

Existing VT §	New VT §	VT Act Title	Uniform Act §	Uniform Act Title	Comments - Last Revised 2/10/15
Subchapter 1: General Provisions			Article 1 - General Provisions		
§ 3001	§3001	Definitions	§102	Definitions	<p>Changes to the definitional provisions include:</p> <p>(1) Deletion of the definitions of “At-will limited liability company” and “Term limited liability company” because the distinction between term and at-will LLCs has been eliminated cor with the Uniform Act change to make all LLCs of perpetual duration, unless otherwise provided in the company’s operating agreement. This is consistent with the corporations act.</p> <p>(2) The term “Designated Office” has been added. See the comment to section 3007 regarding this point.</p> <p>(3) Definitions of "Manager," "Manager-managed limited liability company," "Member-managed limited liability company," and "Person" have been deleted by legislative council.</p> <p>(4) The substantive provisions relating to the creation of L3Cs has been moved to a new Subchapter 11. Under existing law, L3Cs are created only by reference to the definitional secti LLC Act. We have moved the L3C definition to sections 3162 & 3163, and added enabling language in section 3161. The L3C provision is substantively unchanged from existing law.</p> <p>(5) Adding a definition of “delivery” that includes methods of electronic transmission prescribed by the secretary of state.</p> <p>(6) Modification of several definitions to adopt clarifying language found in the Uniform Act.</p>
§ 3002	§3002	Knowledge and notice	§103	Knowledge; Notice	<p>Subsections (a), (b), (c) and (d) conform to the Uniform Act, and set forth rules that should add predictability to knowledge and notice questions. Subsection (f) is from section 103(e) Revised Prototype Act. It clarifies that a member’s knowledge, notice or receipt of a notification of a fact in that member’s sole capacity as a member is not imputed to the limited liab company. If the member is an agent of the company, i.e. an officer or other agent, then the notice may be imputed to the limited liability company via the law of agency.</p>
§ 3003	§3003	Effect of operating agreement; nonwaivable provisions	§110	Operating Agreement; Scope, Function, and Limitations	<p>These revisions are from sections 110, 111 and 112 of the Uniform Act. As set forth in the commentary of the Uniform Act, an LLC is as much a creature of contract as of statute. An c agreement is the means by which members modify or enhance this Act’s default features. Subsection (a) which is unchanged provides that unless otherwise provided for in the Operz Agreement, the Act governs. The Committee replaced Subsection (b) with language from the Uniform Act and added sections (c) through (o) from the Uniform Act.</p> <p>Section 110(b) enumerates the provisions of the Act that cannot be waived or restricted by the Operating Agreement. The Act currently provides that the operating agreement cannot restrict:</p> <p>(1) a member’s right to books and records;</p> <p>(2) the duty of loyalty with some exceptions;</p> <p>(3) the duty of care;</p> <p>(4) the duty of good faith and fair dealing;</p> <p>(5) the power of a member to withdraw;</p> <p>(6) the right to expel a member;</p> <p>(7) the requirement to wind up the LLC’s business in certain circumstances;</p> <p>(8) the rights of third parties.</p> <p>This revision of the LLC Act proposes the following, to be consistent with the Uniform Act:</p> <p>(b)(1) – Added. Prohibits varying the right to sue and be sued;</p> <p>(b)(2) – Added. Prohibits varying the service of process;</p> <p>(b)(3) – Added. Prohibits varying the filing of documents by judicial act;</p> <p>(b)(4) – Carried over from existing Section 3003(b)(2) and (3) (duty of loyalty and duty of care);</p> <p>(b)(5) – Carried over from existing Section 3003(b)(4) (duty of good faith and fair dealing);</p> <p>(b)(6) - Carried over from existing Section 3003(b)(1) (books and records);</p> <p>(b)(7) – Added. Prohibits varying the power of a court to decree dissolution;</p> <p>(b)(8) – Carried over from existing Section 3003(b)(7);</p> <p>(b)(9) – Added. Prohibits varying unreasonably restrict the right of member to bring a direct action under Subchapter 9;</p> <p>(b)(10) - Added. Prohibits restricting the right to approve a merger, conversion of domestication to a member that will have personal liability with respect to the surviving organization;</p> <p>(b)(11) – Carried over from existing section (b)(8) (prohibits retraction of rights of third parties).</p> <p>Unchanged.</p>
§ 3004	§3004	Supplemental principles of law	§107	Supplemental Principles of Law	Unchanged.

