incurred before its
20 filing, except that any right or liability accrued or incurred by
21 reason of the error or defect being corrected shall be extinguished
22 by the filing if the person having the right has not detrimentally
23 relied on the original document.

24

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

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

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

1 Section 2012.1.

2 CANCELLATION OF ARTICLES OF ORGANIZATION

3 A. The articles of organization or registered series shall be
4 canceled ~~upon~~:

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

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

8 3. Upon the filing of a certificate of merger or consolidation
9 if the domestic limited liability company or registered series is
10 not the surviving or resulting entity in a merger or consolidation,
11 ~~or upon~~;

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

14 5. Upon the filing of articles of division if the limited
15 liability company is a dividing company that is not a surviving
16 company; or

17 6. Upon the future effective date or time of the articles of
18 division if the limited liability company is a dividing company that
19 is not a surviving company.

20 B. The articles of organization of a domestic limited liability
21 company or articles of registered series of a registered series
22 shall be deemed to be canceled if the domestic limited liability
23 company or registered series fails to file the annual certificate
24 and pay the annual fee provided in Section 2055.2 of this title or

1 pay the registered agent fee to the Secretary of State due under
2 Section 2055 of this title within three (3) years from the date the
3 certificate or fee is due, the cancellation to be effective on the
4 third anniversary of the due date.

5 C. A limited liability company whose articles of organization
6 or registered series whose articles of registered series have been
7 canceled under subsection B of this section may apply for
8 reinstatement under subsection ~~G~~ A of Section ~~2055.2~~ 2055.3 of this
9 title.

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

12 Section 2012.2.

13 OPERATING AGREEMENT OF LLC

14 A. The operating agreement of the limited liability company
15 governs generally:

16 1. Relations among the members as members and between the
17 members and the limited liability company;

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

20 3. The activities of the company and the conduct of those
21 activities; and

22 4. The means and conditions for amending the operating
23 agreement.

24

1 If the operating agreement does not otherwise provide, the
2 Oklahoma Limited Liability Company Act governs the matter. The
3 operating agreement may not vary the rights, privileges, duties and
4 obligations imposed specifically under the Oklahoma Limited
5 Liability Company Act.

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

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

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

24

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

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

7 Section 2054.1.

8 CONVERSION OF AN ENTITY TO A LIMITED LIABILITY COMPANY

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

19 B. Any entity may convert to a domestic limited liability
20 company, including a protected or registered series of a limited
21 liability company, by complying with subsection H of this section
22 and filing with the Secretary of State in accordance with ~~Section~~
23 ~~2007 of this title~~ the statutes applicable to the converting entity
24 articles of conversion to a limited liability company that have been

1 executed in accordance with ~~Section 2006 of this title~~ the statutes
2 applicable to the converting entity, to which shall be attached
3 articles of organization that comply with Sections 2005 and 2008 of
4 this title and have been executed by one or more authorized persons
5 in accordance with Section 2006 of this title.

6 C. The articles of conversion to a limited liability company
7 shall state:

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

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

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

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

21 D. Upon the effective date or time of the articles of
22 conversion to limited liability company and the articles of
23 organization, the entity shall be converted to a domestic limited
24 liability company and the limited liability company shall thereafter

1 be subject to all of the provisions of the Oklahoma Limited
2 Liability Company Act, except that notwithstanding Section 2004 of
3 this title, the existence of the limited liability company shall be
4 deemed to have commenced on the date the entity was formed.

5 E. The conversion of any entity into a domestic limited
6 liability company shall not be deemed to affect any obligations or
7 liabilities of the entity incurred before its conversion to a
8 domestic limited liability company or the personal liability of any
9 person incurred before the conversion.

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

1 as if the debts, liabilities and duties had been incurred or
2 contracted by it in its capacity as a domestic limited liability
3 company. The rights, privileges, powers and interests in property
4 of the entity, as well as the debts, liabilities and duties of the
5 entity, shall not be deemed, as a consequence of the conversion, to
6 have been transferred to the domestic limited liability company to
7 which the entity has converted for any purpose of the laws of this
8 state.

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

16 H. Before filing the articles of conversion to a domestic
17 limited liability company with the Office of the Secretary of State,
18 the conversion shall be approved in the manner provided for by the
19 document, instrument, agreement or other writing, as the case may
20 be, governing the internal affairs of the entity and the conduct of
21 its business or by applicable law, as appropriate, and articles of
22 organization shall be approved by the same authorization required to
23 approve the conversion.

24

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

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

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

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

23 Section 2054.2.

24 CONVERSION OF A LIMITED LIABILITY COMPANY TO AN ENTITY

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

15 B. If the operating agreement specifies the manner of
16 authorizing a conversion of the limited liability company, the
17 conversion shall be authorized as specified in the operating
18 agreement.

19 C. If the operating agreement does not specify the manner of
20 authorizing a conversion of the limited liability company and does
21 not prohibit a conversion of the limited liability company, the
22 conversion shall be authorized in the same manner as is specified in
23 the operating agreement for authorizing a merger or consolidation
24

1 that involves the limited liability company as a constituent party
2 to a merger or consolidation.

3 D. If the operating agreement does not specify the manner of
4 authorizing a conversion of the limited liability company or a
5 merger or consolidation that involves the limited liability company
6 as a constituent party and does not prohibit a conversion of the
7 limited liability company, the conversion shall be authorized by the
8 approval of a majority of the membership interest or, if there is
9 more than one class or group of members, then by a majority of the
10 membership interest in each class or group of members.

11 Notwithstanding the foregoing, in addition to any other
12 authorization required by this section, if the entity into which the
13 limited liability company is to convert does not afford all of its
14 interest holders protection against personal liability for the debts
15 of the entity, the conversion must be authorized by any and all
16 members who would be exposed to personal liability.

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

23 F. In a conversion of a domestic limited liability company to
24 an entity under this section, rights or securities of or interests

1 in the domestic limited liability company which are to be converted
2 may be exchanged for or converted into cash, property, rights or
3 securities of or memberships or membership, economic or ownership
4 interests in the entity to which the domestic limited liability
5 company is being converted or, in addition to or in lieu thereof,
6 may be exchanged for or converted into cash, property, rights or
7 securities of or memberships or membership, economic or ownership
8 interests in another entity or may be canceled.

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

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

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

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

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

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

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

15 7. If the domestic entity to which the domestic limited
16 liability company is converting was required to make a filing with
17 the Secretary of State as a condition of its formation, the type and
18 date of such filing.

19 H. Upon the filing of a conversion notice with the Secretary of
20 State, whether under subsection G of this section or under the
21 governing act of the domestic entity to which the limited liability
22 company is converting, the filing of any formation document required
23 by the governing act of the domestic entity to which the limited
24 liability company is converting, and payment to the Secretary of

1 State of all prescribed fees, the Secretary of State shall certify
2 that the limited liability company has filed all documents and paid
3 all required fees, and thereupon the domestic limited liability
4 company shall cease to exist as a limited liability company of this
5 state. The Secretary of State's certificate shall be prima facie
6 evidence of the conversion by the domestic limited liability
7 company.

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

17 J. When a domestic limited liability company has converted to
18 an entity under this section, the entity shall be deemed to be the
19 same entity as the limited liability company. All of the rights,
20 privileges and powers of the domestic limited liability company that
21 has converted, and all property, real, personal and mixed, and all
22 debts due to the limited liability company, as well as all other
23 things and causes of action belonging to the limited liability
24 company, shall remain vested in the entity to which the domestic

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

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

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

24

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

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

19 Section 2054.4.

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

22 A. An operating agreement may establish or provide for the
23 establishment of one or more designated series of members, managers,
24 membership interests or assets. Any such series may have separate

1 rights, powers or duties with respect to specified property or
2 obligations of the limited liability company or profits and losses
3 associated with specified property or obligations, and any such
4 series may have a separate business purpose or investment objective.
5 No provision of subsection B of this section or Section 14 of this
6 act shall be construed to limit the application of the principle of
7 freedom of contract to a series that is not a protected or
8 registered series. Other than under Sections 15, 16, and 17 of this
9 act, a series may not merge, consolidate, or convert under any
10 section of this title or any other statute of this state.

