

CHAPTER 186

CORPORATIONS AND ASSOCIATIONS

HOUSE BILL 95-1061

BY REPRESENTATIVES Foster, George, Paschall, Prinster, Prinzler, Reeser, and Schwarz;
also SENATORS Meiklejohn, Casey, Feeley, Martinez, Matsunaka, Mutzebaugh, Norton, Perlmutter, Thiebaut, and Wattenberg.

AN ACT**CONCERNING UNINCORPORATED ASSOCIATIONS, AND, IN CONNECTION THEREWITH, RECOGNIZING LIMITED LIABILITY PARTNERSHIPS.**

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 7-60-102, Colorado Revised Statutes, 1986 Repl. Vol., is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

7-60-102. Definition of terms. As used in this article, unless the context otherwise requires:

(4.5) "FOREIGN LIMITED LIABILITY PARTNERSHIP" MEANS A PARTNERSHIP THAT HAS REGISTERED OR OTHERWISE QUALIFIED AS A LIMITED LIABILITY PARTNERSHIP OR A REGISTERED LIMITED LIABILITY PARTNERSHIP BY COMPLYING WITH THE LAWS OF ANOTHER JURISDICTION.

(7) "REGISTERED LIMITED LIABILITY PARTNERSHIP" MEANS A PARTNERSHIP THAT HAS REGISTERED UNDER SECTION 7-60-144. THE TERM INCLUDES A PARTNERSHIP THAT SO REGISTERS AT THE TIME OF ITS FORMATION.

SECTION 2. 7-60-106 (1), Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-60-106. Partnership defined. (1) A partnership is an association of two or more persons to carry on, as coowners, a business for profit AND INCLUDES, WITHOUT LIMITATION, A REGISTERED LIMITED LIABILITY PARTNERSHIP.

SECTION 3. 7-60-115, Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

7-60-115. Nature of partner's liability. (1) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2) OF THIS SECTION, all partners are liable:

(a) Jointly and severally for everything chargeable to the partnership under sections 7-60-113 and 7-60-114;

(b) Jointly and severally for all other debts and obligations of the partnership, but any partner may enter into a separate obligation to perform a partnership contract.

(2) (a) EXCEPT AS OTHERWISE PROVIDED IN THE PARTNERSHIP AGREEMENT, PARTNERS IN A REGISTERED LIMITED LIABILITY PARTNERSHIP ARE NOT LIABLE DIRECTLY OR INDIRECTLY, INCLUDING BY WAY OF INDEMNIFICATION, CONTRIBUTION, OR OTHERWISE, UNDER A JUDGMENT, DECREE, OR ORDER OF A COURT, OR IN ANY OTHER MANNER, FOR A DEBT, OBLIGATION, OR LIABILITY OF OR CHARGEABLE TO THE PARTNERSHIP WHILE IT IS A REGISTERED LIMITED LIABILITY PARTNERSHIP; EXCEPT THAT THIS SUBSECTION (2) SHALL NOT AFFECT THE LIABILITY OF A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP FOR SUCH PARTNER'S OWN NEGLIGENCE, WRONGFUL ACTS, OR MISCONDUCT.

(b) PARTNERS IN A REGISTERED LIMITED LIABILITY PARTNERSHIP DO NOT BECOME LIABLE, DIRECTLY OR INDIRECTLY, FOR DEBTS, OBLIGATIONS, OR LIABILITIES INCURRED WHILE THE PARTNERSHIP WAS A REGISTERED LIMITED LIABILITY PARTNERSHIP MERELY BECAUSE THE PARTNERSHIP CEASES TO BE A REGISTERED LIMITED LIABILITY PARTNERSHIP.

SECTION 4. 7-60-116 (2), Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-60-116. Partner by estoppel. (2) When a partnership liability results, such person is liable as though ~~he~~ THE PERSON were an actual member of the partnership; EXCEPT THAT, IN THE CASE OF A REGISTERED LIMITED LIABILITY PARTNERSHIP, THE PERSON'S LIABILITY IS SUBJECT TO SECTION 7-60-115 (2).

SECTION 5. 7-60-118 (1) (a), Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-60-118. Rights and duties of partners. (1) The rights and duties of the partners in relation to the partnership shall be determined, subject to any agreement between them, by the following rules:

(a) Each partner shall be repaid ~~his~~ SUCH PARTNER'S contributions, whether by way of capital or advances to the partnership property and share equally in the profits and surplus remaining after all liabilities, including those to partners, are satisfied and shall contribute toward the losses whether of capital or otherwise sustained by the partnership according to ~~his~~ SUCH PARTNER'S share in the profits; EXCEPT THAT A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP SHALL NOT BE OBLIGATED TO CONTRIBUTE TO PARTNERSHIP LOSSES IN EXCESS OF THE PARTNER'S INTEREST IN THE PARTNERSHIP BEYOND THE EXTENT:

(I) SUCH OBLIGATION TO CONTRIBUTE IS SET OUT IN A WRITING SIGNED BY THE

PARTNER; OR

(II) SUCH LOSS IS ATTRIBUTABLE TO AN OBLIGATION OR LIABILITY FOR WHICH THE PARTNER WOULD HAVE INDIVIDUAL LIABILITY UNDER SECTION 7-60-115 (2).

SECTION 6. 7-60-134, Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-60-134. Right of partner to contribution. (1) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2) OF THIS SECTION, where the dissolution is caused by the act, death, or bankruptcy of a partner, each partner is liable to ~~his~~ THE OTHER partners for ~~his~~ SUCH PARTNER'S share of any liability created by any partner acting for the partnership as if the partnership had not been dissolved unless:

(a) The dissolution being by act of any partner, the partner acting for the partnership had knowledge of the dissolution; or

(b) The dissolution being by the death or bankruptcy of a partner, the partner acting for the partnership had knowledge or notice of the death or bankruptcy.

(2) A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP SHALL NOT BE LIABLE TO THE OTHER PARTNERS EXCEPT TO THE EXTENT THAT:

(a) THE PARTNER'S LIABILITY IS SET OUT IN A WRITING SIGNED BY THE PARTNER;
OR

(b) THE PARTNER'S OBLIGATION TO CONTRIBUTE IS ATTRIBUTABLE TO A LIABILITY FOR WHICH THE PARTNER WOULD HAVE INDIVIDUAL LIABILITY UNDER SECTION 7-60-115 (2).

SECTION 7. 7-60-136 (4), Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-60-136. Effect of dissolution on existing liability. (4) The individual property of a deceased PERSON WHO WAS A partner shall be liable, TO THE EXTENT THE DECEASED PERSON WAS OR WOULD HAVE BEEN LIABLE UNDER SECTION 7-60-115, 7-60-118, OR 7-60-134, for all obligations of the partnership incurred while ~~he~~ THE PERSON was a partner but subject to the prior payment of his OR HER separate debts.

SECTION 8. 7-60-139 (1) (b), Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-60-139. Rights dissolved for fraud. (1) Where a partnership contract is rescinded on the ground of fraud or misrepresentation of one of the parties, the party entitled to rescind is, without prejudice to any other right, entitled:

(b) To stand, after all liabilities to third persons have been satisfied, in the place of the creditors of the partnership for any payments made by him OR HER in respect of the partnership liabilities, SUBJECT TO THE LIMITATIONS IN SECTION 7-60-115, IF THE PARTNERSHIP WAS A REGISTERED LIMITED LIABILITY PARTNERSHIP AT THE TIME OF ITS DISSOLUTION; and

SECTION 9. 7-60-140 (1) (a) and (1) (d), Colorado Revised Statutes, 1986 Repl. Vol., are amended to read:

7-60-140. Rules for distribution. (1) In settling accounts between the partners after dissolution, the following rules shall be observed, subject to any agreement to the contrary:

(a) The assets of the partnership are:

(I) The partnership property;

(II) The contributions of the partners, AS LIMITED BY PARAGRAPH (d) OF THIS SUBSECTION (1), necessary for the payment of all the liabilities specified in paragraph (b) of this subsection (1).

(d) The partners shall contribute ~~as provided by section 7-60-118 (1) (a)~~; the amount necessary to satisfy the liabilities AS PROVIDED BY SECTIONS 7-60-118 (1) (a) AND AS LIMITED BY SAID SECTION AND SECTIONS 7-60-115 AND 7-60-134; but if any but not all of the partners are insolvent or, not being subject to process, refuse to contribute, the other partners shall contribute their share of the liabilities and, in the relative proportions in which they share the profits, the additional amount necessary to pay the liabilities.

SECTION 10. 7-60-141, Colorado Revised Statutes, 1986 Repl. Vol., is amended BY THE ADDITION OF A NEW SUBSECTION to read:

7-60-141. Liability of persons continuing business. (11) IF THE BUSINESS OF A REGISTERED LIMITED LIABILITY PARTNERSHIP IS CONTINUED AFTER THE DEATH, RETIREMENT, OR EXPULSION OF A PARTNER OR THE ADMISSION OF A NEW PARTNER, THE PARTNERSHIP CONTINUING THE BUSINESS IS A REGISTERED LIMITED LIABILITY PARTNERSHIP.

SECTION 11. Article 60 of title 7, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended BY THE ADDITION OF THE FOLLOWING NEW SECTIONS to read:

7-60-144. Registration of partnerships. (1) A PARTNERSHIP MAY REGISTER AS A REGISTERED LIMITED LIABILITY PARTNERSHIP, AND A LIMITED PARTNERSHIP MAY REGISTER AS A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP, BY FILING A REGISTRATION STATEMENT WITH THE SECRETARY OF STATE. THE REGISTRATION STATEMENT SHALL BE APPROVED IN THE MANNER PROVIDED IN THE PARTNERSHIP AGREEMENT OR, IF NOT SO PROVIDED, SHALL BE APPROVED BY ALL OF THE GENERAL PARTNERS. THE REGISTRATION STATEMENT SHALL BE SIGNED BY A PARTNER AND SHALL SET FORTH:

(a) THE NAME OF THE REGISTERED LIMITED LIABILITY PARTNERSHIP;

(b) THE ADDRESS OF ITS PRINCIPAL OFFICE;

(c) IF THE PRINCIPAL OFFICE OF THE REGISTERED LIMITED LIABILITY PARTNERSHIP IS NOT LOCATED IN THIS STATE, THE ADDRESS OF A REGISTERED OFFICE AND THE NAME

AND ADDRESS OF A REGISTERED AGENT FOR SERVICE OF PROCESS IN THIS STATE;

(d) ANY OTHER MATTER THE PARTNERSHIP DETERMINES TO INCLUDE.

(2) A PARTNERSHIP OR LIMITED PARTNERSHIP THAT HAS REGISTERED SHALL CONTINUE TO BE A REGISTERED LIMITED LIABILITY PARTNERSHIP OR A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP, AS THE CASE MAY BE, UNTIL:

(a) THE REGISTRATION STATEMENT IS REVOKED PURSUANT TO SECTION 7-60-152 UNLESS THE REGISTRATION STATEMENT IS REINSTATED PURSUANT TO SECTION 7-60-152 (4); OR

(b) THE PARTNERSHIP OR LIMITED PARTNERSHIP FILES A WITHDRAWAL OF REGISTRATION STATEMENT.

(3) A WITHDRAWAL OF REGISTRATION STATEMENT SHALL BE SIGNED BY AT LEAST ONE PARTNER AND SHALL BE APPROVED IN THE MANNER PROVIDED IN THE PARTNERSHIP AGREEMENT OR, IF NOT SO PROVIDED, SHALL BE APPROVED BY ALL OF THE GENERAL PARTNERS.

(4) BEFORE TRANSACTING BUSINESS IN THIS STATE, A FOREIGN LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP SHALL REGISTER AS SUCH WITH THE SECRETARY OF STATE IN THE MANNER PRESCRIBED BY SUBSECTION (1) OF THIS SECTION. A FOREIGN LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP TRANSACTING BUSINESS IN THIS STATE MAY NOT MAINTAIN ANY ACTION, SUIT, OR PROCEEDING IN ANY COURT IN THIS STATE UNTIL IT HAS REGISTERED IN THIS STATE. THE FAILURE OF THE FOREIGN LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP TO REGISTER IN THIS STATE DOES NOT IMPAIR THE VALIDITY OF ANY CONTRACT OR ACT OF THE FOREIGN LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP OR PREVENT THE FOREIGN LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP FROM DEFENDING ANY ACTION, SUIT, OR PROCEEDING IN ANY COURT IN THIS STATE. THE LIABILITY OF A PARTNER IN A FOREIGN LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP SHALL NOT BE AFFECTED SOLELY BY REASON OF SUCH PARTNERSHIP'S HAVING TRANSACTED BUSINESS IN THIS STATE WITHOUT REGISTRATION. A FOREIGN LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP, BY TRANSACTING BUSINESS IN THIS STATE WITHOUT REGISTRATION, APPOINTS THE SECRETARY OF STATE AS ITS AGENT ON WHOM ANY NOTICE, PROCESS, OR DEMAND MAY BE SERVED.

(5) A PARTNERSHIP OR LIMITED PARTNERSHIP THAT HAS BEEN REGISTERED UNDER THIS ARTICLE IS FOR ALL PURPOSES THE SAME ENTITY THAT EXISTED BEFORE IT REGISTERED.

(6) UNLESS THE PARTNERSHIP AGREEMENT OTHERWISE PROVIDES, REGISTRATION OF A PARTNERSHIP SHALL REQUIRE THE UNANIMOUS CONSENT OF THE GENERAL PARTNERS IN THE PARTNERSHIP AT THE TIME THE STATEMENT OF REGISTRATION IS FILED. THE FILING OF A REGISTRATION STATEMENT SHALL BE CONCLUSIVE AS TO THIRD PARTIES AND SHALL BE INCONTESTABLE BY THIRD PARTIES THAT ALL CONDITIONS PRECEDENT TO REGISTERING AS A REGISTERED LIMITED LIABILITY

PARTNERSHIP HAVE BEEN MET.