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§ 3005	§3005	Name	§108	Name	This section currently provides that an LLCs name may not be "deceptively similar" to another registered name. This standard has forced the SOS office to make subjective determinations regarding name conflicts. The Uniform Act contains the "distinguishable on the record" standard, which is favored by the Vermont Secretary of State's office on the ground that it removes the office from being the arbiter of what is deceptively similar. The other changes to this section are adapted from Section 108 of the Uniform Act.
§ 3006	§3006	Reserved name	§109	Reservation of Name	This is adapted from Section 109 of the ABA Prototype Act
§ 3007	Deleted	Registered name	§109	Reservation of Name	Deleted at the request of the SOS's office. This provision created a means by which foreign corporations could reserve names indefinitely, and under a procedure that was duplicative of Section 3008.
§ 3008	§3007	Designated office and agent	§113	Office and Agent for Service of Process	This section was formerly section 3008. While a registered agent with a physical office in the State of Vermont is necessary for service of process and notifications from the secretary of state, a separate office in Vermont is no longer necessary or practical. The Committee agreed to keep the concept of both a registered agent and a designated office to ensure that the Vermont secretary of state has a means of contacting the company if the registered agent resigns.
§ 3009	§3008	Change of designated office or agent for service of process	§114	Change of Designated Office or Agent for Service of Process	This section was formerly section 3009. It is unchanged.
§ 3010	§3009	Resignation of agent for service of process	§115	Resignation of Agent for Service of Process	This section was formerly section 3010. This section has been revised to conform to section 115 of the Uniform Act. These changes are supported by the secretary of state's office.
§ 3011	§3010	Service of process	§116	Service of Process	This section was formerly section 3011. It is unchanged.
§ 3012	§3011	Nature of business and powers	§104 , §105 , §106	Nature, Purpose and Duration of LLC; Powers; Governing law	This section was formerly section 3012. This section has been revised to incorporate clarifying changes from section 104 of the Uniform Act. Subsection (a) of this provision is rewritten on section 104 of the Uniform Act and includes a statement that an LLC as a "perpetual" duration. The change to Subsection (b) clarifies that an LLC need not have a business purpose to be charitable. The limitations in Subsection (c) (credit unions, railroads, insurance) may not be necessary and needs more research. The Committee decided to remove the enumerated purposes in subsection (d) of this section and leave those to the parties in their operating agreement. Subsections (e) and (f) were added to this section to clarify which law governs at the state level. Subsection (f) provides that VT law govern internal affairs and liability of a member as a member and liability of a manager as a manager for debt, obligations and other liabilities of an LLC. Following the Uniform Act, we have deleted the lengthy list of activities an LLC has the power to do. We have also added Governing Law to this section.
§ 3013	§3012	Fees		n/a	This section was formerly section 3013. There is a corresponding provision in the Uniform Act. The fee schedule has not been changed.
		Subchapter 2: Organization	Article 2- Formation; Certificate of Organization and Other Filings		
§ 3021	Deleted	Limited liability company as legal entity			Deleted - This section has said that an LLC is an entity distinct from its members. That sentence now appears in Section 3012(a).
§ 3022	§3022	Organization	§201	Formation of Limited Liability Company; Certificate of Organization	Unchanged.
§ 3023	§3023	Articles of organization	§201	Formation of Limited Liability Company; Certificate of Organization	Several significant changes were made to this section (1) It is no longer necessary to state whether an LLC is member-managed or manager-managed, since all LLCs are member-managed or manager-managed in the operating agreement; (2) there is no need to state whether the company is a Term LLC or an At-Will LLC, because that distinction has been eliminated; (3) there is no reason to state whether members are liable for the company's debts. Neither the Uniform Act or the Prototype require anything other than name, designated office in the operating agreement, registered agent info and tax law has changed such that these requirements are no longer necessary.

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§ 3024	§3024	Amendment or restatement of articles of organization	§202	Amendment or Restatement of Certificate of Organization	This is unchanged other than conforming changes relating to items (1), (2) and (3) of the prior comment.
§ 3025	§3025	Signing of documents	§203	Signing of Records to be Delivered for Filing to Secretary of State	This section has been updated to reflect improved language in Uniform Act sections 203 and 207, which allow agents to execute on behalf of a company and does not limit signature a members or managers.
§ 3026	§3026	Filing in office of secretary of state	§205	Delivery to and Filing of Records by Secretary of State; Effective Time and Date	We have not make any changes to this Section, but we should get in input of the Secretary of State's office regarding the adoption of section 205 of Uniform Act.