11 B. A series established in accordance with this subsection is a
12 protected series. Notwithstanding anything to the contrary set
13 forth in the Oklahoma Limited Liability Company Act or under other
14 applicable law, if an operating agreement establishes or provides
15 for the establishment of one or more series, and ~~if~~ to the extent
16 the records maintained for any such series account for the assets
17 associated with such series separately from the other assets of the
18 limited liability company, or any other series thereof, and if the
19 operating agreement so provides, and if notice of the limitation on
20 liabilities of a series as referenced in this subsection is set
21 forth in the articles of organization of the limited liability
22 company, then the debts, liabilities, obligations and expenses
23 incurred, contracted for or otherwise existing with respect to a
24 ~~particular~~ such series shall be enforceable against the assets of

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

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

1 managers of such series. The following shall apply to a protected
2 series:

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

13 ~~D. 2.~~ Except as otherwise provided by this act, no member or
14 manager of a protected series shall be obligated personally for any
15 debt, obligation, or liability of such series, whether arising in
16 contract, tort, or otherwise, solely by reason of being a member or
17 acting as manager of such series. Notwithstanding ~~Section 2022 of~~
18 ~~this title~~ paragraph, under an operating agreement or under another
19 agreement, a member or manager may agree to be obligated personally
20 for any or all of the debts, obligations and liabilities of one or
21 more protected series;;

22 ~~E. 3.~~ An operating agreement may provide for classes or groups
23 of members or managers associated with a protected series having
24 such relative rights, powers and duties as the operating agreement

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

16 ~~F.~~ 4. An operating agreement may grant to all or certain
17 identified members or managers or a specified class or group of the
18 members or managers associated with a protected series the right to
19 vote separately or with all or any class or group of the members or
20 managers associated with the series, on any matter. Voting by
21 members or managers associated with a protected series may be on a
22 per capita, number, financial interest, class, group or any other
23 basis~~;~~;

24

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

21 ~~H.~~ 6. Subject to ~~subsections I and L~~ paragraphs 7 and 10 of
22 this ~~section~~ subsection, and unless otherwise provided in an
23 operating agreement, at the time a member ~~associated with a series~~
24 ~~that has been established in accordance with subsection B of this~~

1 ~~section~~ of a protected series becomes entitled to receive a
2 distribution with respect to the series, the member has the status
3 of, and is entitled to all remedies available to, a creditor of the
4 series, with respect to the distribution. An operating agreement
5 may provide for the establishment of a record date with respect to
6 allocations and distributions with respect to a protected series;

7 ~~7.~~ 7. Notwithstanding Section 2040 of this title, a limited
8 liability company may make a distribution with respect to a
9 protected series ~~that has been established in accordance with~~
10 ~~subsection B of this section.~~ A limited liability company shall not
11 make a distribution with respect to a protected series ~~that has been~~
12 ~~established in accordance with subsection B of this section~~ to a
13 member to the extent that at the time of the distribution, after
14 giving effect to the distribution, all liabilities of the series,
15 other than liabilities to members on account of their membership
16 interests with respect to the series and liabilities for which the
17 recourse of creditors is limited to specified property of the
18 series, exceed the fair value of the assets associated with the
19 series, except that the fair value of property of the series that is
20 subject to a liability for which the recourse of creditors is
21 limited shall be included in the assets associated with the series
22 only to the extent that the fair value of that property exceeds that
23 liability. For purposes of the immediately preceding sentence, the
24 term "distribution" shall not include amounts constituting

1 reasonable compensation for present or past services or reasonable
2 payments made in the ordinary course of business pursuant to a bona
3 fide retirement plan or other benefits program. A member who
4 receives a distribution in violation of this ~~subsection~~ paragraph,
5 and who knew or should have known at the time of the distribution
6 that the distribution violated this ~~subsection~~ paragraph, shall be
7 liable to ~~a~~ the protected series for the amount of the distribution.
8 A member who receives a distribution in violation of this ~~subsection~~
9 paragraph, and who did not know and had no reason to know at the
10 time of the distribution that the distribution violated this
11 ~~subsection~~ paragraph, shall not be liable for the amount of the
12 distribution. Subject to subsection C of Section 2040 of this
13 title, which shall apply to any distribution made with respect to a
14 protected series under this ~~subsection~~ paragraph, this ~~subsection~~
15 paragraph shall not affect any obligation or liability of a member
16 under an agreement or other applicable law for the amount of a
17 distribution~~;~~;

18 ~~¶~~ 8. Unless otherwise provided in the operating agreement, a
19 member shall cease to be associated with a protected series and to
20 have the power to exercise any rights or powers of a member with
21 respect to the series upon the assignment of all of the member's
22 capital interest with respect to the series. Except as otherwise
23 provided in an operating agreement, any event under this chapter or
24 an operating agreement that causes a member to cease to be

1 associated with a protected series shall not, in itself, cause the
2 member to cease to be associated with any other series or terminate
3 the continued membership of a member in the limited liability
4 company or cause the termination of the protected series, regardless
5 of whether the member was the last remaining member associated with
6 the series~~;~~;

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

17 ~~1. At~~

18 ~~a.~~ a. at the time specified in the operating agreement~~;~~ ;

19 ~~2. Upon~~

20 ~~b.~~ b. upon the happening of events specified in the
21 operating agreement~~;~~ ;

22 ~~3. Unless~~

23 ~~c.~~ c. unless otherwise provided in the operating agreement,
24 upon the affirmative vote or written consent of the

1 members of the limited liability company associated
2 with the series or, if there is more than one class or
3 group of members associated with the series, then by
4 each class or group of members associated with the
5 series, in either case, by members associated with the
6 series who own more than two-thirds (2/3) of the then-
7 current membership interest owned by all of the
8 members associated with the series or by the members
9 in each class or group of the series, as appropriate,
10 or

11 ~~4. The~~

12 d. the termination of the series under ~~subsection M~~
13 paragraph 11 of this ~~section.~~ subsection;

14 ~~4.~~ 10. Unless otherwise provided in the operating agreement, a
15 manager associated with a protected series who has not wrongfully
16 terminated the series or, if none, the members associated with the
17 series or a person approved by the members associated with the
18 series or, if there is more than one class or group of members
19 associated with the series, then by each class or group of members
20 associated with the series, in either case, by a majority of the
21 membership interest owned by all of the members associated with the
22 series or by the members in each class or group associated with the
23 series, as appropriate, may wind up the affairs of the series; but,
24 ~~if the series has been established in accordance with subsection B~~

1 ~~of this section,~~ the district court, upon cause shown, may wind up
2 the affairs of ~~the~~ a protected series upon application of any member
3 or manager associated with the series, or the member's personal
4 representative or assignee, and in connection therewith, may appoint
5 a liquidating trustee. The persons winding up the affairs of a
6 protected series may, in the name of the limited liability company
7 and for and on behalf of the limited liability company and the
8 series, take all actions with respect to the series as are permitted
9 under subsection A of Section 2039 of this title. The persons
10 winding up the affairs of a protected series shall provide for the
11 claims and obligations of the series and distribute the assets of
12 the series as provided in Section 2040 of this title, which section
13 shall apply to the winding up and distribution of assets of a
14 protected series. Actions taken in accordance with this subsection
15 shall not affect the liability of members and shall not impose
16 liability on a liquidating trustee-;

17 ~~M.~~ 11. On application by or for a member or manager associated
18 with a protected series ~~established in accordance with subsection B~~
19 ~~of this section,~~ the district court may decree termination of the
20 series whenever it is not reasonably practicable to carry on the
21 business of the series in conformity with an operating agreement;
22 and

23 12. For all purposes of the laws of this state, a protected
24 series is an association, regardless of the number of members or

1 managers, if any, of such series. An operating agreement does not
2 need to use the term "protected" when referencing series or to refer
3 to this section.

