

SENATE BILL NO. 746 (Substitute of Senate Bill No. 547 by Senator Peacock)

BY SENATOR PEACOCK

1 AN ACT

2 To enact R.S. 12:1308.3, relative to limited liability companies; to provide for the manner
3 of converting the state of organization of domestic and foreign limited liability
4 companies; to provide certain terms, conditions, procedures, requirements, and
5 effects; to provide for the content and requirements for certain certificates; and to
6 provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 12:1308.3 is hereby enacted to read as follows:

9 **§1308.3. Conversion of state of organization**

10 **A. Unless prohibited by the laws of the other state, a domestic limited**
11 **liability company may convert its state of organization from this state to any**
12 **other state, and a foreign limited liability company may convert its state of**
13 **organization from any other state to this state.**

14 **B. Such conversion may be made by a limited liability company only**
15 **pursuant to this Section and only after authorization by a majority of the**
16 **members, or by such larger vote as the articles of organization or an operating**
17 **agreement may require.**

18 **C. The domestic or foreign limited liability company seeking conversion**
19 **shall file with the Louisiana Secretary of State a written request for conversion**
20 **of the state of organization. Such request shall contain all of the following:**

21 **(1) The name of the limited liability company, which shall comply with**
22 **the provisions of R.S. 12:1306.**

23 **(2) The full name and municipal address of either each current manager**
24 **of the limited liability company, if management of the limited liability company**
25 **is vested in one or more managers, or of each of the current members, if**
26 **management of the limited liability company is reserved to the members.**

1 (3) A statement, as appropriate, that the limited liability company is
2 converting its state of organization from another named state to this state and
3 is continuing its existence in and under the laws of this state, or is converting its
4 state of organization from this state to another named state and is continuing
5 its existence in and under the laws of such other named state.

6 (4) A statement that a majority of the members, or such larger vote as
7 the articles of organization or the operating agreement may require, has
8 approved the conversion of the state of organization.

9 (5) The manner and basis of converting the interests of the members of
10 the limited liability company into the interests of the members in the converted
11 limited liability company.

12 (6) A statement that the limited liability company, in changing its state
13 of organization, has complied with the laws and requirements of both the prior
14 and new state of organization.

15 (7) Any other provision, attachment, or exhibit, not inconsistent with
16 law, that the members elect to set forth or include in the certificate of
17 conversion.

18 (8) If the limited liability company is converting its state of organization
19 from another state to this state:

20 (a) the location and municipal street address, if any, of the limited
21 liability company's registered office. An address consisting of a post office box
22 alone is insufficient.

23 (b) the location and municipal street address, if any, of each of the
24 limited liability company's registered agents, together with a notarized affidavit
25 of acknowledgment and acceptance signed by each such agent. An address
26 consisting of a post office box alone is insufficient.

27 D. The request for conversion may be delivered to the secretary of state
28 for filing as of any specified date, and, if specified upon such delivery, as of any
29 given time on such date, within thirty days after the date of delivery.

30 E. If the secretary of state finds that the request for conversion is in

1 compliance with the provisions of this Section, and after all fees have been paid
2 as required by law, the secretary of state shall record in his office the request
3 for conversion and any attachments or exhibits thereto, after endorsing thereon
4 the date and, if requested, the hour of filing. Thereafter, the secretary of state
5 shall either issue to the limited liability company a certificate of conversion,
6 reciting that such limited liability company has complied with the requirements
7 of this state for converting its state of organization, or advise the limited liability
8 company with reasons why it has denied the request for conversion.

9 F. Upon receipt of the certificate of conversion from the secretary of
10 state, and after compliance as applicable with the laws of the other state:

11 (1) A domestic limited liability company converting its state of
12 organization from this state to another state shall be deemed to be organized
13 solely under the laws of such other state and no longer under the laws of this
14 state. The limited liability company shall continue to exist without interruption
15 in its organizational form. All rights, title, interests, obligations, and liabilities
16 of the limited liability company shall continue in the limited liability company
17 without impairment, diminution, or termination. Any proceeding pending by
18 or against the limited liability company or its members or managers, in their
19 capacities as such, may be continued by or against the limited liability company
20 without the need for substituting a new party to such proceeding as a result of
21 any conversion of the state of organization as authorized in this Section. The
22 limited liability company shall be deemed to have appointed the secretary of
23 state in this state as its agent for service of process in any proceeding to enforce
24 any liability or obligation against the limited liability company arising or
25 existing prior to the effective time of the conversion of the state of organization.

26 (2) A foreign limited liability company converting its state of
27 organization from another state to this state shall be deemed to be organized
28 solely under the laws of this state and no longer under the laws of such other
29 state. The limited liability company shall continue to exist without interruption
30 in its organizational form. All rights, title, interests, obligations, and liabilities

1 of the limited liability company shall continue in the limited liability company
 2 without impairment, diminution, or termination. Any proceeding pending by
 3 or against the limited liability company or its members or managers, in their
 4 capacities as such, may be continued by or against the limited liability company
 5 without the need for substituting a new party to such proceeding as a result of
 6 a change of the state of organization authorized under this Section. The
 7 certificate of conversion issued by the Louisiana Secretary of State shall be
 8 conclusive evidence of the fact that the limited liability company has been duly
 9 organized under the laws of this state, except that in any proceeding brought by
 10 the state to annul, forfeit, or vacate a company's franchise, the certificate of
 11 conversion shall be only prima facie evidence of due organization.

12 G. In addition to the other requirements of this Section, a domestic
 13 limited liability company converting its state of organization from this state to
 14 another state shall also file with the Louisiana Secretary of State a certified copy
 15 of the certificate of organization or other official certificate obtained by it from
 16 the other state evidencing the company's organization under the laws of such
 17 state. Such certified copy shall be filed with the Louisiana Secretary of State
 18 not later than thirty days after issuance of the official certificate evidencing the
 19 company's organization under the laws of the other state.

20 Section 2. The provisions of this Act shall become effective on January 1, 2013.

 PRESIDENT OF THE SENATE

 SPEAKER OF THE HOUSE OF REPRESENTATIVES

 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____