§ 3027	§3027	Correcting filed document	§206	Correcting Filed Record	Subsection (c) has been revised to conform to Section 206(c) of the Uniform Act.
§ 3028	§3028	Certificate of existence or authorization	§208	Certificate of Existence or Authorization	After consulting with the office of the secretary of state, we have retained the document names "certificate of existence" or "certificate of authorization," which are the terms used in Uniform Act. This section is unchanged, other than revisions relating to elimination of at-will and term LLCs.
§ 3029	§3029	Liability for false statement in filed document	§207	Liability for Inaccurate Information in Filed Record	There is a minor change to this section in order to conform to Section 207 of the Uniform Act to account for falsely filed documents.
§ 3030	§3030	Filing by judicial act			Unchanged. No corresponding provision appears in the Uniform Act.
§ 3031	§3031	Limited liability company property			Unchanged. No corresponding provision appears in the Uniform Act.
§ 3032	§3032	When property is limited liability company property			Unchanged. No corresponding provision appears in the Uniform Act.
3033	§3033	Annual Report for Secretary of State	§209	Annual Report for Secretary of State	This is former VT §3161. The annual report filing will no longer require a listing of managers, since identification of members and managers is no longer required in the Articles of Org;
3034	§3034	Involuntary Termination	§705,706	Administrative Dissolution	This section was formerly § 3162. There are four notable changes to this section, each of which was made with the involvement of the secretary of state's office: (1) The statute now upon failure to file an annual report, the "articles of organization are terminated," rather than that the company is terminated. (2) The requirement that the secretary of state provide terminated LLCs has been removed. Notice will be available by virtue of a change of status of the Secretary of State website. (3) As a point of clarification, language has been added t of subsection (c) stating that after 5 years, an LLC must be reinstated under another name if its former name is no longer available. (4) While implicit under existing law, we have adde express statements in subsection (d) stating that termination of articles of organization or termination of a certificate of authority does not (A) alter the limited liability status of memt managers of the limited liability company or foreign limited liability company, and (B) impair the validity of acts taken between the time of involuntary termination and the date of reinstatement.

Subchapter 3: Relations Of Members And Managers To Persons Dealing With Limited Liability Company

Existing VT §	New VT §	VT Act Title	Uniform Act §	Uniform Act Title	Comments - Last Revised 2/10/15
§ 3041	§3041	Agency of members and managers	§301	No Agency Power of Member as Member	We followed Section 301 of the Uniform Act, which provides that the general law of agency is to be applied to determine whether authority exists in a given person and/or situation. We change from the existing Vermont statute, which grants "statutory apparent authority" to certain members and managers. Vermont, like most of the first generation LLC statutes, including original ULLCA, provide for "statutory apparent authority," meaning that members in a member-managed limited liability company and managers in a manager-managed limited liability company have authority to sign and otherwise act to bind the limited liability company. Since under RULLCA, and our revision of the LLC Act, it will not be apparent from either the name of the limited liability company or from publicly available documents kept at the SOS's office whether an LLC is member-managed or manager-managed, and because flexibility of management structure is a hallmark of the limited liability company and this would be set forth in an operating agreement (which is not a public document), the statutory apparent authority rule does not make sense in the LLC context.
§ 3042	Deleted	Limited liability company liable for member's or manager's			Deleted, but the substance of old Section 3042 is contained in new 3042, which is derived from Uniform Act section 304.
§ 3043 - RENUMBERED 3042	§3042	Liability of members and managers	§304	Liability of Members and Managers	This section follows Section 304 of the Uniform Act, which provides that the liability of a member or manager arises only from the conduct of that person. Section 3042(b) applies the doctrine of "piercing the veil." This doctrine is not specifically included under the current Vermont limited liability company statutes. Subsection (b) is added because another hallmark (a significant distinction from corporations) is that limited liability statutes do not constantly mandate formalities, which in "piercing the veil" case law is a factor in imposing liability on owners. General Comment on Subchapter 4: Relations of Members To Each Other And To Limited Liability Company The Committee decided not to include Section 302 (Statement of Authority) or Section 303 (Statement of Denial) of the Uniform Act. Section 302 provides for the filing with the Secretary of State of a statement declaring the authority of persons or offices of a limited liability company. Section 303 permits a person named in a statement of authority to deliver to the Secretary of State a statement denying the grant of authority. The Committee did not believe that these sections were valuable and were more likely to create confusion.