4 N. C. If a foreign limited liability company that is
5 registering to do business in this state in accordance with Section
6 2043 of this title is governed by an operating agreement that
7 establishes or provides for the establishment of designated series
8 of members, managers, membership interests or assets having separate
9 rights, powers or duties with respect to specified property or
10 obligations of the foreign limited liability company or profits and
11 losses associated with specified property or obligations, that fact
12 shall be so stated on the application for registration as a foreign
13 limited liability company. In addition, the foreign limited
14 liability company shall state on the application whether the debts,
15 liabilities and obligations incurred, contracted for or otherwise
16 existing with respect to a particular series, if any, shall be
17 enforceable against the assets of the series only, and not against
18 the assets of the foreign limited liability company generally or any
19 other series thereof, and whether any of the debts, liabilities,
20 obligations and expenses incurred, contracted for or otherwise
21 existing with respect to the foreign limited liability company
22 generally or any other series thereof shall be enforceable against
23 the assets of the series.

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

4 REGISTERED SERIES OF MEMBERS, MANAGERS, MEMBERSHIP INTERESTS, OR
5 ASSETS

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

18 B. Notice of the limitation on liabilities of a registered
19 series as referenced in subsection C of this section shall be set
20 forth in the articles of organization of the limited liability
21 company. Notice in articles of organization of the limitation on
22 liabilities of a registered series as referenced in subsection C of
23 this section shall be sufficient for all purposes of this subsection
24 whether or not the limited liability company has formed any

1 registered series when the notice is included in the articles of
2 organization, and there shall be no requirement that (i) any
3 specific registered series of the limited liability company be
4 referenced in the notice, (ii) the notice use the term "registered"
5 when referencing series or include a reference to this section, or
6 (iii) the articles of organization be amended if it includes a
7 reference to Section 2054.4 of Title 18 of the Oklahoma Statutes.
8 Any reference to Section 2054.4 of Title 18 of the Oklahoma Statutes
9 in the articles of organization of a limited liability company that
10 has one or more registered series is deemed a reference to this
11 section with respect to the registered series. The fact that
12 articles of organization that contain the foregoing notice of the
13 limitation on liabilities of a series is on file in the Office of
14 the Secretary of State shall constitute notice of the limitation on
15 liabilities of a registered series.

16 C. Notwithstanding anything to the contrary set forth in this
17 act or under other applicable law, to the extent the records
18 maintained for a registered series account for the assets associated
19 with the series separately from the other assets of the limited
20 liability company, or any other series thereof, then the debts,
21 liabilities, obligations, and expenses incurred, contracted for, or
22 otherwise existing with respect to the series shall be enforceable
23 against the assets of the series only, and not against the assets of
24 the limited liability company generally or any other series thereof,

1 and, unless otherwise provided in the operating agreement, none of
2 the debts, liabilities, obligations, and expenses incurred,
3 contracted for, or otherwise existing with respect to the limited
4 liability company generally or any other series thereof shall be
5 enforceable against the assets of the series. Neither the
6 provisions of this subsection nor any provision pursuant thereto in
7 an operating agreement, articles of organization, or articles of
8 registered series shall (i) restrict a registered series or limited
9 liability company on behalf of a registered series from agreeing in
10 the operating agreement or otherwise that any or all of the debts,
11 liabilities, obligations, and expenses incurred, contracted for, or
12 otherwise existing with respect to the limited liability company
13 generally or any other series thereof shall be enforceable against
14 the assets of the registered series; or (ii) restrict a limited
15 liability company from agreeing in the operating agreement or
16 otherwise that any or all of the debts, liabilities, obligations,
17 and expenses incurred, contracted for, or otherwise existing with
18 respect to a registered series shall be enforceable against the
19 assets of the limited liability company generally. Assets
20 associated with a registered series may be held directly or
21 indirectly, including in the name of the series, in the name of the
22 limited liability company, through a nominee, or otherwise. Records
23 maintained for a registered series that reasonably identify its
24 assets, including by specific listing, category, type, quantity,

1 computational or allocational formula or procedure including a
2 percentage or share of any asset or assets, or by any other method
3 where the identity of the assets is objectively determinable, will
4 be deemed to account for the assets associated with the series
5 separately from the other assets of the limited liability company,
6 or any other series thereof. As used in this act, a reference to
7 assets of a registered series includes assets associated with the
8 series, a reference to assets associated with a registered series
9 includes assets of the series, a reference to members or managers of
10 a registered series includes members or managers associated with the
11 series, and a reference to members or managers associated with a
12 registered series includes members or managers of the series. The
13 following shall apply to a registered series:

14 1. A registered series may carry on any lawful business,
15 purpose, or activity, regardless of whether for profit, that a
16 limited liability company may conduct in this state. Unless
17 otherwise provided in an operating agreement, a registered series
18 shall have the power and capacity to, in its own name, contract,
19 hold title to assets, including real, personal, and intangible
20 property, grant liens and security interests, and sue and be sued;

21 2. Except as otherwise provided by this act, no member or
22 manager of a registered series shall be obligated personally for any
23 debt, obligation, or liability of the series, whether arising in
24 contract, tort, or otherwise, solely by reason of being a member or

1 acting as manager of the series. Notwithstanding the preceding
2 sentence, under an operating agreement or under another agreement, a
3 member or manager may agree to be obligated personally for any or
4 all of the debts, obligations, and liabilities of one or more
5 registered series;

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

24

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

9 5. Unless otherwise provided in an operating agreement, the
10 management of a registered series shall be vested in the members
11 associated with the series in proportion to the then current
12 percentage or other interest of members in the profits of the series
13 owned by all of the members associated with the series, the decision
14 of members owning a majority of the percentage or other interest in
15 the profits controlling; provided, however, that if an operating
16 agreement provides for the management of a registered series, in
17 whole or in part, by a manager, the management of the series, to the
18 extent so provided, shall be vested in the manager who shall be
19 chosen in the manner provided in the operating agreement. The
20 manager of a registered series shall also hold the offices and have
21 the responsibilities accorded to the manager as set forth in an
22 operating agreement. A registered series may have more than one
23 manager. Subject to Section 2014 of Title 18 of the Oklahoma
24 Statutes, a manager shall cease to be a manager with respect to a

1 registered series as provided in an operating agreement. Except as
2 otherwise provided in an operating agreement, any event under this
3 act or in an operating agreement that causes a manager to cease to
4 be a manager with respect to a registered series shall not, in
5 itself, cause the manager to cease to be a manager of the limited
6 liability company or with respect to any other series thereof;

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

16 7. Notwithstanding subsection A of Section 2030 of Title 18 of
17 the Oklahoma Statutes, a limited liability company may make a
18 distribution with respect to a registered series. A limited
19 liability company shall not make a distribution with respect to a
20 registered series to a member to the extent that at the time of the
21 distribution, after giving effect to the distribution, all
22 liabilities of the series, other than liabilities to members on
23 account of their membership interests with respect to the series and
24 liabilities for which the recourse of creditors is limited to

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

23 8. Unless otherwise provided in the operating agreement, a
24 member shall cease to be associated with a registered series and to

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

12 9. Subject to Section 2037 of Title 18 of the Oklahoma
13 Statutes, except to the extent otherwise provided in the operating
14 agreement, a registered series may be dissolved and its affairs
15 wound up without causing the dissolution of the limited liability
16 company. The dissolution of a registered series shall not affect
17 the limitation on liabilities of the series provided by this
18 subsection. A registered series is dissolved and its affairs shall
19 be wound up upon the dissolution of the limited liability company
20 under Section 2037 of Title 18 of the Oklahoma Statutes or otherwise
21 upon the first to occur of the following:

- 22 a. at the time specified in the operating agreement,
- 23 b. upon the happening of events specified in the
24 operating agreement,