7-60-145. Name of registered limited liability partnership. (1) THE NAME OF EACH REGISTERED LIMITED LIABILITY PARTNERSHIP, AS SET FORTH IN ITS REGISTRATION STATEMENT:

(a) SHALL CONTAIN THE WORDS "REGISTERED LIMITED LIABILITY PARTNERSHIP" OR "LIMITED LIABILITY PARTNERSHIP" OR THE ABBREVIATION "L.L.P.", "LLP", "R.L.L.P.", OR "RLLP";

(b) SHALL NOT BE THE SAME AS OR DECEPTIVELY SIMILAR TO:

(I) THE NAME OF ANY ENTITY ON FILE WITH THE SECRETARY OF STATE;

(II) ANY NAME WHICH HAS BEEN RESERVED OR REGISTERED WITH THE SECRETARY OF STATE UNDER THE LAWS OF THIS STATE; OR

(III) THE CORPORATE OR TRADE NAME OF A DISSOLVED CORPORATION DURING THE ONE-HUNDRED-TWENTY-DAY PERIOD FOLLOWING THE EFFECTIVE DATE OF ITS DISSOLUTION PURSUANT TO SECTION 7-114-103, 7-114-202 (2), OR 7-114-304; AND

(c) SHALL NOT SO RESEMBLE ANY TRADEMARK REGISTERED WITH THE SECRETARY OF STATE UNDER THE LAWS OF THIS STATE BY ANOTHER PERSON, WHICH TRADEMARK HAS PREVIOUSLY BEEN USED BY THE REGISTERED TRADEMARK OWNER AND NOT ABANDONED, THAT IT IS LIKELY TO CAUSE CONFUSION OR MISTAKE OR TO DECEIVE WHEN USED IN CONNECTION WITH THE GOODS OR SERVICES OF THE OWNER OF SUCH REGISTERED TRADEMARK.

(2) PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION SHALL NOT APPLY IF THE SIMILARLY DESIGNATED CORPORATION, LIMITED PARTNERSHIP, LIMITED LIABILITY COMPANY, REGISTERED LIMITED LIABILITY PARTNERSHIP, OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP OR PERSON WHO HAS APPLIED TO RESERVE A SPECIFIED NAME CONSENTS TO THE USE OF THE SAME OR SIMILAR NAME AND THERE ARE ADEQUATE WORDS, NUMBERS, OR SYMBOLS PRECEDING OR FOLLOWING THE NAME WHICH DISTINGUISH ONE ENTITY FROM ANOTHER.

(3) THE NAME OF A REGISTERED LIMITED LIABILITY PARTNERSHIP SHALL BE TREATED AS THE NAME OF A LIMITED PARTNERSHIP FOR PURPOSES OF THE APPLICATION OF SECTIONS 7-62-103 AND 7-71-101 AND PART 3 OF ARTICLE 35 OF TITLE 24, C.R.S.

7-60-146. Limitations on distribution from registered limited liability partnerships. A PARTNER MAY NOT RECEIVE A DISTRIBUTION FROM A REGISTERED LIMITED LIABILITY PARTNERSHIP TO THE EXTENT THAT, AFTER GIVING EFFECT TO THE DISTRIBUTION, ALL LIABILITIES OF THE REGISTERED LIMITED LIABILITY PARTNERSHIP THAT ARE SUBJECT TO THE LIMITATIONS SET FORTH IN SECTION 7-60-115 (2) EXCEED THE FAIR VALUE OF THE PARTNERSHIP ASSETS; EXCEPT THAT THE REASONABLE COMPENSATION TO THE PARTNERS FOR THEIR PARTICIPATION AS EMPLOYEES IN THE BUSINESS OF THE PARTNERSHIP REGULARLY OR CUSTOMARILY PAID TO PARTNERS OR THEIR ESTATES IN THE NORMAL COURSE OF THE PARTNERSHIP BUSINESS SHALL BE EXEMPT FROM THE PROVISIONS OF THIS SECTION AND OF SECTION 7-60-147.

7-60-147. Liability of partner in registered limited liability partnership upon return of contribution. (1) IF A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP HAS RECEIVED THE RETURN OF ALL OR ANY PART OF THAT PARTNER'S CONTRIBUTION IN VIOLATION OF THE PARTNERSHIP AGREEMENT OR OF THIS ARTICLE, SUCH PARTNER IS LIABLE TO THE REGISTERED LIMITED LIABILITY PARTNERSHIP FOR A PERIOD OF SIX YEARS THEREAFTER FOR THE AMOUNT OF THE CONTRIBUTION WRONGFULLY RETURNED.

(2) A PARTNER RECEIVES A RETURN OF HIS OR HER CONTRIBUTION TO THE EXTENT THAT A DISTRIBUTION TO THE PARTNER REDUCES THE PARTNER'S SHARE OF THE FAIR VALUE OF THE NET ASSETS OF THE REGISTERED LIMITED PARTNERSHIP BELOW THE VALUE, AS OF THE DATE OF DISTRIBUTION, OF THE PARTNER'S CONTRIBUTION WHICH HAS NOT BEEN DISTRIBUTED TO THE PARTNER.

7-60-148. Law governing foreign limited liability partnerships. THE LAWS OF THE STATE UNDER WHICH A FOREIGN LIMITED LIABILITY PARTNERSHIP IS ORGANIZED GOVERN ITS ORGANIZATION AND INTERNAL AFFAIRS AND THE LIABILITY OF ITS PARTNERS, AND A FOREIGN LIMITED LIABILITY PARTNERSHIP MAY NOT BE DENIED REGISTRATION BY REASON OF ANY DIFFERENCE BETWEEN THE LAWS PURSUANT TO WHICH IT IS ORGANIZED AND THE LAWS OF THIS STATE.

7-60-149. Registered limited liability partnership reports. (1) EACH REGISTERED LIMITED LIABILITY PARTNERSHIP AND EACH FOREIGN LIMITED LIABILITY PARTNERSHIP AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE SHALL FILE, WITHIN THE TIME PRESCRIBED BY THIS SECTION, A REGISTERED LIMITED LIABILITY PARTNERSHIP REPORT SETTING FORTH THE NAME OF THE REGISTERED LIMITED LIABILITY PARTNERSHIP AND, IF A FOREIGN LIMITED LIABILITY PARTNERSHIP, THE STATE WHERE IT IS ORGANIZED AND, IF DIFFERENT FROM THAT REFLECTED ON ITS REGISTRATION STATEMENT:

(a) THE ADDRESS OF ITS PRINCIPAL OFFICE; AND

(b) IF THE PRINCIPAL OFFICE OF THE REGISTERED LIMITED LIABILITY PARTNERSHIP IS NOT LOCATED IN THIS STATE, THE ADDRESS OF A REGISTERED OFFICE AND THE NAME OF A REGISTERED AGENT AT SUCH OFFICE FOR SERVICE OF PROCESS IN THIS STATE.

(2) (a) THE SECRETARY OF STATE SHALL INITIATE THE REPORT PROCESS BY ISSUING A REPORT FORM TO THE REGISTERED LIMITED LIABILITY PARTNERSHIP IN A DESIGNATED YEAR ON OR BEFORE THE LAST DAY OF THE MONTH IN WHICH THE REGISTRATION STATEMENT WAS FILED. THE REGISTERED LIMITED LIABILITY PARTNERSHIP SHALL RETURN THE REPORT TO THE SECRETARY OF STATE, HAND-DELIVERED OR POSTMARKED ON OR BEFORE THE SIXTIETH DAY AFTER THE LAST DAY OF THE MONTH IN WHICH THE SECRETARY OF STATE MAILED THE REPORT FORM TO THE REGISTERED LIMITED LIABILITY PARTNERSHIP.

(b) THE INFORMATION REQUIRED SHALL BE GIVEN AS OF THE DATE OF THE EXECUTION OF THE REPORT, AND IT SHALL BE EXECUTED BY A PARTNER IN THE REGISTERED LIMITED LIABILITY PARTNERSHIP, OR, IF THE REGISTERED LIMITED LIABILITY PARTNERSHIP IS IN THE HANDS OF A RECEIVER OR TRUSTEE, BY THE RECEIVER OR TRUSTEE ON BEHALF OF THE REGISTERED LIMITED LIABILITY PARTNERSHIP. THE REPORT SHALL BE ACCOMPANIED BY A WRITTEN DECLARATION

THAT IT IS MADE UNDER THE PENALTIES OF PERJURY.

7-60-150. Filing of report. IF THE SECRETARY OF STATE FINDS THAT A REPORT CONFORMS TO THE REQUIREMENTS OF THIS ARTICLE, THE SECRETARY OF STATE SHALL FILE THE SAME, OR, UPON FINDING THAT IT DOES NOT SO CONFORM, SHALL PROMPTLY RETURN IT TO THE REGISTERED LIMITED LIABILITY PARTNERSHIP FOR ANY NECESSARY CORRECTIONS. NO PENALTY FEE FOR LATE FILING SHALL BE ASSESSED IF SUCH REPORT WAS TIMELY DELIVERED, IS CORRECTED TO CONFORM TO THE REQUIREMENTS OF THIS ARTICLE, AND IS RETURNED TO THE SECRETARY OF STATE NO LATER THAN THIRTY DAYS AFTER THE DATE THE REPORT WAS MAILED BACK TO THE REGISTERED LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY PARTNERSHIP.

7-60-151. Filing, service, and copying fees. (1) THE SECRETARY OF STATE SHALL CHARGE AND COLLECT FEES AND OTHER CHARGES, WHICH SHALL BE DETERMINED AND COLLECTED PURSUANT TO SECTION 24-21-104 (3), C.R.S., FOR:

- (a) ISSUING A CERTIFICATE FOR ANY PURPOSE WHATSOEVER UNDER THIS ARTICLE;
- (b) FURNISHING WRITTEN INFORMATION ON ANY REGISTERED LIMITED LIABILITY PARTNERSHIP;
- (c) FURNISHING A COPY OF ANY DOCUMENT OR INSTRUMENT AND CERTIFYING THE COPY OF SUCH DOCUMENT OR INSTRUMENT;
- (d) ANY SERVICE OF NOTICE, DEMAND, OR PROCESS UPON THE SECRETARY OF STATE AS RESIDENT AGENT OF A REGISTERED LIMITED LIABILITY PARTNERSHIP, WHICH AMOUNT MAY BE RECOVERED AS TAXABLE COSTS BY THE PARTY TO THE SUIT, ACTION, OR PROCEEDING CAUSING SUCH SERVICE TO BE MADE IF SUCH PARTY PREVAILS THEREIN; AND
- (e) FILING ANY DOCUMENT REQUIRED OR PERMITTED TO BE FILED UNDER THIS ARTICLE.

(2) THE SECRETARY OF STATE SHALL CHARGE AND COLLECT, AT THE TIME OF SERVICE OF ANY SUBPOENA UPON THE SECRETARY OF STATE OR ANY DEPUTY OR EMPLOYEE OF THE SECRETARY OF STATE'S OFFICE, A FEE OF FIFTY DOLLARS AND AN ALLOWANCE OF TEN DOLLARS FOR MEALS AND A CHARGE FOR MILEAGE AT THE RATE PRESCRIBED BY SECTION 24-9-104, C.R.S., FOR EACH MILE FROM THE STATE CAPITOL TO THE PLACE NAMED IN THE SUBPOENA. THE FEE IS TO BE PAID TO THE SECRETARY OF STATE; THE MEAL ALLOWANCE AND MILEAGE CHARGE ARE TO BE PAID TO THE PERSON NAMED IN THE SUBPOENA. IF THE PERSON NAMED IN THE SUBPOENA IS REQUIRED TO APPEAR AT THE PLACE NAMED IN THE SUBPOENA FOR MORE THAN ONE DAY, THE PERSON SHALL BE PAID IN ADVANCE A PER DIEM ALLOWANCE OF FORTY-FOUR DOLLARS FOR EACH DAY OF ATTENDANCE IN ADDITION TO ANY OTHER FEES, ALLOWANCES, AND CHARGES.

7-60-152. Failure of registered limited liability partnerships to pay fees and file appropriate reports. (1) IF ANY REGISTERED LIMITED LIABILITY PARTNERSHIP OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP HAS FAILED TO PAY THE FEES REQUIRED BY LAW OR TO FILE ANY REPORT OR STATEMENT REQUIRED BY LAW, THE SECRETARY OF STATE SHALL GIVE NOTICE BY FIRST-CLASS MAIL TO THE

PARTNERSHIP OF SUCH FAILURE. SIXTY DAYS AFTER THE DATE OF MAILING OF SUCH NOTICE, UNLESS THE REPORT OR STATEMENT WITH THE FEE AND PENALTY, IF DUE, HAS BEEN DELIVERED AND PAID TO THE SECRETARY OF STATE, THE REGISTRATION STATEMENT OF SUCH REGISTERED LIMITED LIABILITY PARTNERSHIP OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP SHALL BE REVOKED.