Subchapter 4: Relations Of Members To Each Other And To Limited Liability Company					
Old Section	New Section				
	§ 3051	Becoming a member	§401	Becoming Member	Section 3051 is new. This section was added in the Uniform Act to clarify the timing and requirements of a person becoming a member of an LLC at the time of formation and thereafter. A new subsection (e) is also taken from the Uniform Act. It is added to allow persons to become members of an LLC without making a capital contribution or obtaining a distributional interest. This is consistent with the general concept that an LLC need not have a business purpose and to allow for the addition of members that do not have an economic interest in the LLC.
§ 3051	§ 3052	Form of contribution	§402	Form of Contribution	The language of this section has been updated to conform to the Uniform Act, but the changes are not substantive. The Uniform Act contains a new defined term for "contribution," but we did not add because this section adequately defines what constitutes a contribution.
§ 3052	§ 3053	Member's liability for contributions	§403	Liability for Contributions	The language of this section has been updated to conform to the Uniform Act, but the changes are not substantive.
§ 3053	Deleted	Member's and manager's rights to payments and reimbursement			Deleted - This contents of this section has been moved to Section 3060 to conform with the format of the Uniform Act.
§ 3054	§ 3054	Management of limited liability company	§407	Management of Limited Liability Company	Subsection (a) states that an LLC is member-managed unless the operating agreement provide otherwise. Subsections (b) and (c) have been revised slightly to add improved language from the Uniform Act, but have not been changed substantively. One noteworthy change in these sections is the replacement of "business" with "activities" to reflect that LLC may be operated for a business purpose. Subsection (d) lists actions that require unanimous consent of the members, and is substantively unchanged from the existing VT act. We departed from the Uniform Act by leaving unchanged the applicability of subsection (d) to member-managed LLCs; the Uniform Act makes this list applicable only to manager-managed LLCs. Subsection (e) is unchanged from the current rule, and subsection (f) reflects a change from the current rule, which requires unanimous consent of any action taken by written consent of members; we have provided that a consent of members may be taken by members having not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting. Subsection (g) reflects the current rule that written consent of managers must be unanimous. It should be remembered that, subject only to the non-waivable provisions in Section 3003, all of these provisions may be modified in an LLC's operating agreement.

Existing VT §	New VT §	VT Act Title	Uniform Act §	Uniform Act Title	Comments - Last Revised 2/10/15
§ 3055	§ 3055	Sharing of profits and losses and right to distributions	§404	Sharing of and Right to Distributions Before Dissolution	Subsections (a), (b), (d) and (e) are basically unchanged from the existing act. Section 404 of the Uniform Act introduces a change, providing that distributions made by an LLC prior to dissolution or winding up shall be made in "equal shares." The Committee decided to retain the existing language, which provides for distributions to be made "in proportion to the a value." Subsection (c) is added from the Uniform Act to clarify that pre-dissolution distributions are at the discretion of the company, and that dissociation does not entitle a person to distributions.
§ 3056	§ 3056	Limitations on distributions	§405	Limitations on Distribution	Unchanged.
§ 3057	§ 3057	Liability for unlawful distributions	§406	Liability for Improper Distributions	Unchanged.
§ 3058	§ 3058	Member's right to information	§410	Right of Members, Managers and Dissociated Members to Information	Subsection (a) of this section is a revision of subsection (a) of the existing LLC Act, except that (1) a distinction has been made in subsections (1) and (2) between current members and members, and (2) the list of specific types of information required to be furnished has been replaced with a more general statement, and (3) this subsection (a) applies only to member-managed LLCs. Subsection (b)(1) of this section states that the rule set forth in subsection (a)(1) applies to managers of manager-managed LLCs, but not to members. Subsection (b)(3) provides for inspection rights of members of manager-managed LLCs similar to inspection rights of shareholders of a Vermont corporation under section 16.02. Subsection (b)(3) retains the power in the existing LLC Act to a manager to withhold information from members information in the nature of trade secrets or that the manager otherwise believes in good faith should not be disclosed. Subsections (c), (d), (e) and (i) are unchanged. Subsections (f), (g) and (h) are adapted from the Uniform Act.