- 1 c. unless otherwise provided in the operating agreement,
2 upon the vote or consent of members associated with
3 the series who own more than two-thirds of the then-
4 current percentage or other interest in the profits of
5 the series of the limited liability company owned by
6 all of the members associated with the series, or
7 d. the dissolution of the series under paragraph 11 of
8 this subsection;

9 10. Notwithstanding Section 2039 of Title 18 of the Oklahoma
10 Statutes, unless otherwise provided in the operating agreement, a
11 manager associated with a registered series who has not wrongfully
12 dissolved the series or, if none, the members associated with the
13 series or a person approved by the members associated with the
14 series, in either case, by members who own a majority of the then
15 current percentage or other interest in the profits of the series
16 owned by all of the members associated with the series, may wind up
17 the affairs of the series; but the district court, upon cause shown,
18 may wind up the affairs of a registered series upon application of
19 any member or manager associated with the series, or the member's
20 personal representative or assignee, and in connection therewith,
21 may appoint a liquidating trustee. The persons winding up the
22 affairs of a registered series may, in the name of the limited
23 liability company and for and on behalf of the limited liability
24 company and the series, take all actions with respect to the series

1 as are permitted under subsection A of Section 2039 of Title 18 of
2 the Oklahoma Statutes. The persons winding up the affairs of a
3 registered series shall provide for the claims and obligations of
4 the series and distribute the assets of the series as provided in
5 Section 2039 of Title 18 of the Oklahoma Statutes, which section
6 shall apply to the winding up and distribution of assets of a
7 registered series. Actions taken in accordance with this paragraph
8 shall not affect the liability of members and shall not impose
9 liability on a liquidating trustee;

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

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

18 D. To form a registered series of a limited liability company,
19 articles of registered series must be filed in accordance with this
20 subsection.

21 1. The articles of registered series:

22 a. shall set forth:

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

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

1 (3) the street address of its principal place of
2 business, wherever located, and the name and
3 street address of its registered agent which
4 shall be identical to its registered office in
5 this state, and

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

8 2. Articles of registered series shall be executed in
9 accordance with Section 2006 of Title 18 of the Oklahoma Statutes
10 and shall be filed in the Office of the Secretary of State in
11 accordance with Section 2007 of Title 18 of the Oklahoma Statutes.
12 Articles of registered series shall be effective as of the effective
13 time of the filing unless a later effective date or time, which
14 shall be a date or time certain, is provided for in the articles of
15 registered series. The articles of registered series are not an
16 amendment to the articles of organization of the limited liability
17 company. The filing of articles of registered series in the office
18 of the Secretary of State shall make it unnecessary to file any
19 other documents under this act.

20 3. The articles of registered series are amended by filing
21 articles of amendment in the Office of the Secretary of State. The
22 articles of amendment of the articles of registered series shall set
23 forth:

24 a. the name of the limited liability company,

1 b. the name of the registered series, and

2 c. the amendment to the articles of registered series.

3 4. A manager of a registered series or, if there is no manager,
4 then any member of a registered series who becomes aware that any
5 statement in the articles of registered series filed with respect to
6 the registered series was false when made, or that any matter
7 described therein has changed making the articles of registered
8 series false in any material respect, shall promptly amend the
9 articles of registered series.

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

12 6. Unless otherwise provided in this act or unless a later
13 effective date or time, which shall be a date or time certain, is
14 provided for in the articles of amendment of the articles of
15 registered series, the articles of amendment shall be effective at
16 the time of filing with the Secretary of State.

17 7. The articles of registered series shall be canceled upon the
18 cancellation of the articles of organization of the limited
19 liability company named in the articles of registered series, or
20 upon the filing of articles of dissolution of the articles of
21 registered series or upon the future effective date or time of the
22 articles of dissolution of the articles of registered series, or as
23 provided in subsection B of Section 2012.1 of Title 18 of the
24 Oklahoma Statutes, or upon the filing of articles of merger or

1 consolidation of the registered series if the registered series is
2 not the surviving or resulting registered series in a merger or
3 consolidation, or upon the future effective date or time of the
4 articles of merger or consolidation of the registered series if the
5 registered series is not the surviving or resulting registered
6 series in a merger or consolidation, or upon the filing of the
7 articles of conversion of the registered series to a protected
8 series, or upon the future effective date or time of the articles of
9 conversion of the registered series to a protected series. Articles
10 of dissolution of the articles of registered series may be filed at
11 any time, and shall be filed, in the Office of the Secretary of
12 State to accomplish the cancellation of the articles of registered
13 series upon the dissolution of a registered series for which the
14 articles of registered series were filed and completion of the
15 winding up of the registered series. Articles of dissolution of the
16 articles of registered series shall set forth:

- 17 a. the name of the limited liability company,
- 18 b. the name of the registered series,
- 19 c. the date of filing of the articles of registered
20 series,
- 21 d. the future effective date or time, which shall be a
22 date or time certain, of cancellation if it is not to
23 be effective upon the filing of the articles of
24 dissolution, and

1 e. any other information the person filing the articles
2 of dissolution of the articles of registered series
3 determines.

4 8. Articles of dissolution that are filed in the Office of the
5 Secretary of State before the dissolution or the completion of
6 winding up of a registered series may be corrected as an erroneously
7 executed articles of dissolution by filing with the Office of the
8 Secretary of State articles of correction of the articles of
9 dissolution of the articles of registered series in accordance with
10 Section 2012 of Title 18 of the Oklahoma Statutes.

11 9. The Secretary of State shall not issue articles of good
12 standing with respect to a registered series if its articles of
13 registered series are canceled or the limited liability company has
14 ceased to be in good standing.

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

18 CONVERSION OF A PROTECTED SERIES TO A REGISTERED SERIES

19 A. A protected series of a domestic limited liability company
20 may convert to a registered series of the domestic limited liability
21 company by complying with this section and filing in the Office of
22 the Secretary of State in accordance with Section 2007 of Title 18
23 of the Oklahoma Statutes:

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

4 2. Articles of registered series that comply with subsection D
5 of Section 14 of this act and have been executed by one or more
6 authorized persons in accordance with Section 2006 of Title 18 of
7 the Oklahoma Statutes. Each of the articles required by this
8 subsection shall be filed simultaneously in the Office of the
9 Secretary of State and, if the articles are not to become effective
10 upon their filing as permitted by subsection C of Section 2007 of
11 Title 18 of the Oklahoma Statutes, then each of the articles shall
12 provide for the same effective date or time in accordance with
13 subsection C of Section 2007 of Title 18 of the Oklahoma Statutes.
14 Upon the filing of a certificate of conversion of protected series
15 to registered series, or upon the future effective date or time of a
16 certificate of conversion of protected series to registered series,
17 the protected series with respect to which such filing is made is
18 converted to a registered series with the effect provided in this
19 section. An existing series may not become a registered series
20 other than under this section.

21 B. If the operating agreement specifies the manner of
22 authorizing a conversion of a protected series of the limited
23 liability company to a registered series of the limited liability
24 company, the conversion of a protected series to a registered series

1 shall be authorized as specified in the operating agreement. If the
2 operating agreement does not specify the manner of authorizing a
3 conversion of a protected series of the limited liability company to
4 a registered series of the limited liability company and does not
5 prohibit a conversion of a protected series to a registered series,
6 the conversion shall be authorized by members of the protected
7 series who own a majority of the then current percentage or other
8 interest in the profits of the protected series owned by all of the
9 members of the protected series.

10 C. Unless otherwise agreed, the conversion of a protected
11 series of a limited liability company to a registered series of the
12 limited liability company under this section shall not require the
13 limited liability company or the protected series of the limited
14 liability company to wind up its affairs under Section 2039 or
15 Section 2054.4 of Title 18 of the Oklahoma Statutes or pay its
16 liabilities and distribute its assets under Section 2040 or Section
17 2054.4 of Title 18 of the Oklahoma Statutes, and the conversion of a
18 protected series of a limited liability company to a registered
19 series of the limited liability company shall not constitute a
20 dissolution of the limited liability company or a termination of the
21 protected series. When a protected series of a limited liability
22 company has converted to a registered series of the limited
23 liability company under this section, for all purposes of the laws
24 of this state, the registered series is deemed to be the same series

1 as the converting protected series and the conversion shall
2 constitute a continuation of the existence of the protected series
3 in the form of the registered series.