(2) ANY REGISTERED LIMITED LIABILITY PARTNERSHIP WHICH CEASES TO BE A REGISTERED LIMITED LIABILITY PARTNERSHIP UNDER SUBSECTION (1) OF THIS SECTION SHALL NOT BE CONSIDERED TO HAVE DISSOLVED AS A RESULT OF CEASING TO BE A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(3) A REGISTRATION STATEMENT OF A REGISTERED LIMITED LIABILITY PARTNERSHIP OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP THAT HAS BEEN REVOKED UNDER SUBSECTION (1) OF THIS SECTION MAY BE REINSTATED IF SUCH PARTNERSHIP APPLIES TO THE SECRETARY OF STATE FOR REINSTATEMENT AND TAKES SOME OR ALL OF THE FOLLOWING STEPS, AS APPLICABLE:

(a) PAYING A REINSTATEMENT FEE AS DETERMINED BY THE SECRETARY OF STATE;

(b) MAKING AND DELIVERING A REGISTERED LIMITED LIABILITY PARTNERSHIP REPORT AND PAYING THE FEE DUE UPON FILING SUCH REPORT FOR THE YEAR IN WHICH IT IS TO BE REINSTATED;

(c) PAYING A LATE FILING PENALTY FOR THE CURRENT YEAR'S REPORT IF FILED AFTER THE REQUIRED REPORTING DATE;

(d) PAYING AN AMOUNT EQUAL TO THE FEE CHARGED AND COLLECTED FOR FILING OF CORPORATE REPORTS FOR DOMESTIC CORPORATIONS PLUS A LATE FILING PENALTY FOR EACH YEAR A REQUIRED LIMITED LIABILITY REPORT WAS NOT FILED.

(4) IF A REGISTERED LIMITED LIABILITY PARTNERSHIP OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP OBTAINS THE REINSTATEMENT OF ITS REGISTRATION STATEMENT WITHIN TWO YEARS AFTER THE DATE ON WHICH THE REGISTRATION STATEMENT WAS REVOKED, THE REGISTRATION STATEMENT SHALL BE DEEMED NOT TO HAVE BEEN REVOKED.

7-60-153. Application of corporation case law to set aside limited liability.

(1) IN ANY CASE IN WHICH A PARTY SEEKS TO HOLD THE PARTNERS OF A REGISTERED LIMITED LIABILITY PARTNERSHIP OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP PERSONALLY RESPONSIBLE FOR THE ALLEGED IMPROPER ACTIONS OF THE REGISTERED LIMITED LIABILITY PARTNERSHIP OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP, THE COURT SHALL APPLY THE CASE LAW WHICH INTERPRETS THE CONDITIONS AND CIRCUMSTANCES UNDER WHICH THE CORPORATE VEIL OF A CORPORATION MAY BE PIERCED UNDER COLORADO LAW.

(2) FOR PURPOSES OF THIS SECTION, THE FAILURE OF A REGISTERED LIMITED LIABILITY PARTNERSHIP OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP TO OBSERVE THE FORMALITIES OR REQUIREMENTS RELATING TO THE MANAGEMENT OF ITS BUSINESS AND AFFAIRS IS NOT IN ITSELF A GROUND FOR IMPOSING PERSONAL LIABILITY ON THE PARTNERS FOR LIABILITIES OF THE REGISTERED LIMITED LIABILITY PARTNERSHIP OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP.

7-60-154. Scope of article - choice of law - application to professions and occupations. (1) A PARTNERSHIP, INCLUDING A REGISTERED LIMITED LIABILITY PARTNERSHIP OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP, MAY CONDUCT ITS BUSINESS, CARRY ON ITS OPERATIONS, AND EXERCISE THE POWERS GRANTED BY THIS ARTICLE WITHIN AND WITHOUT THE STATE.

(2) (a) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE LEGAL EXISTENCE OF REGISTERED LIMITED LIABILITY PARTNERSHIPS AND REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIPS BE RECOGNIZED OUTSIDE THE BOUNDARIES OF THIS STATE AND THAT THE LAWS OF THIS STATE GOVERNING THE REGISTERED LIMITED LIABILITY PARTNERSHIP OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP TRANSACTING BUSINESS OUTSIDE THIS STATE BE GRANTED THE PROTECTION OF FULL FAITH AND CREDIT UNDER SECTION 1 OF ARTICLE IV OF THE CONSTITUTION OF THE UNITED STATES.

(b) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE INTERNAL AFFAIRS OF A REGISTERED LIMITED LIABILITY PARTNERSHIP OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP FORMED IN THIS STATE BE SUBJECT TO AND GOVERNED BY THE LAWS OF THIS STATE, INCLUDING THE PROVISIONS GOVERNING LIABILITY OF PARTNERS FOR DEBTS, OBLIGATIONS, AND LIABILITIES CHARGEABLE TO PARTNERSHIPS.

(3) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO PERMIT A REGISTERED LIMITED LIABILITY PARTNERSHIP TO ENGAGE IN A PROFESSION OR OCCUPATION AS DESCRIBED IN TITLE 12, C.R.S., FOR WHICH THERE IS A SPECIFIC STATUTORY PROVISION APPLICABLE TO THE PRACTICE OF SUCH PROFESSION OR OCCUPATION BY A CORPORATION OR PROFESSIONAL CORPORATION IN THIS STATE UNLESS AUTHORIZED UNDER APPLICABLE PROVISIONS OF TITLE 12, C.R.S.

SECTION 12. 7-62-101 (4) and (7), Colorado Revised Statutes, 1986 Repl. Vol., are amended, and the said 7-62-101 is further amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to read:

7-62-101. Definitions. As used in this article, unless the context otherwise requires:

(3.5) "FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP" MEANS A FOREIGN LIMITED PARTNERSHIP FORMED UNDER THE LAWS OF ANY JURISDICTION OTHER THAN COLORADO AND HAVING REGISTERED AS A LIMITED LIABILITY LIMITED PARTNERSHIP OR REGISTERED LIMITED LIABILITY PARTNERSHIP UNDER THE LAWS OF THAT JURISDICTION.

(4) "Foreign limited partnership" means a partnership formed under the laws of any jurisdiction other than this jurisdiction and having as partners one or more general partners and one or more limited partners. THE TERM INCLUDES A FOREIGN LIMITED PARTNERSHIP THAT IS A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP.

(5.5) "LIMITED LIABILITY PARTNERSHIP" MEANS A REGISTERED LIMITED LIABILITY PARTNERSHIP AS DEFINED IN SECTION 7-60-102 (7).

(7) "Limited partnership" or "domestic limited partnership" means a partnership

formed by two or more persons under the laws of this state and having one or more general partners and one or more limited partners. THE TERM INCLUDES A LIMITED PARTNERSHIP THAT IS A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP.

(12) "REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP" MEANS A DOMESTIC OR FOREIGN LIMITED PARTNERSHIP THAT HAS REGISTERED UNDER SECTION 7-60-144.

SECTION 13. Part 1 of article 62 of title 7, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

7-62-109. Conversion of limited partnership into other entities. A LIMITED PARTNERSHIP MAY BECOME A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP BY COMPLYING WITH THE APPLICABLE PROVISIONS OF THE "UNIFORM PARTNERSHIP LAW", ARTICLE 60 OF THIS TITLE.

SECTION 14. 7-62-403 (2), Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-62-403. General powers and liabilities. (2) (a) Except as provided in this article:

(I) A general partner of a limited partnership has the liabilities of a partner in a partnership without limited partners to persons other than the partnership and the other partners; AND

(II) A GENERAL PARTNER OF A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP HAS THE LIABILITIES OF A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP TO PERSONS OTHER THAN THE PARTNERSHIP AND THE OTHER PARTNERS.

(b) Except as provided in this article or in the partnership agreement:

(I) A general partner of a limited partnership has the liabilities of a partner in a partnership without limited partners to the partnership and to the other partners; AND

(II) A GENERAL PARTNER OF A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP HAS THE LIABILITIES OF A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP TO THE PARTNERSHIP AND TO THE OTHER PARTNERS.

SECTION 15. 7-62-603, Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-62-603. Withdrawal of limited partner. A limited partner may ONLY withdraw from a limited partnership at the time or upon the happening of events specified in writing in the partnership agreement. ~~If the agreement does not specify in writing the time or the events upon the happening of which a limited partner may withdraw or a definite time for the dissolution and winding up of the limited partnership, a limited partner may withdraw upon not less than six months' prior written notice to each general partner as stated in the certificate of limited partnership.~~

SECTION 16. 7-62-901, Colorado Revised Statutes, 1986 Repl. Vol., is amended

to read:

7-62-901. Law governing foreign limited partnership or foreign limited liability limited partnership. ~~Subject to the constitution of this state,~~ The laws of the jurisdiction under which a foreign limited partnership OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP is organized govern its organization and internal affairs and the liability of its limited partners, and a foreign limited partnership OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP may not be denied registration by reason of any difference between those laws and the laws of this state.

SECTION 17. 7-62-1104, Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-62-1104. Rules for cases not provided for in this article - registration as limited liability limited partnership. In any case not provided for in this article, the provisions of the "Uniform Partnership Law" shall govern. A LIMITED PARTNERSHIP MAY REGISTER AS A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP BY COMPLYING WITH THE APPLICABLE PROVISIONS OF THE "UNIFORM PARTNERSHIP LAW".

SECTION 18. Title 7, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW ARTICLE to read:

ARTICLE 63
Colorado Limited Partnership Association Act

7-63-101.Short title. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "COLORADO LIMITED PARTNERSHIP ASSOCIATION ACT".

7-63-102. Definitions. AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "ARTICLES OF ASSOCIATION" AND "BYLAWS" INCLUDE AMENDMENTS AND RESTATEMENTS OF THE SAME.

(2) "LIMITED PARTNERSHIP ASSOCIATION" OR "ASSOCIATION" MEANS AN UNINCORPORATED BUSINESS ASSOCIATION FORMED UNDER THIS ARTICLE.

7-63-103. Nature of business. A LIMITED PARTNERSHIP ASSOCIATION MAY BE FORMED UNDER THIS ARTICLE FOR ANY LAWFUL ACTIVITY, INCLUDING OWNERSHIP OF REAL OR PERSONAL PROPERTY, SUBJECT TO ANY PROVISIONS OF LAW GOVERNING OR REGULATING SUCH ACTIVITY WITHIN THIS STATE.

7-63-104. Formation of association. ANY TWO OR MORE PERSONS MAY FORM A LIMITED PARTNERSHIP ASSOCIATION BY SUBSCRIBING TO THE CAPITAL OF THE ASSOCIATION AND BY SIGNING AND DELIVERING ARTICLES OF ASSOCIATION TO THE SECRETARY OF STATE FOR FILING. THE ASSOCIATION SHALL BE FORMED UPON THE EFFECTIVE DATE OF THE FILING OF THE ARTICLES BY THE SECRETARY OF STATE.

7-63-105. Articles. (1) THE ARTICLES OF ASSOCIATION SHALL SET FORTH:

(a) THE NAME OF THE ASSOCIATION;

(b) A STATEMENT THAT THE ASSOCIATION IS FORMED UNDER THIS ARTICLE;

(c) IF MANAGEMENT IS VESTED IN THE MEMBERS OR IN ONE OR MORE CLASSES OF MEMBERS AS PROVIDED IN SECTION 7-63-110 (3), A STATEMENT TO THAT EFFECT AND, IF ANY CLASS OR CLASSES OF MEMBERS, BUT NOT ALL, ARE SO VESTED WITH MANAGEMENT, THE NAME OF EACH OF THE CLASSES OF MEMBERS INDICATING WHICH ARE AND WHICH ARE NOT SO VESTED WITH MANAGEMENT;

(d) ANY NOTICE OF PROVISIONS OF THE BYLAWS PERMITTED BY SECTION 7-63-111 (3) CONCERNING THE AUTHORITY OF OFFICERS AND MANAGERS OR OTHERWISE RESTRICTING THE APPLICATION OF SECTION 7-63-111 (4);

(e) THE ADDRESS OF THE ASSOCIATION'S INITIAL PRINCIPAL OFFICE;

(f) THE NAME OF THE ASSOCIATION'S INITIAL REGISTERED AGENT AND THE ADDRESS OF ITS INITIAL REGISTERED OFFICE IN THIS STATE; AND

(g) THE NAMES AND BUSINESS ADDRESSES OF THE PERSONS SIGNING THE ARTICLES.

(2) ANY AMENDMENT TO OR RESTATEMENT OF THE ARTICLES OF ASSOCIATION MUST BE AUTHORIZED IN A SEPARATE WRITING OR WRITINGS BY ALL OF THE MEMBERS. THIS SUBSECTION (2) IS A DEFAULT RULE, SUBJECT TO THE BYLAWS.

(3) ARTICLES OF AMENDMENT, RESTATEMENT, OR DISSOLUTION FILED WITH THE SECRETARY OF STATE ON BEHALF OF THE ASSOCIATION ARE NOT EFFECTIVE UNLESS SIGNED BY THE CHAIRMAN, ANY MANAGER OR VICE CHAIRMAN, AND THE SECRETARY OR AN ASSISTANT SECRETARY. OTHER DOCUMENTS TO BE SO FILED MAY BE SIGNED BY ANY ONE OF THE MANAGERS OR OFFICERS. ANY PERSON OTHER THAN AN OFFICER WHO MAY SIGN ARTICLES OF ASSOCIATION OR OTHER DOCUMENTS MAY SIGN SUCH DOCUMENTS BY AN AGENT. A MANAGER, OFFICER, AGENT, OR FIDUCIARY NEED NOT EXHIBIT ANY EVIDENCE OF AUTHORITY AS A PREREQUISITE TO ANY FILING.