§ 3059	§ 3059	General standards of member's and manager's conduct	§409	Standards of Conduct for Members and Managers	The primary fiduciary duties of a member in a member-managed LLC are stated in subsections (a), (b), (c) and (d). These are unchanged from existing law, except that we have followed the Uniform Act in defining the duty of care to be based on a gross negligence standard rather than a negligence standard. Under the existing LLC Act, the duty of care is defined in terms of the or prudent person in the same position acting in the best interests of the LLC. The Uniform Act instead defines the duty of care based on a gross negligence standard. The language in the proposed act is the same as the duty of care standard contained in the Vermont partnership act. The fiduciary duties that apply to manager-managed LLCs has been revised to be consistent with the Uniform Act, which is an improvement from existing law because it recognizes that, (A) even in a manager-managed LLC, members owe one another the duty of good faith and fair dealing (that is not in existing VT law), and (B) subsection (e) (ratification of acts that would otherwise violate a fiduciary duty) should apply to members and not managers (i.e., managers should be able to ratify actions that constitute a breach of duty of other managers). Subsections (i)(6) and (7) are unchanged from existing law, and retained even though they do not appear in the Uniform Act. Subsections (j) through (m) are also unchanged from existing law, except to replace references to "member-manager" with "manager" (but note that new subsection (l) has been moved from its existing location in subsection (b) because it does not state a duty so it is more properly located at the end of this section).
	§ 3060	Reimbursement, Indemnification and Insurance.			We have moved the subject matter of this section from existing section 3053 (payments and reimbursement) to this section 3060. The rule is substantively unchanged. Subsections (i) through (e) of this section are the same as old subsections 3053(b), (c) and (d). The only difference is the addition of subsection (b) regarding an LLC's ability to purchase and maintain insurance.
§ 3060	Deleted	Actions by members	§901		Deleted, and replaced with Uniform Act provision on indemnification and insurance (RULLCA section 408/409). Former 3060(a) is covered in Section 3131. Former 3060(b) is covered in Section 3131(c).
§ 3061	Deleted	Continuation of term LLC beyond expiration of stated duration			Deleted. This section is no longer needed because it relates to At-Will and Term LLCs.
§ 3062	§ 3060	Authority to indemnify	§408	Indemnification and Insurance	Deleted. The right to indemnify is now covered in section 3060.
		Sub-Chapter 5: Transferees	Article 5 - Transferable Interests and Rights of Transferees and Creditors		
§ 3071	§3071	Member's distributional interest	§501	Nature of Transferable Interest	We deleted old subsection (a), which stated that a member was not a co-owner of LLC property and had no distributional interest in property of the LLC, as unnecessary. The remainder of the section is substantively unchanged.
§ 3072	§3072	Transfer of distributional interest	§502	Transfer of Transferable Interest	This section has been revised to conform to Uniform Act section 502. It spells out the basic rules that apply to transfers, and contains revised working that states the rules more clearly than the existing Vermont provision. Uniform Act section 502 contains rules that appear in sections 3072 and 3073 of the Vermont Act.

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§ 3073	§3073	Rights of transferee			Subsection (a) has been revised to delete prior language that allowed a transferee to become a member if the transfer was done in accordance with an operating agreement allowing transferee to become a member. This, and other changes in this section, more narrowly circumscribe the rights of transferees consistent with the Uniform Act and adherence to the “partner” rule, which is a fundamental characteristic of LLCs.
§ 3074	§3074	Charging order	§503	Charging Order	We have adopted the Uniform Laws approach to charging orders. Under this section, the judgment creditor of a member or transferee is entitled to a charging order against the relevant distributional interest. While in effect, that order entitles the judgment creditor to whatever distributions would otherwise be due to the member or transferee whose interest is subject to the order. However, the judgment creditor has no say in the timing or amount of those distributions. The charging order does not entitle the judgment creditor to accelerate any distributions or otherwise interfere with the management and activities of the limited liability company. We have added a new subsection 3074(f), which applies to foreclosure of a charging order in the case of an LLC that has only one member. In that case, certain protections of this section are no longer necessary to protect the other members of the LLC (because there are no other members). The amended provision allows a judgment creditor with a charging order for which a court approves foreclosure to take the whole membership interest.
§ 3075	§3075	Power of estate of deceased or incompetent member	§504	Power of Personal Representative of Deceased Member	The Uniform Act addresses death of a member, but not incompetency. We have adopted the approach of the Uniform Act, which gives the legal representative of a deceased member the rights of a transferee and some very limited additional information rights as needed to settle the estate.
		Subchapter 6: Member's Dissociation		Article 5 - Member's Dissociation	
§ 3081	§3081	Events causing member's dissociation	§602	Events causing Dissociation	This section has been edited to include improved language contained in the Uniform Act, but has not been substantively changed.
§ 3082	§3082	Member's power to dissociate; wrongful dissociation	§601	Member's Power to Dissociate; Wrongful Dissociation	This section contains revisions consistent with the Uniform Act, but has not been materially changed.
