

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO CORPORATIONS, ASSOCIATIONS AND PARTNERSHIPS - RHODE ISLAND LIMITED LIABILITY COMPANY ACT

Introduced By: Senator Roger Picard

Date Introduced: March 29, 2017

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 7-16 of the General Laws entitled "The Rhode Island Limited  
2 Liability Company Act" is hereby amended by adding thereto the following section:

3 **7-16-77. Continuation of certain limited liability company powers.**

4 (a) Any limited liability company dissolved in any manner under this chapter or any  
5 limited liability company whose existence is terminated or revoked by the secretary of state under  
6 §7-16-41 nevertheless continues for five (5) years after the date of the dissolution, termination, or  
7 revocation for the purpose of enabling it to settle and close its affairs, to dispose of and convey its  
8 property, to discharge its liabilities, and to distribute its assets, but not for the purpose of  
9 continuing the business for which it was organized. The members have power to take any action  
10 that is appropriate to carry out the purposes of this section.

11 (b) Upon the death of the sole member of a limited liability company, unless otherwise  
12 authorized in the articles of organization or the operating agreement, all affairs, disposition, and  
13 distribution of assets and property, contracts, discharge of liabilities, shall be in accordance with  
14 chapter 1 of title 33.

15 SECTION 2. This act shall take effect upon passage.

EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO CORPORATIONS, ASSOCIATIONS AND PARTNERSHIPS - RHODE  
ISLAND LIMITED LIABILITY COMPANY ACT

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1           This act would create a five (5) year period after the date of dissolution, termination, or  
2 revocation of limited liability companies to settle and close its affairs but not to continue its  
3 business. Upon the death of a sole member of a limited liability company, its affairs shall be  
4 governed by probate practice.

5           This act would take effect upon passage.

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