(4) EXCEPT IN A PROCEEDING BY THE STATE TO INVOLUNTARILY DISSOLVE AN ASSOCIATION, THE FILING OF THE ARTICLES OF ASSOCIATION BY THE SECRETARY OF STATE IS CONCLUSIVE AS TO FORMATION OF THE ASSOCIATION AND IT SHALL BE UNCONTESTABLE THAT ALL CONDITIONS PRECEDENT TO FORMATION HAVE BEEN MET.

7-63-106. Names. THE NAME AND ASSUMED OR TRADE NAMES OF AN ASSOCIATION SHALL CONTAIN THE WORD "LIMITED" OR THE ABBREVIATION "LTD." OR "LPA".

7-63-107. Limited liability. THE MANAGERS, OFFICERS, AND MEMBERS, INCLUDING THEIR TRANSFEREES AND OTHER SUCCESSORS, OF AN ASSOCIATION SHALL NOT BE LIABLE UNDER ANY JUDGMENT, DECREE, OR ORDER OF ANY COURT, OR IN ANY OTHER MANNER, FOR A DEBT, OBLIGATION, OR OTHER LIABILITY OF THE ASSOCIATION. THIS SECTION IS A DEFAULT RULE, SUBJECT TO THE BYLAWS.

7-63-108. Reference to corporation law. (1) IN A CASE IN WHICH A PARTY SEEKS TO HOLD THE MEMBERS OF AN ASSOCIATION PERSONALLY RESPONSIBLE FOR THE ALLEGED IMPROPER ACTIONS OF THE ASSOCIATION, THE COURT SHALL APPLY THE

CASE LAW THAT INTERPRETS THE CONDITIONS AND CIRCUMSTANCES UNDER WHICH THE CORPORATE VEIL OF A CORPORATION MAY BE PIERCED UNDER THE LAW OF THIS STATE.

(2) FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, THE FAILURE OF AN ASSOCIATION TO OBSERVE THE FORMALITIES OR REQUIREMENTS RELATING TO THE MANAGEMENT OF THE ASSOCIATION'S BUSINESS AND AFFAIRS IS NOT IN ITSELF A GROUND FOR IMPOSING PERSONAL LIABILITY ON THE MEMBERS FOR THE LIABILITIES OF THE ASSOCIATION.

(3) EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE, THE LAWS OF THIS STATE APPLICABLE TO A CORPORATION ORGANIZED UNDER THE "COLORADO BUSINESS CORPORATION ACT", ARTICLES 101 TO 117 OF THIS TITLE, SHALL APPLY TO AN ASSOCIATION WITH RESPECT TO THE FOLLOWING MATTERS:

(a) THE EXECUTION AND FILING WITH THE SECRETARY OF STATE OF ARTICLES FOR THE FORMATION OR DISSOLUTION OF AN ASSOCIATION, PERIODIC REPORTS CONCERNING AN ASSOCIATION, CHANGE OF REGISTERED AGENT OR REGISTERED OR PRINCIPAL OFFICE, AND OTHER DOCUMENTS INCLUDING WITHDRAWAL AND RESTATEMENT OF, AMENDMENTS AND CORRECTIONS TO, AND STATEMENTS WITH RESPECT TO ANY ARTICLES, REPORTS AND OTHER DOCUMENTS;

(b) CERTIFICATION OF DOCUMENTS AND FACTS OF RECORD AND PROVISION OF OTHER INFORMATION AND SERVICES BY THE SECRETARY OF STATE;

(c) THE EFFECT OF SIGNING DOCUMENTS TO BE FILED WITH THE SECRETARY OF STATE, THE EFFECTIVE DATE AND EFFECT OF ANY FILING WITH OR CERTIFICATION OF DOCUMENTS OR FACTS BY THE SECRETARY OF STATE, AND THE EFFECT AND EFFECTIVE DATE OF ANY FILING OR RECORDING OF A DOCUMENT WITH A CLERK AND RECORDER;

(d) THE FEES PAYABLE TO THE SECRETARY OF STATE FOR FILING OF DOCUMENTS AND FOR PROVIDING INFORMATION AND OTHER SERVICES AND THE PENALTIES PAYABLE TO THE SECRETARY OF STATE AND OTHER CIVIL AND CRIMINAL PENALTIES WITH RESPECT TO DOCUMENTS PERMITTED OR REQUIRED TO BE FILED WITH THE SECRETARY OF STATE;

(e) THE AVAILABILITY, RESERVATION, REGISTRATION, RECORDING, USE, PROTECTION, WITHDRAWAL, AND CHANGE OF AN ASSOCIATION NAME AND ASSUMED OR TRADE NAMES OF AN ASSOCIATION;

(f) THE MAINTENANCE OF A REGISTERED AGENT AND REGISTERED OFFICE WITHIN THIS STATE, THE DESIGNATION OF A PRINCIPAL OFFICE, AND SERVICE OF PROCESS UPON THE REGISTERED AGENT AND UPON THE ASSOCIATION AT ITS PRINCIPAL OFFICE;

(g) THE ADMINISTRATIVE DISSOLUTION AND REINSTATEMENT AND THE JUDICIAL DISSOLUTION OF AN ASSOCIATION; AND

(h) THE ELECTION TO REJECT WORKER'S COMPENSATION COVERAGE UNDER SECTION 8-41-202, C.R.S., AND, FOR THIS PURPOSE, THE TERM "CORPORATE OFFICER" AS USED IN SAID SECTION INCLUDES ANY MANAGER WHO OWNS AT LEAST A TEN PERCENT INTEREST IN THE ASSOCIATION.

(4) SERVICE OF PROCESS MAY ALSO BE MADE ON ANY MANAGER, THE CHAIRMAN OR SECRETARY OF THE ASSOCIATION, OR ANY AGENT OF THE ASSOCIATION APPOINTED FOR THAT PURPOSE.

(5) THE PROHIBITION AGAINST AND THE PENALTIES AND LIABILITIES IMPOSED UPON PERSONS DOING BUSINESS AS A CORPORATION WITHOUT AUTHORITY UNDER THE "COLORADO BUSINESS CORPORATION ACT", ARTICLES 101 TO 117 OF THIS TITLE, SHALL APPLY TO PERSONS DOING BUSINESS IN THIS STATE AS AN ASSOCIATION WITHOUT AUTHORITY UNDER THIS ARTICLE OR IN THIS STATE AS A LIMITED PARTNERSHIP ASSOCIATION, FORMED UNDER THE LAWS OF ANOTHER JURISDICTION, WITHOUT AUTHORITY AS PROVIDED IN SUBSECTION (6) OF THIS SECTION.

(6) THE PROVISIONS OF THE "COLORADO BUSINESS CORPORATION ACT", ARTICLES 101 TO 117 OF THIS TITLE, RELATING TO THE AUTHORIZATION OF A FOREIGN CORPORATION TO DO BUSINESS IN THIS STATE AND THE REGULATION OF A FOREIGN CORPORATION SHALL APPLY WITH RESPECT TO A LIMITED PARTNERSHIP ASSOCIATION FORMED UNDER THE LAWS OF ANOTHER JURISDICTION.

7-63-109. Bylaws. (1) THE INITIAL BYLAWS SHALL BE ADOPTED BY ALL OF THE MEMBERS EITHER BEFORE OR AFTER ITS ARTICLES OF ASSOCIATION ARE FILED.

(2) THE BYLAWS MAY BE AMENDED AT ANY TIME, EITHER BEFORE OR AFTER THE ARTICLES OF ASSOCIATION ARE FILED, BY ALL OF THE MEMBERS.

(3) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4) OR (6) OF THIS SECTION:

(a) THE BYLAWS GOVERN ALL MATTERS RELATING TO THE BUSINESS AND AFFAIRS OF AN ASSOCIATION;

(b) THE AFFAIRS OF AN ASSOCIATION GOVERNED BY THE BYLAWS INCLUDE, WITHOUT LIMITATION, THE RIGHTS, DUTIES, AUTHORITY, LIABILITY, INDEMNIFICATION, ADMISSION AND QUALIFICATIONS OF, LIMITATIONS ON AND DEALINGS AND OTHER RELATIONS AMONG AND BETWEEN THE MANAGERS, OFFICERS, AGENTS, MEMBERS, TRANSFEREES AND OTHER SUCCESSORS TO THE INTEREST OF A MEMBER, AND THE ASSOCIATION; AND

(c) THE BYLAWS MAY CONFER RIGHTS ON AND IMPOSE DUTIES, LIMITATIONS, AND OTHER PROVISIONS FOR THE PROTECTION OR BENEFIT OF ANY OTHER PERSON OR PERSONS, INCLUDING THE PUBLIC, AS THIRD-PARTY BENEFICIARIES.

(4) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (6) OF THIS SECTION:

(a) THE BYLAWS SHALL CONTROL OVER ANY PROVISION OF THIS ARTICLE TO THE CONTRARY THAT IS DESIGNATED IN THIS ARTICLE AS "A DEFAULT RULE, SUBJECT TO THE BYLAWS";

(b) THE PROVISIONS OF THIS ARTICLE THAT ARE SO DESIGNATED SHALL CONTROL ONLY TO THE EXTENT THAT THE BYLAWS DO NOT OTHERWISE PROVIDE;

(c) THE OTHER PROVISIONS OF THIS ARTICLE SHALL CONTROL OVER PROVISIONS OF THE BYLAWS TO THE CONTRARY; AND

(d) THE BYLAWS SHALL CONTROL ONLY TO THE EXTENT THAT SUCH OTHER PROVISIONS OF THIS ARTICLE DO NOT OTHERWISE PROVIDE.

(5) THE REFERENCES IN THIS ARTICLE TO MATTERS THAT MAY BE ADDRESSED IN THE BYLAWS AND TO MATTERS DESIGNATED AS "DEFAULT RULES, SUBJECT TO THE BYLAWS" OR WITH RESPECT TO WHICH PROVISIONS OF THIS ARTICLE OTHERWISE DEFER SHALL NOT BE CONSTRUED TO LIMIT THE SCOPE OF THE MATTERS GOVERNED OR CONTROLLED BY THE BYLAWS.

(6) THE BYLAWS MAY NOT:

(a) UNREASONABLY RESTRICT A MEMBER'S RIGHT OF ACCESS TO BOOKS AND RECORDS;

(b) UNREASONABLY REDUCE THE DUTY OF CARE OF A MANAGER TO THE ASSOCIATION AND ITS MEMBERS;

(c) ELIMINATE THE OBLIGATION OF A MANAGER TO PERFORM THE MANAGER'S DUTY OF CARE IN GOOD FAITH; EXCEPT THAT THE BYLAWS MAY DETERMINE THE STANDARDS BY WHICH THE PERFORMANCE OF THE OBLIGATION IS TO BE MEASURED IF SUCH STANDARDS ARE NOT MANIFESTLY UNREASONABLE; OR

(d) EXCEPT AS PROVIDED IN SECTION 7-63-111 (3) OR FOR THE RESTRICTION OF RIGHTS CONFERRED BY OR ARISING UNDER THE BYLAWS, RESTRICT THE RIGHTS OF, OR IMPOSE DUTIES ON, PERSONS OTHER THAN THE MANAGERS, OFFICERS, AGENTS, MEMBERS AND THEIR TRANSFEREES AND OTHER SUCCESSORS, AND THE ASSOCIATION, WITHOUT THE CONSENT OF SUCH PERSONS.

(7) SUBSECTIONS (2) AND (3) (c) OF THIS SECTION ARE DEFAULT RULES, SUBJECT TO THE BYLAWS.

7-63-110. Management - officers, managers, and members. (1) SUBSECTION (2) OF THIS SECTION SHALL APPLY TO AN ASSOCIATION UNLESS ITS ARTICLES OF ASSOCIATION HAVE VESTED MANAGEMENT IN THE MEMBERS OR ONE OR MORE CLASSES OF MEMBERS.

(2) THERE SHALL BE AT LEAST ONE MEETING OF THE MEMBERS IN EACH YEAR. AT LEAST TWO MANAGERS SHALL BE ELECTED AT SUCH MEETING BY THE MEMBERS FROM AMONG THEIR NUMBER. SUCH MANAGERS SHALL HOLD THEIR RESPECTIVE MANAGERSHIPS FOR ONE YEAR AND UNTIL THEIR SUCCESSORS HAVE BEEN ELECTED AND QUALIFIED. THE MEMBERS SHALL ALSO ELECT THE OFFICERS AT SUCH MEETING. THE ELECTION OF A MANAGER OR OFFICER SHALL REQUIRE A MAJORITY VOTE OF THE MEMBERS IN NUMBER AND INTEREST.

(3) THE MANAGEMENT OF THE BUSINESS AND AFFAIRS OF AN ASSOCIATION MAY BE VESTED BY THE ARTICLES OF ASSOCIATION IN THE MEMBERS AS MEMBERS OR IN ONE OR MORE CLASSES OF MEMBERS AS MEMBERS OF SUCH CLASS OR CLASSES. IF MANAGEMENT IS SO VESTED, THEN:

(a) ANY REFERENCE IN THIS ARTICLE TO A MANAGER OR MANAGERS SHALL BE DEEMED TO REFER TO THE MEMBER OR MEMBERS WHO ARE SO VESTED WITH

MANAGEMENT AUTHORITY; AND

(b) SUBSECTION (4) OF THIS SECTION SHALL APPLY TO THE ASSOCIATION IN LIEU OF SUBSECTION (2) OF THIS SECTION.

(4) THERE SHALL BE AT LEAST ONE MEETING OF THE MANAGERS IN EACH YEAR. THE MANAGERS SHALL ELECT THE OFFICERS AT SUCH MEETING. THE ELECTION OF AN OFFICER SHALL REQUIRE A VOTE OF A MAJORITY IN NUMBER OF THE MANAGERS.