§ 3083	§3083	Effect of member's dissociation	§603	Effect of Person's Dissociation as Member	This section has been significantly changed to eliminate the obligation of an LLC to repurchase the interest of a dissociated member. Under the new rule, when a person is dissociated member of a limited liability company, (a) the person's right to participate as a member in the management and conduct of the company's activities terminates, (b) if the company is not managed, the person's fiduciary duties as a member end with regard to matters arising and events occurring after the person's dissociation, and (c) subject to section 3075 (relating to powers of representatives of deceased or incompetent members), any distributional interest owned by the person immediately before dissociation in the person's capacity as a member is owned by the person solely as a transferee.
		Sub-Chapter 7: Member's Dissociation When Business Not Wound Up	Deleted		The requirement that the distributional interest of a dissociated member must be purchased by the LLC has been deleted.
§ 3091	Deleted	Exercise of purchase right	n/a		Deleted
§ 3092	Deleted	Court action to determine fair value of distributional interest	n/a		Deleted
§ 3093	Deleted	Dissociated member's power to bind limited liability company	n/a		Deleted

Existing VT §	New VT §	VT Act Title	Uniform Act §	Uniform Act Title	Comments - Last Revised 2/10/15
§ 3094	Deleted	Statement of dissociation	n/a		Deleted
		Subchapter 7: Winding Up Company Business		Article 7 - Dissolution and Winding Up	
		Renumbered from 8 to 7			
§ 3101	§3101	Events causing dissolution and winding up of company business	§701	Events causing Dissolution	The existing Vermont provision addresses dissolution due to the dissociation of a member (which is eliminated in our revision). It also addresses winding up upon the expiration of the term LLCs. We have rewritten this section to be consistent with the Uniform Act provision, while retaining the reasons for winding up not related to the two points noted above.
§ 3102	§3102	Limited liability company continues after dissolution		No similar provision.	This provision has been modified only slightly to deal with language in the prior section that related to dissolution due to the dissociation of a member.
§ 3103	§3103	Right to wind up limited liability company's business	§702	Winding Up	Subsection (a) of the Uniform Act is covered in our §3102. The balance of section 702 of the Uniform Act is adopted in this section §3103. This provision spells out the basic rules gov winding up of an LLC.
§ 3104	§3104	Member's or manager's power and liability as agent after dissolution		No similar provision.	There is no similar provision in the Uniform Act, but subsection (a) remains relevant. Subsection (b) subjects a member or manager of an LLC to personal liability for acts that are not ap in the winding up of a business, but this conflicts with the rule that the requisite percentage of members or managers of an LLC can waive the winding up of the business and continue business as previously operated. We hare retain (a) but deleted (b).
§ 3105	§3105	Articles of termination		No similar provision.	Unchanged.
§ 3106	§3106	Distribution of assets in winding up limited liability company's business		No similar provision.	Unchanged, except to provide that, upon a dissolution, after the distribtion of assets to members in proportion to captial contributions (up to the amount of captial contributions) the assets are distributed proportion to each member's capital contributions, rather than in "equal shares."
§ 3107	§3107	Known claims against dissolved limited liability company	§703	Known Claims Against Dissolved Limited Liability Company	This section is largely unchanged. There is a change to subsection (c) to more specifically deal with claims that have been rejected, and we have adopted that technical change. There slight improvement in the language in (d), which we have adopted.
§ 3108	§3108	Other claims against dissolved limited liability company	§704	Other Claims Against Dissolved Limited Liability Company	Essentially unchanged. The Uniform Act provision makes no substantive changes to this section. We have included only a minor language change from the Uniform Act.
§ 3109	§3109	Enforcement of claims against dissolved limited liability company		No similar provision.	Unchanged.

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			§705	Administrative Dissolution	The substance of this provision is addressed in Vt section 3034. The Uniform Act has a detailed procedure by which the Secretary of State can administratively dissolve an LLC. The Se State's office would like to keep this very simple, so our revised 3034 does that.
			§706	Reinstatement Following Adminstrative Dissolution	This is covered in our 3034.
			§707	Appeal From Rejection of Reinstatment	There is no similar provision in the Vt Act, but it is not necessary given that we have retained the existng simple process.
<i>Subchapter 8: Foreign Limited Liability Companies; Foreign Law Limited Liability Companies Renumbered from 10 to 8</i>					
§ 3131	3111	Law governing foreign limited liability companies	§801	Governing Law	This section has minor revisions in accordance with the Uniform Act.