4 D. In connection with a conversion of a protected series of a
5 limited liability company to a registered series of the limited
6 liability company under this section, rights or securities of or
7 interests in the protected series which is to be converted may be
8 exchanged for or converted into cash, property, rights, or
9 securities of, or interests in, the registered series into which the
10 protected series is being converted or, in addition to or in lieu
11 thereof, may be exchanged for or converted into cash, property,
12 rights, or securities of, or interests in, any other business
13 entity, may remain outstanding, or may be canceled.

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

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

24

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

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

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

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

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

13 7. That the conversion has been approved in accordance with
14 this section.

15 F. A copy of the articles of conversion of a protected series
16 to a registered series certified by the Secretary of State shall be
17 prima facie evidence of the conversion by the protected series to a
18 registered series of the limited liability company.

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

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

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

23

24

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

4 CONVERSION OF A REGISTERED SERIES TO A PROTECTED SERIES

5 A. Upon compliance with this section, a registered series of a
6 domestic limited liability company may convert to a protected series
7 of the domestic limited liability company. An existing registered
8 series may not become a protected series other than under this
9 section.

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

23 C. Unless otherwise agreed, the conversion of a registered
24 series of a limited liability company to a protected series of the

1 limited liability company under this section shall not require the
2 limited liability company or the registered series of the limited
3 liability company to wind up its affairs under Section 2039 of Title
4 18 of the Oklahoma Statutes or Section 14 of this act or pay its
5 liabilities and distribute its assets under Section 2040 of Title 18
6 of the Oklahoma Statutes or Section 14 of this act, and the
7 conversion of a registered series of a limited liability company to
8 a protected series of the limited liability company shall not
9 constitute a dissolution of the limited liability company or of the
10 registered series. When a registered series of a limited liability
11 company has converted to a protected series of the limited liability
12 company under this section, for all purposes of the laws of this
13 state, the protected series is deemed to be the same series as the
14 converting registered series and the conversion shall constitute a
15 continuation of the existence of the registered series in the form
16 of the protected series.

17 D. In connection with a conversion of a registered series of a
18 limited liability company to protected series of the limited
19 liability company under this section, rights or securities of or
20 interests in the registered series which is to be converted may be
21 exchanged for or converted into cash, property, rights, or
22 securities of, or interests in, the protected series into which the
23 registered series is being converted or, in addition to or in lieu
24 thereof, may be exchanged for or converted into cash, property,

1 rights, or securities of, or interests in, any other business
2 entity, may remain outstanding or may be canceled.

3 E. If a registered series shall convert to a protected series
4 in accordance with this section, articles of conversion of
5 registered series to protected series executed in accordance with
6 Section 2006 of Title 18 of the Oklahoma Statutes shall be filed in
7 the Office of the Secretary of State in accordance with Section 2007
8 of Title 18 of the Oklahoma Statutes. The articles of conversion of
9 registered series to protected series shall state:

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

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

15 3. The name of the registered series and, if it has been
16 changed, the name under which its articles of registered series were
17 originally filed;

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

20 5. The future effective date or time, which shall be a date or
21 time certain, of the conversion if it is not to be effective upon
22 the filing of the articles of conversion of registered series to
23 protected series; and
24

1 6. That the conversion has been approved in accordance with
2 this section.

3 F. Upon the filing of a certificate of conversion of registered
4 series to protected series, or upon the future effective date or
5 time of a certificate of conversion of registered series to
6 protected series, the registered series filing the certificate is
7 converted to a protected series with the effect provided in this
8 section. A copy of the articles of conversion of registered series
9 to protected series certified by the Secretary of State shall be
10 prima facie evidence of the conversion by the registered series to a
11 protected series of the limited liability company.

12 G. When any conversion shall have become effective under this
13 section, for all purposes of the laws of this state, all of the
14 rights, privileges, and powers of the registered series that has
15 converted, and all property, real, personal, and mixed, and all
16 debts due to the registered series, as well as all other things and
17 causes of action belonging to the registered series, shall remain
18 vested in the protected series to which the registered series has
19 converted and shall be the property of the protected series. The
20 title to any real property vested by deed or otherwise in the
21 registered series shall not revert or be in any way impaired by
22 reason of this act; but all rights of creditors and all liens upon
23 any property of the registered series shall be preserved unimpaired,
24 and all debts, liabilities, and duties of the registered series that

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

12 H. An operating agreement may provide that a registered series
13 of a limited liability company shall not have the power to convert
14 to a protected series of the limited liability company as set forth
15 in this section.

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

19 MERGER AND CONSOLIDATION OF REGISTERED SERIES

20 A. Under an agreement of merger or consolidation, one or more
21 registered series may merge or consolidate with or into one or more
22 other registered series of the same limited liability company with
23 such registered series as the agreement shall provide being the
24 surviving or resulting registered series. Unless otherwise provided

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

20 B. If a registered series is merging or consolidating under
21 this section, the registered series surviving or resulting in or
22 from the merger or consolidation shall file articles of merger or
23 consolidation of registered series executed by one or more
24 authorized persons on behalf of the registered series when it is the

1 surviving or resulting registered series in the Office of the
2 Secretary of State. The articles of merger or consolidation of
3 registered series shall state:

4 1. The name of each registered series which is to merge or
5 consolidate and the name of the limited liability company that
6 formed the registered series;

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

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

11 4. Such amendment, if any, to the articles of registered series
12 of the registered series that is the surviving registered series to
13 change the name of the surviving registered series, as is desired to
14 be effected by the merger;

15 5. The future effective date or time, which shall be a date or
16 time certain, of the merger or consolidation if it is not to be
17 effective upon the filing of the articles of merger or consolidation
18 of registered series;

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

23 7. That a copy of the agreement of merger or consolidation will
24 be furnished by the surviving or resulting registered series, on

1 request and without cost, to any member of any registered series
2 which is to merge or consolidate.

3 C. Unless a future effective date or time is provided in
4 articles of merger or consolidation of registered series, a merger
5 or consolidation under this section shall be effective upon the
6 filing in the Office of the Secretary of State of articles of merger
7 or consolidation of registered series.

8 D. Articles of merger or consolidation of registered series
9 cancel the articles of registered series of the registered series
10 which is not the surviving or resulting registered series in the
11 merger or consolidation. Articles of merger or consolidation of
12 registered series that set forth any amendment in accordance with
13 paragraph 4 of subsection B of this section is deemed to be an
14 amendment to the articles of registered series of the surviving
15 registered series, and no further action shall be required to amend
16 the articles of registered series of the surviving registered series
17 under Section 14 of this act with respect to such amendments set
18 forth in such articles of merger or consolidation. Whenever this
19 section requires the filing of articles of merger or consolidation
20 of registered series, such requirement is deemed satisfied by the
21 filing of an agreement of merger or consolidation containing the
22 information required by this section to be set forth in such
23 articles of merger or consolidation.