(5) AN ASSOCIATION MAY HAVE MORE THAN ONE CLASS OF MEMBERS AND MORE THAN ONE CLASS OF MANAGERS. ANY CLASS MAY CONSIST OF ONE OR MORE MEMBERS OR MANAGERS. THE BYLAWS MAY PROVIDE THAT ALL OR ANY NUMBER OR PORTION OF THE MEMBERS OR MANAGERS OR ANY CLASS OR CLASSES OF MEMBERS OR MANAGERS CONSENT, VOTE, ELECT, DETERMINE, EXERCISE AUTHORITY, OR OTHERWISE ACT, WITH OR WITHOUT A MEETING, ON A PER CAPITA OR OTHER BASIS ON ANY MATTER, OR NOT ACT OR HAVE AUTHORITY ON ANY MATTER. MEMBERS AND MANAGERS MAY BE COMPENSATED FOR SERVICES PERFORMED FOR AN ASSOCIATION AS A MANAGER, OFFICER, MEMBER, EMPLOYEE, AGENT, OR OTHER CONTRACTOR.

(6) THE DUTIES OF A MANAGER SHALL BE DISCHARGED IN GOOD FAITH, WITH THE DEGREE OF CARE AN ORDINARY PRUDENT PERSON IN A LIKE POSITION WOULD EXERCISE UNDER SIMILAR CIRCUMSTANCES, AND IN A MANNER THAT THE MANAGER REASONABLY BELIEVES TO BE IN THE BEST INTERESTS OF THE ASSOCIATION. MANAGERS AND OFFICERS MAY RELY IN GOOD FAITH ON THE SAME KINDS OF OPINIONS, REPORTS, STATEMENTS, DATA, AND OTHER INFORMATION AND SHALL HAVE THE SAME KINDS OF DEFENSES, LIMITATIONS ON LIABILITY, AND OTHER PROTECTIONS AS DIRECTORS OF A CORPORATION ORGANIZED UNDER THE "COLORADO BUSINESS CORPORATION ACT", ARTICLES 101 TO 117 OF THIS TITLE.

(7) AN ASSOCIATION SHALL HAVE OFFICERS, INCLUDING A CHAIRMAN WITH RESPONSIBILITY FOR PRESIDING AT MEETINGS OF MANAGERS AND MEMBERS AND A SECRETARY WITH RESPONSIBILITY FOR THE PREPARATION, MAINTENANCE, AND AUTHENTICATION OF MINUTES AND THE OTHER RECORDS OF THE ASSOCIATION. THE OFFICERS SHALL BE CHOSEN FROM AMONG THE MANAGERS INCLUDING THE REPRESENTATIVES OF ANY MANAGER WHO IS NOT AN INDIVIDUAL, AND SHALL HOLD THEIR RESPECTIVE OFFICES FOR ONE YEAR AND UNTIL THEIR SUCCESSORS HAVE BEEN ELECTED AND QUALIFIED.

(8) OFFICERS MUST BE INDIVIDUALS AT LEAST EIGHTEEN YEARS OF AGE.

(9) THE FAILURE TO HOLD ANNUAL OR OTHER MEETINGS OF OR ELECTIONS BY THE MEMBERS OR MANAGERS DOES NOT AFFECT THE CONTINUATION OF THE TERM OF ANY PERSON ELECTED OR ANY OTHER ASSOCIATION ACTION AND DOES NOT WORK A DISSOLUTION OR TERMINATION OF THE ASSOCIATION.

(10) SUBSECTIONS (2), (4) TO (7), AND (9) OF THIS SECTION ARE DEFAULT RULES, SUBJECT TO THE BYLAWS.

7-63-111. Dealings on behalf of association. (1) AS USED IN THIS SECTION, "PROPERTY" INCLUDES PROPERTY WHEREVER LOCATED, TANGIBLE PERSONAL PROPERTY, INTANGIBLE PERSONAL PROPERTY, INCLUDING INTERESTS IN THE ASSOCIA-

TION OR ANY OTHER ENTITY, AND REAL PROPERTY AND ANY LEGAL OR EQUITABLE INTEREST IN PROPERTY.

(2) SUBJECT TO SUBSECTIONS (4) AND (6) OF THIS SECTION, EACH MANAGER SHALL HAVE AGENCY AUTHORITY TO BIND AND OTHERWISE REPRESENT THE ASSOCIATION AND MAY, IN THE EXERCISE OF SUCH AUTHORITY, ON BEHALF OF THE ASSOCIATION AND IN ITS NAME, DO ANYTHING THAT AN INDIVIDUAL MAY DO, INCLUDING:

(a) MAKE CONTRACTS AND GUARANTEES, INCUR LIABILITIES, BORROW MONEY OR OTHER PROPERTY, ISSUE NOTES, BONDS, AND OTHER OBLIGATIONS, SECURE OBLIGATIONS BY MORTGAGE OR PLEDGE OF ANY OF ITS PROPERTY, LEND MONEY OR OTHER PROPERTY, RECEIVE AND HOLD PROPERTY AS SECURITY FOR REPAYMENT OR OTHER PERFORMANCE, AND INVEST AND REINVEST FUNDS;

(b) SUE AND BE SUED, COMPLAIN AND DEFEND;

(c) BE A PROMOTER, PARTNER, MEMBER, ASSOCIATE, MANAGER, TRUSTEE OR OTHER FIDUCIARY, OR NOMINEE OR OTHER AGENT OF, OR HOLD ANY SIMILAR POSITION WITH, ANY PERSON;

(d) PURCHASE, LEASE, TAKE BY DONATIVE TRANSFER, DEVISE OR BEQUEST, AND OTHERWISE ACQUIRE, DISCLAIM OR RENOUNCE PROPERTY, AND OWN, HOLD, USE, IMPROVE, EXCHANGE, SELL, CONVEY, ENDORSE, TRANSFER, LEASE, MORTGAGE, PLEDGE, ENCUMBER, AND OTHERWISE DEAL WITH OR DISPOSE OF PROPERTY, INCLUDING ALL OR ANY PART OF THE PROPERTY OF THE ASSOCIATION;

(e) EXECUTE, ACKNOWLEDGE, AND DELIVER A CONVEYANCE OR OTHER TRANSFER, CONTRACT, OR OTHER INSTRUMENT WITH RESPECT TO ANY PROPERTY OR OTHER DEALINGS;

(f) LOCATE OFFICES, CONDUCT BUSINESS, HAVE DEALINGS, AND CARRY ON OTHER ACTIVITIES, INCLUDING THE HOLDING OF PROPERTY, AND OTHERWISE EXERCISE THE AUTHORITY PURSUANT TO THIS ARTICLE AND THE BYLAWS, WHETHER WITHIN OR WITHOUT THIS STATE; AND

(g) APPOINT, COMPENSATE, AND DEFINE THE DUTIES AND AUTHORITY, INCLUDING ANY AUTHORITY CONFERRED UPON A MANAGER BY THIS SUBSECTION (2) OR BY THE BYLAWS, OF AGENTS OF THE ASSOCIATION AND DELEGATE SUCH AUTHORITY TO OFFICERS AND DIRECT THE PERFORMANCE OF DUTIES AND THE EXERCISE OF AUTHORITY BY THE AGENTS AND OFFICERS.

(3) PROVISIONS OF THE BYLAWS MAY ELIMINATE, LIMIT, AND OTHERWISE RESTRICT THE APPLICATION OF ALL OR ANY PORTION OF SUBSECTION (4) OF THIS SECTION; EXCEPT THAT SUCH PROVISIONS OF THE BYLAWS SHALL NOT TAKE EFFECT UNTIL SET FORTH IN THE ARTICLES OF ASSOCIATION. THE PROVISIONS SET FORTH SHALL ONLY HAVE PROSPECTIVE EFFECT.

(4) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3) OF THIS SECTION:

(a) AS USED IN THIS SUBSECTION (4), THE TERM "INSTRUMENT":

(I) INCLUDES ANY CONTRACT, CONVEYANCE, TRANSFER, MORTGAGE, PLEDGE, ENCUMBRANCE, NOTE, ENDORSEMENT, OR OTHER WRITING AND ANY AUTHENTICATION OF RECORDS, DESIGNATION OR AUTHORIZATION OF OR DELEGATION TO ANY OFFICER, MANAGER OR AGENT, ACKNOWLEDGMENT OR OTHER STATEMENT OR REPRESENTATION OF ANY FACT; AND

(II) IMPLIES THE REQUIREMENT OF A WRITING AND EXCLUDES ANYTHING THAT IS NOT IN WRITING.

(b) EVERY MANAGER IS AN AGENT OF THE ASSOCIATION FOR THE PURPOSE OF ITS BUSINESS, AND THE ACT OF EVERY MANAGER, INCLUDING THE SIGNING IN THE ASSOCIATION NAME OF ANY INSTRUMENT FOR APPARENTLY CARRYING ON IN THE USUAL WAY THE BUSINESS OF THE ASSOCIATION OF WHICH HE OR SHE IS A MANAGER, BINDS THE ASSOCIATION, UNLESS THE MANAGER SO ACTING HAS IN FACT NO AUTHORITY TO ACT FOR THE ASSOCIATION IN THE PARTICULAR MATTER AND THE PERSON WITH WHOM THE MANAGER IS DEALING HAS KNOWLEDGE OF THE FACT THAT THE MANAGER HAS NO SUCH AUTHORITY.

(c) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (d) OF THIS SUBSECTION (4), AN ACT OF A MANAGER WHICH IS NOT APPARENTLY FOR CARRYING ON THE BUSINESS OF THE ASSOCIATION IN THE USUAL WAY DOES NOT BIND THE ASSOCIATION.

(d) NO INSTRUMENT SIGNED BY THE CHAIRMAN, ANY MANAGER OR VICE CHAIRMAN AND BY THE SECRETARY OR ANY ASSISTANT SECRETARY NOR THE DELIVERY OF ANY SUCH INSTRUMENT SHALL BE INVALIDATED AS TO THE ASSOCIATION BY ANY LACK OF AUTHORITY OF ANY OFFICER OR MANAGER OF THE ASSOCIATION SIGNING OR DELIVERING THE INSTRUMENT, IF:

(I) THE INSTRUMENT IS IN THE NAME OF THE ASSOCIATION AND SIGNED OR ENTERED INTO WITH OR ISSUED OR DELIVERED TO A PERSON OR THE INSTRUMENT EVIDENCES, AUTHORIZES, OR FACILITATES A TRANSACTION ON BEHALF OF THE ASSOCIATION WITH A PERSON; AND

(II) THE PERSON GIVES VALUE FOR THE INSTRUMENT OR IN THE TRANSACTION AND THE PERSON IS WITHOUT KNOWLEDGE THAT THE OFFICER OR MANAGER DID NOT HAVE AUTHORITY TO SO ACT OR WAS ACTING IN CONTRAVENTION OF A RESTRICTION ON SUCH AUTHORITY.

(5) NO ACT OF A MANAGER WHO IN FACT HAS NO AUTHORITY TO ACT FOR THE ASSOCIATION IN A PARTICULAR MATTER SHALL BIND THE ASSOCIATION TO PERSONS HAVING KNOWLEDGE OF THE FACT THAT THE MANAGER DOES NOT HAVE SUCH AUTHORITY. NO ACT OF A MANAGER IN CONTRAVENTION OF A RESTRICTION ON AUTHORITY SHALL BIND THE ASSOCIATION TO PERSONS HAVING KNOWLEDGE OF THE RESTRICTION.

(6) AN INTEREST IN THE ASSOCIATION MAY BE ISSUED OR REDEEMED ONLY AS AUTHORIZED IN WRITING BY ALL OF THE MEMBERS.

(7) SUBSECTIONS (2) AND (6) OF THIS SECTION ARE DEFAULT RULES, SUBJECT TO THE BYLAWS.

7-63-112. Capital contributions. (1) THE PERSONS FORMING AN ASSOCIATION SHALL MAKE CONTRIBUTION TO ITS CAPITAL IN CASH OR IN OTHER PROPERTY.

(2) THE VALUATION OF PROPERTY CONTRIBUTED AS CONTEMPLATED IN SUBSECTION (1) OF THIS SECTION MUST BE APPROVED BY ALL OF THE INITIAL MEMBERS. THIS SUBSECTION (2) IS A DEFAULT RULE, SUBJECT TO THE BYLAWS.

7-63-113. Dividends. (1) AS USED IN THIS SECTION, THE TERM "DIVIDEND" INCLUDES ALL DISTRIBUTIONS BY AN ASSOCIATION TO ITS MEMBERS IN RESPECT OF THEIR INTERESTS IN THE ASSOCIATION AS MEMBERS.

(2) AN ASSOCIATION MAY PAY DIVIDENDS FROM TIME TO TIME TO ITS MEMBERS IN CASH OR OTHER PROPERTY AS ITS MANAGERS DETERMINE PURSUANT TO THIS SECTION AND THE BYLAWS. FOR PRINCIPAL AND INCOME ACCOUNTING PURPOSES OF A FIDUCIARY, AND SUBJECT TO THE INSTRUMENT UNDER WHICH THE FIDUCIARY ACTS, A DIVIDEND SHALL CONSTITUTE INCOME UNLESS OTHERWISE DECLARED BY THE MANAGERS AS CHARGEABLE TO THE CAPITAL ACCOUNTS OF THE MEMBERS.