§ 3132	3112	Application for certificate of authority	§802	Application for Certificate of Authority	This section has minor revisions to reflect deletion of references to provisions eliminated under other provisions to the Act, e.g. references to term vs. at-will LLC's.
§ 3133	3113	Activities not constituting transacting business	§803	Activities not constituting transacting business	Very minor revisions.
§ 3134	3114	Issuance of certificate of authority			No changes.
§ 3135	3115	Amended certificate of authority			Changes to correspond with other revisions to the Act, e.g to eliminate references to term LLC's.
§ 3136	3116	Name of foreign limited liability company			Changes have been made to reflect the move to a "distinguishable" name standard from the prior "deceptively similar" standard.
§ 3137	3117	Revocation of certificate of authority	§806	Revocation of certificate of authority	Changes have been made to expand the reasons for a revocation of a certificate of authority to include non-payment of taxes or failure to reflect other changes to regitered agent infc filings with the Secretary of State.
§ 3138	3118	Cancellation of authority	§807	Cancellation of Certificate of Authority	Minor change to reflect the date of effectiveness of the cancellation.
§ 3139	3119	Effect of failure to obtain certificate of authority	§808	Effect of Failure to Have a Certificate of Authority	Change to confirm non-liability of members and managers despite the absence of a certificate of authority.
§ 3140	3120	Action by attorney general	§809	Action by Attorney General	

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moved	3121	Foreign law limited liability company - Election (new)		No similar provision.	Unchanged.
moved	3122	Designation of controlling foreign law		No similar provision.	Unchanged.
moved	3123	Scope of designated foreign law		No similar provision.	Unchanged.
moved	3124	Jurisdiction		No similar provision.	Unchanged.
§ 3141		Repealed. 1997, No. 50, § 42, eff. June 26, 1997.			
Subchapter 9: Actions by Members					
Renumbered from 11 to 9					
§ 3151	3131	Direct Action by Members (new)	§901	Direct Action by Member	The existing Vt act prescribes rules for derivative actions. This section provides for actions by members against other members, managers or the limited liability company to enforce a member's rights.
	3132	Derivative Action (new)			This is a slight revision of the existing Vermont rule governing derivative actions. The Uniform Act adds "futility" of a demand on the managers or members as adequate grounds for commencing a derivative action, which we have included.
§ 3152	3133	Proper plaintiff	§903	Proper Plaintiff	We have adopted updated Uniform Act language regarding who has standing to bring a derivative action. The rule stated here is conventional in both the law of unincorporated entities and corporate law. Persons dissociated as members have no standing to bring a derivative action and, therefore, transferees have no standing. Following the Uniform Act, we have deleted language defining how to determine whether a person was a member at the time of events given rise to a derivative action. Consistent with the Uniform Act, this provision takes no effect whether: (a) the death of member abates a direct claim against the LLC or a fellow member; and (b) bringing a direct claim precludes a person from being a proper plaintiff for a derivative action.
§ 3153	3134	Pleading	§904	Pleading	We adopted the Uniform Act language for this section.
	3135	Special Litigation Committee (new)	§905	Special Litigation Committee	This is a new provision added from the Uniform Act. NCCUSL Comment: Although special litigation committees are best known in the corporate field, they are no more inherently corporate derivative litigation or the notion that an organization is a person distinct from its owners. An "SLC" can serve as an ADR mechanism, help protect an agreed upon arrangement from special protect the interests of members who are neither plaintiffs nor defendants (if any), and bring to any judicial decision the benefits of a specially tailored business judgment. This section approach corresponds to established law in most jurisdictions, modified to fit the typical governance structures of a limited liability company.
§ 3154	3136	Expenses	§906	Proceedings and Expenses	This section has been revised to adopt improved language from the Uniform Act, but does not substantively change the law.
Subchapter 10: Conversions, Mergers and Domestications					
Renumbered from 9 to 10					
§ 3121	§3141	Definitions	§1001	Definitions	This section has been substantially rewritten to import defined terms from the Uniform Act.
§ 3122	§3142	Conversion Authorized	§1041		This section is new, and retains the existing provision allowing for the conversion of partnerships and limited partnerships into LLCs, and adds provisions for (A) the conversion of Vermont entities into other types of Vermont entities, and (B) the conversion of other types of foreign organizations (other than foreign LLCs) into Vermont LLCs.