24

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

22 F. When any merger or consolidation shall have become effective
23 under this section, for all purposes of the laws of this state, all
24 of the rights, privileges, and powers of each of the registered

1 series that have merged or consolidated, and all property, real,
2 personal, and mixed, and all debts due to any of the registered
3 series, as well as all other things and causes of action belonging
4 to each of the registered series, shall be vested in the surviving
5 or resulting registered series, and shall thereafter be the property
6 of the surviving or resulting registered series as they were of each
7 of the registered series that have merged or consolidated. The
8 title to any real property vested by deed or otherwise, under the
9 laws of this state, in any of the registered series, shall not
10 revert or be in any way impaired by reason of this act; but all
11 rights of creditors and all liens upon any property of any of the
12 registered series shall be preserved unimpaired, and all debts,
13 liabilities, and duties of each of the registered series that have
14 merged or consolidated shall remain attached to the surviving or
15 resulting registered series, and may be enforced against it to the
16 same extent as if the debts, liabilities, and duties had been
17 incurred or contracted by it. Unless otherwise agreed, a merger or
18 consolidation of a registered series of a limited liability company,
19 including a registered series which is not the surviving or
20 resulting registered series in the merger or consolidation, shall
21 not require the registered series to wind up its affairs under
22 Section 14 of this act, or pay its liabilities and distribute its
23 assets under Section 14 of this act, and the merger or consolidation
24 shall not constitute a dissolution of the registered series.

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

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

7 DIVISION OF A LIMITED LIABILITY COMPANY

8 A. As used in this act:

9 1. "Dividing company" means the domestic limited liability
10 company that is effecting a division in the manner provided in this
11 section;

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

15 3. "Division company" means a surviving company, if any, and
16 each resulting company;

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

1 5. "Organizational documents" means the articles of
2 organization and operating agreement of a domestic limited liability
3 company;

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

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

8 B. Under a plan of division, any domestic limited liability
9 company may, in the manner provided in this section, be divided into
10 two or more domestic limited liability companies. The division of a
11 domestic limited liability company in accordance with this section
12 and, if applicable, the resulting cessation of the existence of the
13 dividing company under articles of division shall not be deemed to
14 affect the personal liability of any person incurred before the
15 division with respect to matters arising before the division, nor
16 shall it be deemed to affect the validity or enforceability of any
17 obligations or liabilities of the dividing company incurred before
18 the division; provided, that the obligations and liabilities of the
19 dividing company shall be allocated to and vested in, and valid and
20 enforceable obligations of, the division company or companies to
21 which the obligations and liabilities have been allocated under the
22 plan of division, as provided in subsection H of this section. Each
23 resulting company in a division shall be formed in compliance with
24 the requirements of this act and subsection H of this section.

1 C. If the operating agreement of the dividing company specifies
2 the manner of adopting a plan of division, the plan of division
3 shall be adopted as specified in the operating agreement. If the
4 operating agreement of the dividing company does not specify the
5 manner of adopting a plan of division and does not prohibit a
6 division of the limited liability company, the plan of division
7 shall be adopted in the same manner as is specified in the operating
8 agreement for authorizing a merger or consolidation that involves
9 the limited liability company as a constituent party to the merger
10 or consolidation. If the operating agreement of the dividing
11 company does not specify the manner of adopting a plan of division
12 or authorizing a merger or consolidation that involves the limited
13 liability company as a constituent party and does not prohibit a
14 division of the limited liability company, the adoption of a plan of
15 division shall be authorized by the approval of members who own a
16 majority of the then current percentage or other interest in the
17 profits of the dividing company owned by all of the members.
18 Notwithstanding prior approval, a plan of division may be terminated
19 or amended under a provision for the termination or amendment
20 contained in the plan of division.

21 D. Unless otherwise provided in a plan of division, the
22 division of a domestic limited liability company under this section
23 shall not require the limited liability company to wind up its
24 affairs under Section 2039 of Title 18 of the Oklahoma Statutes or

1 pay its liabilities and distribute its assets under Section 2040 of
2 Title 18 of the Oklahoma Statutes, and the division shall not
3 constitute a dissolution of the limited liability company.

4 E. In connection with a division under this section, rights or
5 securities of, or interests in, the dividing company may be
6 exchanged for or converted into cash, property, rights, or
7 securities of, or interests in, the surviving company or any
8 resulting company or, in addition to or in lieu thereof, may be
9 exchanged for or converted into cash, property, rights, or
10 securities of, or interests in, a domestic limited liability company
11 or any other business entity which is not a division company or may
12 be canceled or remain outstanding, if the dividing company is a
13 surviving company.

14 F. A plan of division adopted in accordance with subsection C
15 of this section:

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

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

20 3. Shall effect the adoption of an operating agreement for each
21 resulting company. Any amendment to an operating agreement or
22 adoption of a new operating agreement for the dividing company, if
23 it is a surviving company in the division, or adoption of an
24 operating agreement for each resulting company made under the

1 foregoing sentence shall be effective at the effective time or date
2 of the division. Any amendment to an operating agreement or
3 adoption of an operating agreement for the dividing company, if it
4 is a surviving company in the division, shall be effective
5 notwithstanding any provision in the operating agreement of the
6 dividing company relating to amendment or adoption of a new
7 operating agreement, other than a provision that by its terms
8 applies to an amendment to the operating agreement or the adoption
9 of a new operating agreement, in either case, in connection with a
10 division, merger, or consolidation.

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

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

15 a. any conversion or exchange of the membership interests
16 of the dividing company into or for membership
17 interests or other securities or obligations of any
18 division company or cash, property, or rights or
19 securities or obligations of or interests in any other
20 business entity or domestic limited liability company
21 which is not a division company, or that the
22 membership interests of the dividing company shall
23 remain outstanding or be canceled, or any combination
24 of the foregoing, and

1 b. the allocation of assets, property, rights, series,
2 debts, liabilities, and duties of the dividing company
3 among the division companies;

4 2. The name of each resulting company and, if the dividing
5 company will survive the division, the name of the surviving
6 company;

7 3. The name and business address of a division contact which
8 shall have custody of a copy of the plan of division. The division
9 contact, or any successor division contact, shall serve for a period
10 of six (6) years following the effective date of the division.
11 During the six-year period the division contact shall provide,
12 without cost, to any creditor of the dividing company, within thirty
13 (30) days following the division contact's receipt of a written
14 request from any creditor of the dividing company, the name and
15 business address of the division company to which the claim of the
16 creditor was allocated under the plan of division; and

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

19 H. If a domestic limited liability company divides under this
20 section, the dividing company shall file articles of division
21 executed by one or more authorized persons on behalf of the dividing
22 company in the Office of the Secretary of State in accordance with
23 Section 2006 of Title 18 of the Oklahoma Statutes and articles of
24 organization that comply with Section 2005 of Title 18 of the

1 Oklahoma Statutes for each resulting company executed by one or more
2 authorized persons in accordance with Section 2006 of Title 18 of
3 the Oklahoma Statutes. The articles of division shall state:

4 1. The name of the dividing company and, if it has been
5 changed, the name under which its articles of organization were
6 originally filed and whether the dividing company is a surviving
7 company;

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

10 3. The name of each division company;

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

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

16 6. That the division has been approved in accordance with this
17 section;

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

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

24

1 9. Any other information the dividing company determines to
2 include therein.

3 I. The articles of division and each of the articles of
4 organization for each resulting company required by subsection H of
5 this section shall be filed simultaneously in the Office of the
6 Secretary of State and, if the articles are not to become effective
7 upon their filing as permitted by subsection C of Section 2007 of
8 Title 18 of the Oklahoma Statutes, then each of the articles shall
9 provide for the same effective date or time in accordance with
10 subsection C of Section 2007 of Title 18 of the Oklahoma Statutes.
11 Concurrently with the effective date or time of a division, the
12 operating agreement of each resulting company shall become
13 effective.

14 J. The articles of division shall act as a cancellation of the
15 articles of organization for a dividing company which is not a
16 surviving company.