(3) THE DETERMINATIONS AND DECLARATIONS CONCERNING A DIVIDEND SHALL BE MADE BY A MAJORITY IN NUMBER OF THE MANAGERS; EXCEPT THAT, IF MANAGEMENT IS VESTED IN THE MEMBERS OR ONE OR MORE CLASSES OF MEMBERS, SUCH DETERMINATIONS MUST ALSO BE APPROVED BY A MAJORITY IN NUMBER AND INTEREST OF THE MEMBERS. NO DEBT OF OR INTEREST IN THE ASSOCIATION MAY BE PAID AS A DIVIDEND UNLESS AUTHORIZED IN WRITING BY ALL OF THE MEMBERS.

(4) NO DIVIDEND MAY BE PAID IF, AFTER GIVING IT EFFECT:

(a) THE ASSOCIATION WOULD NOT BE ABLE TO PAY ITS DEBTS AS THEY BECOME DUE IN THE USUAL COURSE OF BUSINESS; OR

(b) THE ASSOCIATION'S TOTAL ASSETS WOULD BE LESS THAN THE SUM OF ITS TOTAL LIABILITIES PLUS THE AMOUNT THAT WOULD BE NEEDED, IF THE ASSOCIATION WERE TO BE DISSOLVED, TO SATISFY THE PREFERENTIAL RIGHTS OF MEMBERS WHOSE PREFERENTIAL RIGHTS ARE SUPERIOR TO THOSE RECEIVING THE DIVIDEND.

(5) THE MANAGERS AUTHORIZING A DIVIDEND CONTRARY TO SUBSECTION (4) OF THIS SECTION SHALL BE JOINTLY AND SEVERALLY LIABLE TO THE ASSOCIATION IN THE AMOUNT BY WHICH THE DIVIDEND EXCEEDS THE DIVIDEND THAT COULD HAVE BEEN PAID WITHOUT VIOLATING SAID SUBSECTION (4) IF IT IS ESTABLISHED, SUBJECT TO SECTION 7-63-110 (6), THAT SUCH MANAGERS DID NOT PERFORM THEIR DUTIES IN COMPLIANCE WITH SECTION 7-63-110 (6). SECTION 7-63-110 (6) SHALL BE APPLIED FOR PURPOSES OF THIS SUBSECTION (5) WITHOUT TAKING ANY CONTRARY PROVISIONS OF THE BYLAWS INTO ACCOUNT.

(6) MANAGERS SHALL ALSO HAVE THE SAME RIGHTS OF CONTRIBUTION FROM OTHER MANAGERS AND MEMBERS AS DIRECTORS HAVE AGAINST OTHER DIRECTORS AND SHAREHOLDERS UNDER THE "COLORADO BUSINESS CORPORATION ACT", ARTICLES 101 TO 117 OF THIS TITLE.

(7) SUBSECTIONS (3) AND (6) OF THIS SECTION ARE DEFAULT RULES, SUBJECT TO THE BYLAWS.

7-63-114. Membership participation - interests. (1) ANY PERSON, EXCEPT AN INDIVIDUAL UNDER THE AGE OF EIGHTEEN YEARS OR A PERSON PROHIBITED FROM SO ACTING, MAY PARTICIPATE IN THE FORMATION OR BECOME A MEMBER OR MANAGER OF AN ASSOCIATION; EXCEPT THAT A CUSTODIAN, CONSERVATOR, GUARDIAN, OR OTHER FIDUCIARY MAY PARTICIPATE IN THE FORMATION OR BECOME AND ACT AS A MEMBER OR MANAGER ON BEHALF OF THE ESTATE OF AN INDIVIDUAL UNDER THE AGE OF EIGHTEEN YEARS. NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION (1) TO THE CONTRARY, THE BYLAWS MAY SET QUALIFICATIONS FOR AND OTHERWISE RESTRICT THE ELIGIBILITY OF PERSONS TO BECOME OR ACT AS MEMBERS OR MANAGERS.

(2) MEMBERS MAY VOTE, EXERCISE THEIR RIGHTS, AND OTHERWISE ACT BY PROXY OR OTHER AGENT.

(3) THE INTEREST OF A MEMBER IN AN ASSOCIATION IS PERSONAL PROPERTY.

(4) AN INTEREST IN THE ASSOCIATION MAY BE TRANSFERRED OR ENCUMBERED ONLY AS PROVIDED IN THE BYLAWS. A MEMBER MAY NOT RESIGN OR WITHDRAW.

(5) A PERSON MAY BE ADMITTED TO MEMBERSHIP BY A VOTE OF ALL OF THE MEMBERS. IF THERE ARE NO MEMBERS AND THERE IS NO OTHER PROVISION FOR ADMISSION OF SUCCESSOR MEMBERS, THEN A MAJORITY IN NUMBER AND INTEREST OF THE TRANSFERREES OF, AND OTHER SUCCESSORS IN INTEREST TO, THE MEMBERS MAY ADMIT ONE OR MORE OF THE TRANSFERREES AND SUCCESSORS AS MEMBERS. SUCH MAJORITY IN NUMBER SHALL BE DETERMINED BY COUNTING ALL OF THE TRANSFERREES AND OTHER SUCCESSORS OF EACH FORMER MEMBER AS ONE.

(6) EXCEPT FOR PERSONS FORMING AN ASSOCIATION OR ADMITTED TO ITS MEMBERSHIP, NO TRANSFEREE, REPRESENTATIVE OF THE ESTATE OF A DECEASED, INCOMPETENT, INSOLVENT OR BANKRUPT MEMBER, OR OTHER SUCCESSOR TO AN INTEREST OF A MEMBER OR ANY OTHER PERSON SHALL BE ENTITLED TO ANY PARTICIPATION IN THE MANAGEMENT OF THE BUSINESS AND AFFAIRS OF THE ASSOCIATION OR HAVE ANY RIGHT TO BECOME A MEMBER. NO TRANSFER, SUCCESSION, ENCUMBRANCE, JUDGMENT, DECREE, ORDER, OR OTHER CLAIM UPON THE INTEREST OF A MEMBER OR AGAINST A MEMBER, SHALL GIVE A PERSON ANY OF THE RIGHTS OF THE MEMBER OR WITH RESPECT TO THE MEMBER'S INTEREST OTHER THAN THE RIGHT TO BE PAID THE DIVIDENDS AND OTHER DISTRIBUTIONS WHEN AND TO THE EXTENT THAT THE MEMBER WOULD OTHERWISE HAVE BEEN PAID.

(7) SUBSECTIONS (2) AND (4) TO (6) OF THIS SECTION ARE DEFAULT RULES, SUBJECT TO THE BYLAWS.

7-63-115. Information and accounting. (1) EACH MEMBER HAS THE RIGHT TO:

(a) INSPECT AND COPY THE BOOKS AND RECORDS OF ACCOUNT, THE RECORDS OF THE CONTRIBUTIONS AND HOLDINGS OF THE MEMBERS AND THEIR TRANSFERREES AND OTHER SUCCESSORS, THE BYLAWS, AND THE MINUTES OF THE MEMBERS AND OF THE MANAGERS;

(b) OBTAIN FROM THE MANAGERS TRUE AND FULL INFORMATION REGARDING THE STATE OF THE BUSINESS AND THE FINANCIAL CONDITION OF THE ASSOCIATION AND

ANY OTHER INFORMATION REGARDING THE AFFAIRS OF THE ASSOCIATION;

(c) OBTAIN COPIES FROM THE MANAGERS, UPON BECOMING AVAILABLE, OF THE ASSOCIATION'S FEDERAL, STATE, AND LOCAL INCOME TAX RETURNS FOR EACH YEAR; AND

(d) HAVE A FORMAL ACCOUNTING OF ASSOCIATION AFFAIRS WHENEVER CIRCUMSTANCES RENDER IT JUST AND REASONABLE.

(2) SUBSECTION (1) OF THIS SECTION IS A DEFAULT RULE, SUBJECT TO THE BYLAWS.

7-63-116. Dissolution and termination. (1) AN ASSOCIATION SHALL HAVE INDEFINITE DURATION AND SHALL CONTINUE UNTIL TERMINATED AS PROVIDED IN THIS SECTION. AN ASSOCIATION SHALL CONTINUE EVEN THOUGH IT HAS ONLY ONE MEMBER OR ONLY ONE PERSON OWNING ALL OF THE INTERESTS IN THE ASSOCIATION. AN ASSOCIATION MAY BE DISSOLVED BY A VOTE OF ALL OF ITS MEMBERS OR UPON THE OTHER EVENTS OR CIRCUMSTANCES AS MAY BE PROVIDED IN THE BYLAWS.

(2) AFTER AN ASSOCIATION IS DISSOLVED, ITS BUSINESS AND AFFAIRS SHALL BE WOUND UP AND ITS PROPERTY DISTRIBUTED; EXCEPT THAT THE PROPERTY OF THE ASSOCIATION SHALL BE APPLIED FIRST TO THE SATISFACTION OF ITS LIABILITIES AND INDEBTEDNESS AND THEN TO DISTRIBUTIONS AMONG THE MEMBERS WITH RESPECT TO THEIR INTERESTS AS MEMBERS.

(3) IF ASSETS OF AN ASSOCIATION HAVE BEEN DISTRIBUTED TO MEMBERS IN THE WINDING UP OF THE ASSOCIATION BEFORE ITS LIABILITIES AND INDEBTEDNESS HAVE BEEN PAID OR ADEQUATELY PROVIDED FOR, THE ASSOCIATION BEFORE ITS TERMINATION, AND, AFTER ITS TERMINATION, THE CREDITORS OF AN ASSOCIATION SHALL HAVE A CLAIM AGAINST MEMBERS RECEIVING DISTRIBUTIONS FOR SUCH LIABILITIES AND INDEBTEDNESS NOT BARRED BY APPLICABLE STATUTES OF LIMITATION; EXCEPT THAT A MEMBER'S TOTAL LIABILITY FOR ALL CLAIMS UNDER THIS SECTION MAY NOT EXCEED THE TOTAL VALUE OF ASSETS DISTRIBUTED TO THE MEMBER, AS SUCH VALUE IS DETERMINED AT THE TIME OF DISTRIBUTION. ANY MEMBER REQUIRED TO RETURN ANY PORTION OF THE VALUE OF ASSETS RECEIVED BY THE MEMBER IN LIQUIDATION SHALL BE ENTITLED TO CONTRIBUTION FROM ALL OTHER MEMBERS. EACH SUCH CONTRIBUTION SHALL BE IN ACCORDANCE WITH THE CONTRIBUTING MEMBER'S RIGHTS AND INTERESTS AND SHALL NOT EXCEED THE VALUE OF THE ASSETS RECEIVED BY THE CONTRIBUTING MEMBER IN DISSOLUTION.

(4) DISTRIBUTIONS AMONG MEMBERS SHALL BE IN ACCORDANCE WITH THE PRIORITIES AND PROPORTIONS OF THEIR RESPECTIVE CLAIMS AND INTERESTS.

(5) UPON THE APPARENT COMPLETION OF THE WINDING UP AND DISTRIBUTION, THE ASSOCIATION SHALL FILE ARTICLES OF DISSOLUTION WITH THE SECRETARY OF STATE. THE EXISTENCE OF THE ASSOCIATION IS THEREBY TERMINATED. AFTER THE EXISTENCE OF AN ASSOCIATION IS TERMINATED, ITS MANAGERS AND AGENTS SHALL CONTINUE TO HAVE AUTHORITY TO CONVEY ANY REAL OR PERSONAL PROPERTY HELD IN THE NAME OF THE ASSOCIATION AND OTHERWISE ACT AS PROVIDED IN THE BYLAWS OR, SUBJECT TO THE BYLAWS, AS PROVIDED IN THIS ARTICLE TO COMPLETE THE WINDING UP OR DISTRIBUTION.

(6) SUBSECTIONS (1) AND (4) OF THIS SECTION ARE DEFAULT RULES, SUBJECT TO THE BYLAWS.

7-63-117. Conversion. (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION:

(a) ANY ENTITY MAY CONVERT TO OR FROM AN ASSOCIATION ON THE SAME BASIS AND WITH THE SAME EFFECT THAT THE ENTITY MAY CONVERT TO OR FROM A LIMITED LIABILITY COMPANY.

(b) A LIMITED LIABILITY COMPANY MAY CONVERT TO OR FROM AN ASSOCIATION ON THE SAME BASIS AND WITH THE SAME EFFECT AS A LIMITED LIABILITY COMPANY MAY CONVERT TO OR FROM A LIMITED LIABILITY PARTNERSHIP.

(2) AN ASSOCIATION MAY NOT BE MERGED INTO OR CONVERTED TO ANY OTHER ENTITY UNLESS AUTHORIZED BY OR IN ACCORDANCE WITH THE BYLAWS OF THE ASSOCIATION.

(3) FOR PURPOSES OF THIS SECTION, THE BYLAWS OF AN ASSOCIATION CORRESPOND TO THE PARTNERSHIP AGREEMENTS OR OPERATING AGREEMENTS OF THE OTHER ENTITIES AND THE MEMBERS OF AN ASSOCIATION CORRESPOND TO THE MEMBERS OR PARTNERS OF THE OTHER ENTITIES.

(4) THE PARTNERS OR MEMBERS OF AN ENTITY RESULTING FROM A CONVERSION AUTHORIZED BY SUBSECTION (1) OF THIS SECTION SHALL HAVE THE SAME PROTECTIONS FROM AND RESPONSIBILITIES FOR THE LIABILITIES OF THE CONVERTED ENTITY AS ARE PROVIDED IN THE CASE APPLICABLE TO THE CONVERSION UNDER SUCH SUBSECTION. THE MEMBERS OF AN ASSOCIATION RESULTING FROM A CONVERSION SHALL SIGN AND FILE ARTICLES OF ASSOCIATION ON BEHALF OF THE ASSOCIATION AS REQUIRED IN THE CASE OF AN ASSOCIATION INITIALLY FORMED UNDER THIS ARTICLE.