§ 3123	§3143	Plan of conversion	§1042		This is a new provision is taken from the Uniform Act, except that subsection (b) is retained from the existing provision governing the conversion of partnerships and limited partnerships into LLCs.

Existing VT §	New VT §	VT Act Title	Uniform Act §	Uniform Act Title	Comments - Last Revised 2/10/15
	§3144	Approval of conversion	§1043		Similar to the previous provision, this is a new provision adapted from the Uniform Act, except that subsection (b) is retained from the existing provision governing the conversion of partnerships and limited partnerships into LLCs.
	§3145	Amendment or abandonment of plan of conversion	§1044		Similar to the previous provisions, this section is taken from the Uniform Act, except that subsection (b) added to keep the mechanism for converting partnerships and limited partner LLCs unchanged from existing law.
	§3146	Statement of Conversion; Effective Date of Conversion	§1045		This is a new provision is taken from the Uniform Act.
	§3147	Effect of conversion	§1046		This is a new provision is taken from the Uniform Act.
§ 3124	§3148	Merger of entities	§1021, 1022	Merger Authorized; Plan of Merger	Under the current LLC Act, a domestic LLC may merge into anotehr LLC, or a corporation, foreign corporation or other entity specified in the act, but no provision exists for such other merge into a Vermont LLC. This provision retains the kinds of mergers allowed under existing law, but also allows mergers in which a Vermont LLC is the surviving entity in the merger
§ 3125	Deleted	Articles of merger			Deleted
§ 3126	Deleted	Effect of merger			Deleted
§ 3127	Deleted	Article not exclusive			Deleted
	§3149	Action on Plan of Merger by Constituent Limited Liability Company	§1023	Approval of Merger	Adapted from Uniform Act.
	§3150	Filings Required for Merger; Effective Date	§1025	Filings Required for Merger; Effective Date	Adapted from Uniform Act.
	§3151	Effect of Merger	§1026	Effect of Merger	Adapted from Uniform Act.
	§3152	Domestication	§1051	Domestication	Adapted from Uniform Act.
	§3153	Action on Plan of Domestication by Domesticating Limited Liability Company	§1052, 1053	Action on Plan of Domestication by Constituent Limited Liability Company	The current LLC act does not contain a provision that allows for a foreign LLC to redomesticate to become a Vermont LLC. This provision makes that possible. It is taken from the Unifc
	§3154	Filings Required for Domestication; Effective Date	§1054	Filings Required for Domestication Effective Date	Adapted from Uniform Act.
	§3155	Effect of Domestication	§1056	Effect of Domestication	Adapted from Uniform Act.
	§3156	Restrictions on Approval of Mergers, Conversions and Domestications	§1014	Restrictions on Approval of Mergers, Conversions and Domestications	Adapted from Uniform Act.

Existing VT §	New VT §	VT Act Title	Uniform Act §	Uniform Act Title	Comments - Last Revised 2/10/15
	§3157	Subchapter Not Exclusive	§1015	Subchapter Not Exclusive	Adapted from Uniform Act.
Subchapter 12: Annual Report					
Moved to Subchapter 2					
§ 3161	3033	Annual report for secretary of state	moved		
§ 3162	3034	Involuntary termination	moved		See above §3033 See above §3034
Subchapter 13: Foreign Law Limited Liability Companies					
Moved to Subchapter 8					
§ 3181	3121	Election	moved		See above §3121
§ 3182	3121	Designation of controlling foreign law	moved		See above §3122
§ 3183	3121	Scope of designated foreign law	moved		See above §3123
§ 3184	3121	Jurisdiction	moved		See above §3124
Subchapter 11: Low Profit Limited Liability Companies					
§3161		Election		No similar provision.	When L3Cs were added to the limited liability act, it was added by way of the addition of a definition and a reference in the naming section, 3005(a). This was done for administrative convenience. Since L3Cs are a different type of limited liability company, the L3C provisions are more properly contained in a separate subchapter.
§3162		Requirements		No similar provision.	This language is taken directly from subsections (A), (B) and (C) of section 3001(27) of the current act.
§3163		Failure to meet requirements.		No similar provision.	This language is taken directly from 3001(27)(D) of the current act.
Section 2 - Effective Date					
§3171		Effective Date; All-Inclusive Date			We have provided that this Act shall take effect on July 1, 2015, and will apply to all LLCs formed on or after the effective date, and to LLCs that have elected to be governed by the rev Act. We have provided for an "all-inclusive date" of this Act shall be July 1, 2016, after which the revised LLC Act shall apply to all LLCs.

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