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

20 L. Upon the division of a domestic limited liability company
21 becoming effective:

22 1. The dividing company shall be divided into the distinct and
23 independent resulting companies named in the plan of division, and,
24

1 if the dividing company is not a surviving company, the existence of
2 the dividing company shall cease;

3 2. For all purposes of the laws of this state, all of the
4 rights, privileges, and powers, and all the property, real,
5 personal, and mixed, of the dividing company and all debts due on
6 whatever account to it, and all other things and other causes of
7 action belonging to it, shall without further action be allocated to
8 and vested in the applicable division company in the manner and
9 basis and with the effect as is specified in the plan of division,
10 and the title to any real property or interest therein allocated to
11 and vested in any division company shall not revert or be in any way
12 impaired by reason of the division;

13 3. Each division company shall, from and after effectiveness of
14 the articles of division, be liable as a separate and distinct
15 domestic limited liability company for the debts, liabilities, and
16 duties of the dividing company as are allocated to the division
17 company under the plan of division in the manner and on the basis
18 provided in subparagraph b of paragraph 1 of subsection G of this
19 section;

20 4. Each of the debts, liabilities, and duties of the dividing
21 company shall without further action be allocated to and be the
22 debts, liabilities, and duties of the division company as is
23 specified in the plan of division as having the debts, liabilities,
24 and duties allocated to it, in the manner and basis and with the

1 effect as is specified in the plan of division, and no other
2 division company shall be liable therefor, so long as the plan of
3 division does not constitute a fraudulent transfer under applicable
4 law, and all liens upon any property of the dividing company shall
5 be preserved unimpaired, and all debts, liabilities, and duties of
6 the dividing company shall remain attached to the division company
7 to which the debts, liabilities, and duties have been allocated in
8 the plan of division, and may be enforced against the division
9 company to the same extent as if the debts, liabilities, and duties
10 had originally been incurred or contracted by it in its capacity as
11 a domestic limited liability company;

12 5. In the event that any allocation of assets, debts,
13 liabilities, and duties to division companies in accordance with a
14 plan of division is determined by a court of competent jurisdiction
15 to constitute a fraudulent transfer, each division company shall be
16 jointly and severally liable on account of the fraudulent transfer
17 notwithstanding the allocations made in the plan of division;
18 provided, however, the validity and effectiveness of the division
19 are not otherwise affected thereby;

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

23 7. It shall not be necessary for a plan of division to list
24 each individual asset, property, right, series, debt, liability, or

1 duty of the dividing company to be allocated to a division company
2 so long as the assets, property, rights, series, debts, liabilities,
3 or duties so allocated are reasonably identified by any method where
4 the identity of the assets, property, rights, series, debts,
5 liabilities, or duties is objectively determinable;

6 8. The rights, privileges, powers, and interests in property of
7 the dividing company that have been allocated to a division company,
8 as well as the debts, liabilities, and duties of the dividing
9 company that have been allocated to the division company under a
10 plan of division, shall remain vested in the division company and
11 shall not be deemed, as a result of the division, to have been
12 assigned or transferred to the division company for any purpose of
13 the laws of this state; and

14 9. Any action or proceeding pending against a dividing company
15 may be continued against the surviving company as if the division
16 did not occur, but subject to paragraph 4 of subsection L of this
17 section and against any resulting company to which the asset,
18 property, right, series, debt, liability, or duty associated with
19 the action or proceeding was allocated under the plan of division by
20 adding or substituting the resulting company as a party in the
21 action or proceeding.

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

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

5 O. All limited liability companies formed on or after November
6 1, 2023, shall be governed by this section. All limited liability
7 companies formed before November 1, 2023, shall be governed by this
8 section; provided, that if the dividing company is a party to any
9 written contract, indenture, or other agreement entered into before
10 November 1, 2023, that, by its terms, restricts, conditions, or
11 prohibits the consummation of a merger or consolidation by the
12 dividing company with or into another party, or the transfer of
13 assets by the dividing company to another party, then the
14 restriction, condition, or prohibition is deemed to apply to a
15 division as if it were a merger, consolidation, or transfer of
16 assets, as applicable.

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

19 Section 2055. The Secretary of State shall charge and collect
20 the following fees:

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

23

24

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

4 3. For filing articles of correction, amendment, merger or
5 consolidation, registered series, conversion, or division and
6 issuing a certificate of correction, amendment, merger or
7 consolidation or filing articles of, registered series, conversion,
8 or division, a fee of One Hundred Dollars (\$100.00);

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

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

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

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

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

22 9. For filing a change of address for an individual,
23 corporation, limited liability company or limited partnership
24 designated by a limited liability company as its registered agent

1 for service of process, for change of name of registered agent or
2 for the resignation of a registered agent, a fee of Twenty-five
3 Dollars (\$25.00) for the first forty corporations and Five Dollars
4 (\$5.00) for each additional corporation within any bulk filing;

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

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

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

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

18 All fees shall be properly accounted for and shall be paid into
19 the State Treasury monthly. All fees received by the Secretary of
20 State pursuant to the provisions of this section shall be paid to
21 the credit of the Revolving Fund for the Office of the Secretary of
22 State created pursuant to Section 276.1 of Title 62 of the Oklahoma
23 Statutes.

24

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

3 Section 2055.1.

4 FAILURE TO PAY REGISTERED AGENT FEES

5 A domestic or foreign limited liability company or registered
6 series for which the Secretary of State acts as the registered agent
7 that fails to pay the registered agent fee by the due date as
8 provided in paragraph 12 of Section 2055 of this title shall be
9 subject to the provisions of Sections ~~29~~ 2012.1 and ~~39~~ 2055.2 of
10 this ~~act~~ title.

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

13 Section 2055.2.

14 ANNUAL CERTIFICATE FOR DOMESTIC LIMITED LIABILITY COMPANY AND
15 REGISTERED SERIES AND FOREIGN LIMITED LIABILITY COMPANY

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

22 B. The annual certificate shall be due on the anniversary date
23 of filing the articles of organization, articles of registered
24 series, or registration, as the case may be, until cancellation of

1 the articles of organization or articles of registered series or
2 withdrawal of the registration.

3 C. The Secretary of State shall, at least sixty (60) days
4 before the anniversary date of each year, cause a notice of the
5 annual certificate to be sent to each domestic limited liability
6 company and registered series and each foreign limited liability
7 company and registered series required to comply with the provisions
8 of this section to its last known electronic mail address of record
9 with the Secretary of State.

10 D. A domestic limited liability company or registered series or
11 foreign limited liability company or registered series that fails to
12 file the annual certificate and pay the annual certificate fee
13 within sixty (60) days after the date due shall cease to be in good
14 standing as a domestic limited liability company or registered
15 series or registered as a foreign limited liability company or
16 registered series in this state.

17 E. Except for accepting a resignation of a registered agent
18 when a successor registered agent is not being appointed or an
19 application for reinstatement, the Secretary of State shall not
20 accept for filing any certificate or articles, or issue any
21 certificate of good standing, in respect to any domestic limited
22 liability company or registered series that has ceased to be in good
23 standing or foreign limited liability company or registered series
24 that has ceased to be registered, unless or until the domestic

1 limited liability company or registered series has been reinstated
2 ~~as a domestic limited liability company~~ in good standing or the
3 foreign limited liability company or registered series has been
4 reinstated as a foreign limited liability company or registered
5 series duly registered in this state.

6 F. A domestic limited liability company or registered series
7 that has ceased to be in good standing or a foreign limited
8 liability company or registered series that has ceased to be
9 registered in this state may not maintain any action, suit or
10 proceeding in any court of this state until the domestic limited
11 liability company or registered series has been reinstated ~~as a~~
12 ~~domestic limited liability company~~ in good standing or the foreign
13 limited liability company or registered series has been reinstated
14 as a foreign limited liability company or registered series duly
15 registered in this state. An action, suit or proceeding may not be
16 maintained in any court of this state by any successor or assignee
17 of the domestic limited liability company or registered series or
18 foreign limited liability company or registered series on any right,
19 claim or demand arising out of the transaction of business by the
20 domestic limited liability company or registered series after it has
21 ceased to be in good standing or a foreign limited liability company
22 or registered series that has ceased to be registered in this state
23 until the domestic limited liability company or registered series or
24 foreign limited liability company or registered series, or any

1 person that has acquired all or substantially all of its assets, has
2 caused the limited liability company or registered series to be
3 reinstated ~~as a domestic limited liability company~~ in good standing
4 or as a foreign limited liability company or registered series duly
5 registered in this state, as applicable.