(5) EXCEPT AS OTHERWISE PROVIDED IN THE OPERATING AGREEMENT OR THE PARTNERSHIP AGREEMENT OF AN ENTITY RESULTING FROM THE CONVERSION OF AN ASSOCIATION, AND NOTWITHSTANDING THE PROVISIONS OF THE OTHER ARTICLES OF THIS TITLE APPLICABLE TO THE RESULTING ENTITY, THE RESULTING ENTITY SHALL HAVE INDEFINITE DURATION AND SHALL NOT, WITHOUT THE WRITTEN CONSENT OF ALL OF ITS MEMBERS OR PARTNERS, BE VOLUNTARILY DISSOLVED OR MERGED INTO OR CONVERTED TO ANOTHER ENTITY.

SECTION 19. 7-71-101, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

7-71-101. Membership of firm - business under assumed name - fees.

(1) Repealed.

(2) Any corporation, limited partnership, ~~or~~ limited liability company, ~~existing under the laws of this state~~ LIMITED LIABILITY PARTNERSHIP, OR LIMITED LIABILITY LIMITED PARTNERSHIP ON FILE WITH THE SECRETARY OF STATE may transact all or a portion of its business under ~~an assumed~~ A TRADE name ~~upon filing in the office of~~ BY DELIVERING TO the secretary of state FOR FILING a certificate regarding ~~each assumed~~ SUCH TRADE name setting forth the following:

(a) ~~The corporate, limited partnership, or limited liability company~~ name OF THE ENTITY and the location of its principal office;

(b) The name other than the ~~corporate, limited partnership, or limited liability company~~ ENTITY'S name under which the business is ~~carried on~~ TRANSACTED;

(c) A brief description of the kind of business transacted under the ~~assumed~~ TRADE name.

~~(d) (I) A certificate of assumed or trade name by a corporation shall be signed by the chairperson of the board of directors of a domestic or foreign corporation, by all of its directors, by one of its officers, or by any other person authorized to execute the document.~~

~~(II) A certificate of assumed or trade name by a limited partnership shall be signed by one or more of the general partners.~~

~~(III) A certificate of assumed or trade name by a limited liability company shall be signed by one or more of the managers.~~

(3) Any ~~assumed~~ TRADE name used by any corporation, limited partnership, or limited liability company SUBMITTED TO THE SECRETARY OF STATE FOR FILING shall: be such as to distinguish it from the names of other domestic or foreign corporations, limited partnerships, or limited liability companies authorized to do business in this state and from the assumed names already in use by any domestic or foreign corporations, limited partnerships or limited liability companies, or domestic or foreign limited partnerships and from any trademark on file with the secretary of state or any name reserved or registered under the laws of this state.

(a) NOT BE THE SAME AS OR DECEPTIVELY SIMILAR TO:

(I) THE NAME OF ANY ENTITY ON FILE WITH THE SECRETARY OF STATE;

(II) ANY NAME WHICH HAS BEEN RESERVED OR REGISTERED WITH THE SECRETARY OF STATE UNDER THE LAWS OF THIS STATE; OR

(III) THE CORPORATE OR TRADE NAME OF A DISSOLVED CORPORATION DURING THE ONE-HUNDRED-TWENTY-DAY PERIOD FOLLOWING THE EFFECTIVE DATE OF ITS DISSOLUTION PURSUANT TO SECTION 7-114-103, 7-114-202 (2), OR 7-114-304; AND

(b) NOT SO RESEMBLE ANY TRADEMARK REGISTERED WITH THE SECRETARY OF STATE UNDER THE LAWS OF THIS STATE BY ANOTHER PERSON, WHICH TRADEMARK HAS PREVIOUSLY BEEN USED BY THE REGISTERED TRADEMARK OWNER AND NOT ABANDONED, THAT IT IS LIKELY TO CAUSE CONFUSION OR MISTAKE OR TO DECEIVE WHEN USED IN CONNECTION WITH THE GOODS OR SERVICES OF THE OWNER OF SUCH REGISTERED TRADEMARK.

(4) Any ~~corporation, limited partnership, or limited liability company doing business under an assumed name~~ ENTITY REGISTERED WITH THE SECRETARY OF STATE AND TRANSACTING BUSINESS UNDER A TRADE NAME shall be liable in connection therewith to the same extent and in the same manner as if that business were

transacted under its true ~~corporate, limited partnership, or limited liability company~~ name. The ~~corporation, limited partnership, or limited liability company~~ ENTITY may be sued in connection therewith either under its true name or its ~~assumed~~ TRADE name.

(5) The secretary of state shall charge and collect a fee which shall be determined and collected pursuant to section 24-21-104 (3), C.R.S., for the filing ~~and recording~~ of each ~~of such certificates~~ CERTIFICATE PROVIDED FOR BY THIS SECTION.

(6) Repealed.

(7) The certification provided for in this section may be recorded and, upon recording, shall constitute prima facie evidence of the facts recited therein insofar as the same affect title to real property.

(8) ~~(a) Any corporation, limited partnership, or limited liability company~~ ENTITY HAVING A TRADE NAME REGISTERED WITH THE SECRETARY OF STATE may relinquish ~~its SUCH~~ trade name by DELIVERING TO THE SECRETARY OF STATE FOR filing a certificate of withdrawal of trade name ~~in the office of the secretary of state and paying a filing fee which shall be determined and collected pursuant to section 24-21-104 (3), C.R.S.~~ The certificate in respect of each such trade name shall ~~contain the following~~ SETTING FORTH:

~~(F) (a) The corporate, limited partnership, or limited liability company~~ name OF THE ENTITY and the location of its registered office; AND

~~(H) (b) The trade name on file in the office of~~ WITH the secretary of state that ~~the corporation, limited partnership, or limited liability company~~ desires to relinquish IS BEING RELINQUISHED.

~~(b) (I) The certificate of withdrawal of trade name by a corporation shall be signed by the chairperson of the board of directors of a domestic or foreign corporation, by all of its directors, by one of its officers, or by any other person authorized to execute the document.~~

~~(H) The certificate of withdrawal of trade name by a limited partnership shall be signed by one or more of the general partners.~~

~~(III) The certificate of withdrawal of trade name by a limited liability company shall be signed by one or more of the managers.~~

(9) (a) Any ~~corporation, limited partnership, or limited liability company~~ ENTITY having a trade name ~~filed~~ REGISTERED with the secretary of state AS PROVIDED IN THIS SECTION, upon changing its ~~corporate, limited partnership, or limited liability company~~ name, shall ~~file~~ DELIVER TO THE SECRETARY OF STATE FOR FILING a change of name certificate ~~in the office of the secretary of state~~; setting forth the following:

~~(F) (a) The new corporate, limited partnership, or limited liability company~~ name OF THE ENTITY and the location of its registered office;

~~(H) (b) The old corporate, limited partnership, or limited liability company~~ name

of the ~~owner~~ ENTITY as shown on ~~the trade name on file in the office of~~ WITH the secretary of state; AND

~~(H)~~ (c) The trade name as shown on file ~~in the office of~~ WITH the secretary of state.

~~(b) (i) The certificate of change of name by a corporation shall be signed by the chairperson of the board of directors of a domestic or foreign corporation, by all of its directors, by one of its officers, or by any other person authorized to execute the document.~~

~~(H) The certificate of change of name by a limited partnership shall be signed and acknowledged by one or more of the general partners.~~

~~(H) The certificate of change of name by a limited liability company shall be signed by one or more of the managers.~~

~~(c) A fee which shall be determined and collected pursuant to section 24-21-104 (3), C.R.S., shall be paid to the secretary of state for filing this certificate.~~

(10) ~~(a) Any corporation being~~ ENTITY THAT IS the survivor of a merger or consolidation, if it desires to use the trade name previously used by the merging or consolidating ~~corporation~~ ENTITY, shall, ~~file~~ within ninety days after the merger or consolidation, DELIVER a certificate of merger or consolidation ~~in the office of~~ TO the secretary of state FOR FILING, setting forth the following:

~~(F)~~ (a) The ~~corporate~~ name and registered office of the ~~said~~ surviving ~~owner~~ ENTITY;

~~(H)~~ (b) The ~~corporate~~ name of the previous owner of the trade name as shown on ~~the trade name on file in the office of~~ WITH the secretary of state;

~~(H)~~ (c) The trade name as shown on file ~~in the office of~~ WITH the secretary of state.

~~(b) The certificate of merger or consolidation shall be signed by the chairperson of the board of directors of a domestic or foreign corporation, by all of its directors, by one of its officers, or by any other person authorized to execute the document.~~

~~(c) A fee which shall be determined and collected pursuant to section 24-21-104 (3), C.R.S., shall be paid to the secretary of state for filing this certificate.~~

(11) A separate certificate shall be filed for each trade name.

(12) ~~For the purposes of this section, "limited partnership" means limited partnerships formed under, or that have elected to be governed by, or that have been filed as foreign limited partnerships under the provisions of the "Colorado Uniform Limited Partnership Act of 1981", article 62 of this title.~~ ANY CERTIFICATE FILED PURSUANT TO THIS SECTION SHALL BE EXECUTED, OR SHALL BE A TRUE COPY, MADE BY PHOTOGRAPHIC, XEROGRAPHIC, OR OTHER PROCESS PROVIDING SIMILAR COPY ACCURACY, AS FOLLOWS:

(a) IF FILED BY A CORPORATION, THEN EXECUTED BY THE CHAIRPERSON OF THE BOARD OF DIRECTORS, BY ALL OF ITS DIRECTORS, BY ONE OF ITS OFFICERS, OR BY ANY OTHER PERSON AUTHORIZED TO EXECUTE THE CERTIFICATE;

(b) IF FILED BY A LIMITED PARTNERSHIP, LIMITED LIABILITY PARTNERSHIP, OR LIMITED LIABILITY LIMITED PARTNERSHIP, THEN EXECUTED BY ONE OR MORE OF ITS GENERAL PARTNERS; OR

(c) IF FILED BY A LIMITED LIABILITY COMPANY, THEN EXECUTED BY ONE OR MORE OF ITS MANAGERS.

SECTION 20. 7-71-102 (1), Colorado Revised Statutes, 1986 Repl. Vol., is amended to read:

7-71-102. Penalty for failure to file. (1) Any ~~limited partnership or corporation trading and doing~~ ENTITY TRANSACTING business in this state which has not filed for records its A certificate in compliance with section 7-71-101 shall not be permitted to prosecute any suits for the collection of its debts until such certificate has been filed.

SECTION 21. 7-80-102 (7.6), (11), and (13), Colorado Revised Statutes, 1986 Repl. Vol., as amended, are amended to read:

7-80-102. Definitions. As used in this article, unless the context otherwise requires:

(7.6) "Limited partnership" means a limited partnership created under the "Colorado Uniform Limited Partnership Act of 1981", article 62 of this title, a predecessor law, or a comparable law of another jurisdiction AND INCLUDES A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP.

(11) "Operating agreement" means any valid agreement of ALL OF the members as to the affairs of a limited liability company and the conduct of its business. Except as otherwise provided in this article, the operating agreement need not be in writing. The operating agreement may contain any provisions required or permitted by section 7-80-108 (1). AN OPERATING AGREEMENT INCLUDES AMENDMENTS AGREED TO BY ALL OF THE MEMBERS OR ADOPTED IN SUCH OTHER MANNER AS MAY BE PROVIDED IN A WRITTEN OPERATING AGREEMENT.

(13) "Partnership" means a partnership as defined in the "Uniform Partnership Law", article 60 of this title, a predecessor law, or a comparable law of another jurisdiction AND INCLUDES A REGISTERED LIMITED LIABILITY PARTNERSHIP.

SECTION 22. 7-80-901, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

7-80-901. Law governing foreign limited liability companies. ~~Subject to the constitution of this state,~~ The laws of the jurisdiction under which a foreign limited liability company is organized govern its organization and internal affairs and the liability of its members OR MANAGERS, and a foreign limited liability company may not be denied a certificate of authority to transact business in this state by reason of

any difference between those laws and the laws of this state.

SECTION 23. Part 10 of article 80 of title 7, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

7-80-1001.5. Conversion of limited liability company to partnership or limited partnership. (1) A LIMITED LIABILITY COMPANY MAY BE CONVERTED TO A PARTNERSHIP OR LIMITED PARTNERSHIP AS PROVIDED IN THIS SECTION.

(2) THE TERMS AND CONDITIONS OF A CONVERSION OF A LIMITED LIABILITY COMPANY TO A PARTNERSHIP OR LIMITED PARTNERSHIP MUST BE APPROVED BY ALL THE MEMBERS OR, IF A NUMBER OR PERCENTAGE OF MEMBERS WHOSE APPROVAL IS REQUIRED FOR SUCH CONVERSION IS SPECIFIED IN THE OPERATING AGREEMENT, BY THAT NUMBER OR PERCENTAGE.

(3) AFTER THE CONVERSION IS APPROVED AS PROVIDED IN SUBSECTION (2) OF THIS SECTION:

(a) IF THE RESULTING ORGANIZATION IS A LIMITED PARTNERSHIP, THE LIMITED LIABILITY COMPANY SHALL FILE WITH THE OFFICE OF THE SECRETARY OF STATE A CERTIFICATE OF LIMITED PARTNERSHIP WHICH SATISFIES THE REQUIREMENTS OF SECTION 7-62-201; AND

(b) IF THE RESULTING ORGANIZATION IS A REGISTERED LIMITED LIABILITY PARTNERSHIP OR A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP, THE LIMITED LIABILITY COMPANY SHALL FILE WITH THE OFFICE OF THE SECRETARY OF STATE A REGISTRATION STATEMENT WHICH SATISFIES THE REQUIREMENTS OF SECTION 7-60-144.