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

8 Section 2055.3.

9 REINSTATEMENT OF A LIMITED LIABILITY COMPANY OR REGISTERED SERIES

10 A. A domestic limited liability company or registered series
11 not in good standing for failure to file an annual certificate and
12 pay the annual certificate fees or registered agent fees, including
13 a domestic limited liability company or registered series whose
14 articles of organization or registered series have been canceled
15 under subsection B of Section 2012.1 of ~~Title 18 of the Oklahoma~~
16 ~~Statutes~~ this title, or a foreign limited liability company or
17 registered series whose registration was withdrawn for failure to
18 file an annual certificate and pay the annual certificate fees or
19 registered agent fees may apply to the Secretary of State for
20 reinstatement by:

21 1. Filing all delinquent annual certificates with the Secretary
22 of State and paying all delinquent annual certificate fees or paying
23 all delinquent registered agent fees to the Secretary of State; and
24

1 2. Filing an application for reinstatement with the Secretary
2 of State stating its name at the time it ceased to be in good
3 standing or was withdrawn, the date it ceased to be in good standing
4 or was withdrawn, and its current name, if its name at the time it
5 ceased to be in good standing or was withdrawn is no longer
6 available under Section 2008 or 2045 of ~~Title 18 of the Oklahoma~~
7 ~~Statutes~~ this title.

8 If the Secretary of State determines that the application
9 contains the required information, the information is correct, all
10 delinquent certificates or other filings are submitted, all
11 delinquent fees are paid, and the name satisfies the requirements of
12 Section 2008 or 2045 of ~~Title 18 of the Oklahoma Statutes~~ this
13 title, the Secretary of State shall accept the application for
14 reinstatement and issue a certificate of reinstatement in the manner
15 provided in Section 2007 of ~~Title 18 of the Oklahoma Statutes~~ this
16 title for domestic limited liability companies, Section 14 of this
17 act for domestic registered series, or Section 2044 of ~~Title 18 of~~
18 ~~the Oklahoma Statutes~~ this title for foreign limited liability
19 companies or foreign registered series. If the limited liability
20 company or registered series is required to change its name because
21 its name at the time it ceased to be in good standing or was
22 withdrawn is no longer available, acceptance of the reinstatement
23 shall constitute an amendment to the domestic limited liability
24 company's articles of organization or the domestic registered

1 series' articles of registered series to change its name or the
2 adoption of a fictitious name by the foreign limited liability
3 company or registered series, as applicable. The application for
4 reinstatement may amend the articles of organization of the domestic
5 limited liability company or the articles of registered series of
6 the registered series or the application for registration of the
7 foreign limited liability company or registered series, subject in
8 either case to the payment of the additional fee required in Section
9 2055 of ~~Title 18 of the Oklahoma Statutes~~ this title for amendments;
10 provided, that the application may not extend the term of a limited
11 liability company or registered series that had expired before the
12 application for reinstatement. For purposes of this section, a
13 foreign limited liability company or registered series applying for
14 reinstatement is deemed to have done business continually in the
15 state following the administrative withdrawal.

16 B. When reinstatement under this section has become effective,
17 the reinstatement relates back to and takes effect as if the
18 domestic limited liability company or registered series had never
19 ceased to be in good standing and as if its articles of organization
20 or articles of registered series, as the case may be, had never been
21 canceled, or as if the foreign limited liability ~~company's~~ or
22 registered series registration was never withdrawn.

23 C. The failure of a domestic limited liability company or
24 registered series or foreign limited liability company or registered

1 series to file an annual certificate and pay an annual certificate
2 fee or a registered agent fee to the Secretary of State shall not
3 impair the validity on any contract, deed, mortgage, security
4 interest, lien or act of the domestic limited liability company or
5 registered series or foreign limited liability company or registered
6 series or prevent the domestic limited liability company or
7 registered series or foreign limited liability company or registered
8 series from defending any action, suit or proceeding with any court
9 of this state.

10 D. All real and personal property, and all rights and
11 interests, which belonged to the domestic limited liability company
12 or registered series at the time its articles of organization or
13 articles of registered series, as the case may be, were canceled or
14 which were acquired by the limited liability company or registered
15 series after cancellation, and which were not disposed of before its
16 reinstatement, shall be vested in the limited liability company or
17 registered series after its reinstatement as fully as they were held
18 by the limited liability company or registered series at, and after,
19 as the case may be, the time its articles of organization or
20 articles of registered series were canceled.

21 E. A member or manager of a domestic limited liability company
22 or registered series or foreign limited liability company or
23 registered series is not liable for the debts, obligations or
24 liabilities of the domestic limited liability company or registered

1 series or foreign limited liability company or registered series
2 solely by reason of the failure of the domestic limited liability
3 company or registered series or foreign limited liability company or
4 registered series to file an annual certificate and pay an annual
5 certificate fee or a registered agent fee to the Secretary of State
6 or by reason of the domestic limited liability company or registered
7 series ceasing to be in good standing or its articles of
8 organization or articles of registered series being canceled or the
9 foreign limited liability company or registered series ceasing to be
10 duly registered.

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

14 DOCUMENT FORM, SIGNATURE, AND DELIVERY.

15 A. Except as provided in subsection B of this section, without
16 limiting the manner in which any act or transaction may be
17 documented, or the manner in which a document may be signed or
18 delivered:

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

23 2. Whenever the Oklahoma Limited Liability Company Act or an
24 operating agreement requires or permits a signature, the signature

1 may be a manual, facsimile, conformed, or electronic signature.

2 "Electronic signature" means an electronic symbol or process that is
3 attached to, or logically associated with, a document and executed
4 or adopted by a person with an intent to execute, authenticate, or
5 adopt the document. A person may execute a document with such
6 person's signature;

7 3. Unless otherwise provided in an operating agreement or
8 agreed upon between the sender and recipient, an electronic
9 transmission is delivered to a person for purposes of this title and
10 an operating agreement when it enters an information processing
11 system that the person has designated for the purpose of receiving
12 electronic transmissions of the type delivered, so long as the
13 electronic transmission is in a form capable of being processed by
14 that system and such person is able to retrieve the electronic
15 transmission. Whether a person has so designated an information
16 processing system is determined by the operating agreement or from
17 the context and surrounding circumstances, including the party's
18 conduct. An electronic transmission is delivered under this section
19 even if no person is aware of its receipt. Receipt of an electronic
20 acknowledgement from an information processing system establishes
21 that an electronic transmission was received but, by itself, does
22 not establish that the content sent corresponds to the content
23 received.

24

1 This section shall not prohibit one or more persons from
2 conducting a transaction in accordance with the Uniform Electronic
3 Transactions Act so long as the part or parts of the transaction
4 that are governed by the Oklahoma Limited Liability Company Act or
5 an operating agreement are documented, signed, and delivered in
6 accordance with this subsection or otherwise in accordance with this
7 section. This subsection shall apply solely for purposes of
8 determining whether an act or transaction has been documented, and
9 the document has been signed and delivered, in accordance with the
10 Oklahoma Limited Liability Company Act or an operating agreement.

11 B. Subsection A of this section shall not apply to a document
12 filed with or submitted to the Secretary of State, a county clerk,
13 or a court or other judicial or governmental body of this state.
14 This subsection shall not create any presumption about the lawful
15 means to document a matter addressed by this subsection, or the
16 lawful means to sign or deliver a document addressed by this
17 subsection. A provision of an operating agreement shall not limit
18 the application of subsection A of this section unless the provision
19 expressly restricts one or more of the means of documenting an act
20 or transaction, or of signing or delivering a document, permitted by
21 subsection A of this section.

22 C. If any provision of this section is deemed to modify, limit,
23 or supersede the Electronic Signatures in Global and National
24 Commerce Act, 15 U.S.C. Section 7001 et. seq., the provisions of

1 this section shall control to the fullest extent permitted by
2 Section 7002(a)(2) of such act.

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

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