(4) AFTER THE CONVERSION IS APPROVED AS PROVIDED IN SUBSECTION (2) OF THIS SECTION, THE LIMITED LIABILITY COMPANY SHALL FILE A NOTICE OF CONVERSION WITH THE OFFICE OF THE SECRETARY OF STATE WHICH SHALL SET FORTH:

(a) A STATEMENT THAT THE LIMITED LIABILITY COMPANY WAS CONVERTED TO A PARTNERSHIP OR LIMITED PARTNERSHIP;

(b) IN THE CASE OF CONVERSION DIRECTLY INTO A REGISTERED LIMITED LIABILITY PARTNERSHIP OR A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP, A STATEMENT TO THAT EFFECT;

(c) THE NAME OF THE LIMITED LIABILITY COMPANY;

(d) THE NAME OF THE PARTNERSHIP OR LIMITED PARTNERSHIP INTO WHICH THE LIMITED LIABILITY COMPANY WAS CONVERTED; AND

(e) A STATEMENT OF THE NUMBER OF VOTES CAST BY THE MEMBERS ENTITLED TO VOTE FOR AND AGAINST THE CONVERSION AND, IF THE VOTE WAS LESS THAN UNANIMOUS, THE NUMBER OR PERCENTAGE REQUIRED TO APPROVE THE CONVERSION UNDER THE OPERATING AGREEMENT.

(5) THE CONVERSION TAKES EFFECT WHEN THE NOTICE OF CONVERSION IS FILED WITH THE OFFICE OF THE SECRETARY OF STATE OR AT ANY LATER DATE SPECIFIED IN THE NOTICE OF CONVERSION.

(6) A MEMBER OF A LIMITED LIABILITY COMPANY WHO BECOMES A PARTNER AS A RESULT OF A CONVERSION SHALL NOT BECOME PERSONALLY LIABLE AS A PARTNER FOR AN OBLIGATION INCURRED BY THE LIMITED LIABILITY COMPANY BEFORE THE EFFECTIVE DATE OF THE CONVERSION. THE LIABILITY OF A MEMBER AS A PARTNER OR LIMITED PARTNER OF THE PARTNERSHIP, LIMITED PARTNERSHIP, REGISTERED LIMITED LIABILITY PARTNERSHIP, OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP INTO WHICH THE LIMITED LIABILITY COMPANY IS CONVERTED SHALL BE AS PROVIDED IN THE STATUTE UNDER WHICH THE PARTNERSHIP IS ORGANIZED.

(7) IF THE NOTICE OF CONVERSION CONTAINS A STATEMENT THAT THE LIMITED LIABILITY COMPANY IS CONVERTED DIRECTLY INTO A REGISTERED LIMITED LIABILITY PARTNERSHIP OR A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP:

(a) (I) A DOMESTIC REGISTERED LIMITED LIABILITY PARTNERSHIP OR DOMESTIC REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP SHALL BE DEEMED TO BE IN EXISTENCE AT THE TIME OF THE CONVERSION; AND

(II) A FOREIGN LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY LIMITED PARTNERSHIP SHALL BE DEEMED TO BE IN EXISTENCE AT THE TIME OF THE CONVERSION IF IT HAS COMPLIED WITH THE LAWS OF THE JURISDICTION UNDER WHOSE LAWS IT IS ORGANIZED;

(b) THE MEMBERS SHALL BE DEEMED TO HAVE BECOME PARTNERS IN A REGISTERED LIMITED LIABILITY PARTNERSHIP OR A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP WITHOUT HAVING BEEN PARTNERS IN A PARTNERSHIP OR LIMITED PARTNERSHIP THAT WAS NOT A REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP OR REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIP, AS THE CASE MAY BE.

SECTION 24. 7-80-1002, Colorado Revised Statutes, 1986 Repl. Vol., as amended, is amended to read:

7-80-1002. Effect of conversion. (1) A partnership, ~~or~~ limited partnership, OR LIMITED LIABILITY COMPANY that has been converted pursuant to this article is for all purposes the same entity that existed before the conversion.

(2) When a conversion takes effect:

(a) All property owned by the converting partnership, ~~or~~ limited partnership, OR LIMITED LIABILITY COMPANY remains vested in the converted entity;

(b) All obligations of the converting partnership, ~~or~~ limited partnership, OR LIMITED LIABILITY COMPANY continue as obligations of the converted entity; and

(c) An action or proceeding pending against the converting partnership, ~~or~~ limited partnership, OR LIMITED LIABILITY COMPANY may be continued as if the conversion had not occurred.

SECTION 25. The introductory portion to 12-2-117 (1), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended, and the said 12-2-117 is further amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to read:

12-2-117. Partnerships, professional corporations, and limited liability companies composed of certified public accountants - registration thereof.

(1) A partnership, professional corporation, or limited liability company engaged, in this state, in the practice of public accounting as certified public accountants shall register once every three years with the board as a partnership, professional corporation, or limited liability company of certified public accountants and must meet the following requirements; AND, AS USED IN THIS ARTICLE, "PARTNERSHIP" INCLUDES A REGISTERED LIMITED LIABILITY PARTNERSHIP AND A FOREIGN LIMITED LIABILITY PARTNERSHIP:

(2.5) AS USED IN SUBSECTIONS (3) AND (3.5) OF THIS SECTION, "EMPLOYEE" INCLUDES A MEMBER OF A LIMITED LIABILITY COMPANY AND A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP OR FOREIGN LIMITED LIABILITY PARTNERSHIP.

(3.5) NO LIMITED LIABILITY COMPANY, REGISTERED LIMITED LIABILITY PARTNERSHIP, OR FOREIGN LIMITED LIABILITY PARTNERSHIP ENGAGED IN THE PRACTICE OF PUBLIC ACCOUNTING IN THIS STATE AND IN ONE OR MORE OTHER JURISDICTIONS SHALL BE REQUIRED TO INCLUDE A PROVISION IN ITS ARTICLES OF ORGANIZATION OR ORGANIZING DOCUMENTS AS OTHERWISE REQUIRED BY SUBSECTION (3) OF THIS SECTION, BUT SHALL BE SUBJECT, WITH RESPECT TO THE PRACTICE OF PUBLIC ACCOUNTING WITHIN THIS STATE, TO THE REQUIREMENTS OF PARAGRAPHS (a), (b), AND (d) OF SUBSECTION (3) OF THIS SECTION AND SHALL MAINTAIN IN GOOD STANDING PROFESSIONAL LIABILITY INSURANCE WHICH MEETS THE MINIMUM STANDARDS PROVIDED IN SUBPARAGRAPHS (I) THROUGH (IV) OF PARAGRAPH (c) OF SUBSECTION (3) OF THIS SECTION, OR, IF IT DOES NOT MAINTAIN SUCH INSURANCE, ITS MEMBERS OR PARTNERS SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL ACTS, ERRORS, AND OMISSIONS OF ITS EMPLOYEES OCCURRING IN THIS STATE DURING PERIODS OF TIME THAT IT DOES NOT MAINTAIN SUCH INSURANCE.

SECTION 26. 12-4-110, Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

12-4-110. Partnerships - professional corporations - limited liability companies - requirements. (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, no firm, partnership, ~~corporation~~ ENTITY, or group of persons may be licensed to practice architecture, but a partnership, ~~corporation~~, ENTITY, or group of persons may use the term "architects" in its business name if a majority of the officers and directors OR MEMBERS OR PARTNERS are licensed architects.

(1.5) THE PRACTICE OF ARCHITECTURE BY THE FOLLOWING ENTITIES IS PERMITTED, SUBJECT TO SUBSECTION (2) OF THIS SECTION:

(a) A CORPORATION THAT COMPLIES WITH THE "COLORADO BUSINESS CORPORATION ACT", ARTICLES 101 TO 117 OF TITLE 7, C.R.S.;

(b) A LIMITED LIABILITY COMPANY THAT COMPLIES WITH THE "COLORADO LIMITED LIABILITY COMPANY ACT", ARTICLE 80 OF TITLE 7, C.R.S.;

(c) A REGISTERED LIMITED LIABILITY PARTNERSHIP THAT HAS REGISTERED IN ACCORDANCE WITH SECTION 7-60-144, C.R.S.

~~(2) Corporate practice of architecture is permitted in compliance with the "Colorado Business Corporation Act", articles 101 to 117 of title 7, C.R.S., but only if:~~ AN ENTITY LISTED IN SUBSECTION (1.5) OF THIS SECTION MAY PRACTICE ARCHITECTURE, BUT ONLY IF:

(a) The practice of architecture by such ~~corporation~~ ENTITY is under the direct supervision of an architect, licensed in the state of Colorado, who is an officer of the corporation, A MEMBER OF THE LIMITED LIABILITY COMPANY, OR A PARTNER IN THE REGISTERED LIMITED LIABILITY PARTNERSHIP;

(b) Such architect remains individually responsible to the board and the public for his OR HER professional acts and conduct;

(c) All architectural plans, designs, drawings, specifications, or reports which are involved in such practice, issued by or for such ~~corporation~~ ENTITY, bear the seal and signature of an architect in responsible charge of, and directly responsible for, such architectural work when issued; and

(d) (I) The articles of incorporation, OPERATING AGREEMENT, OR PARTNERSHIP AGREEMENT, AS THE CASE MAY BE, of such ~~corporation~~ ENTITY provide and all shareholders, MEMBERS, OR PARTNERS of the ~~corporation~~ ENTITY agree ~~that all shareholders, of the corporation are liable for all acts, errors, and omissions of the employees, of the corporation or that all shareholders, MEMBERS, OR PARTNERS of the corporation~~ ENTITY are liable for all acts, errors, and omissions of the employees, MEMBERS, AND PARTNERS of the ~~corporation~~ ENTITY except during periods of time when the ~~corporation~~ ENTITY maintains in good standing professional liability insurance which meets the following minimum standards:

(A) The policy insures the ~~corporation~~ ENTITY against liability imposed upon it by law for damages arising out of the negligent acts, errors, and omissions of all professional and nonprofessional employees, MEMBERS, AND PARTNERS; and

(B) The insurance is in a policy amount of at least seventy-five thousand dollars multiplied by the number of architects, up to a maximum of five hundred thousand dollars, or, if practicing with a ~~corporation~~ AN ENTITY composed of architects and professional engineers, by the number of architects and engineers, up to a maximum of five hundred thousand dollars.

(II) In addition, the policy may include:

(A) A provision that it shall not apply to: Any dishonest, fraudulent, criminal, or malicious act or omission of the insured ~~corporation~~ ENTITY or any stockholder, ~~or~~ employee, MEMBER, OR PARTNER thereof; and the conduct of any business enterprise (as distinguished from the practice of architecture) engaged in by the insured ~~corporation~~ ENTITY or in which the insured ~~corporation~~ ENTITY may be a partner or

which may be controlled, operated, or managed by the insured ~~corporation~~ ENTITY in its own or in a fiduciary capacity, including the ownership, maintenance, or use of any property in connection therewith, any bodily injury to, or sickness, disease, or death of, any person, or any injury to or destruction of any tangible property, including the loss of use thereof;

(B) Any other reasonable provisions with respect to policy periods, territory, claims, conditions, and other usual matters.

(3) ~~An individual licensed architect may incorporate and practice as a professional service corporation without complying with the "Colorado Corporation Code" requirement of a minimum of three directors.~~

(4) (a) Nothing in this article shall be construed as prohibiting a corporation, LIMITED LIABILITY COMPANY, REGISTERED LIMITED LIABILITY PARTNERSHIP, joint venture, partnership, or association between one or several architects or corporations meeting the requirements of subsection (2) of this section and one or several professional engineers, all duly licensed or registered under the respective provisions of the applicable laws of this state.

(b) It is lawful for such a ~~corporation, partnership, joint venture, or association~~ AN ENTITY to use in its title the words "architects and engineers".

(c) No identifying media used by any member of such ~~corporation, partnership, joint venture, or association~~ ENTITY shall mislead the public as to the fact that such member is licensed as an architect or as a registered professional engineer.

(5) No LIMITED LIABILITY COMPANY, REGISTERED LIMITED LIABILITY PARTNERSHIP, partnership, joint venture, or association shall continue to use, as a part of its firm name, the name of any person for more than two years after such person has ceased to be a bona fide member of such firm.

(6) and (7) Repealed, L. 88, p. 470, § 14, effective July 1, 1988.

SECTION 27. 12-6-102 (15), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

12-6-102. Definitions. As used in this part 1, unless the context otherwise requires:

(15) "Person" means any natural person, estate, trust, limited liability company, partnership, association, corporation, or other legal entity, INCLUDING, WITHOUT LIMITATION, A REGISTERED LIMITED LIABILITY PARTNERSHIP.

SECTION 28. 12-20-102 (5), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

12-20-102. Definitions. As used in this article, unless the context otherwise requires:

(5) "Licensee" means any individual, limited liability company, partnership,

unincorporated association, or corporation licensed under this article, INCLUDING, WITHOUT LIMITATION, A REGISTERED LIMITED LIABILITY PARTNERSHIP.

SECTION 29. 12-25-104 (1) (a), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

12-25-104. Forms of organizations permitted to practice. (1) No partnership, corporation, limited liability company, or joint stock association shall be registered under this part 1. No partnership, corporation, limited liability company, or joint stock association shall practice or offer to practice engineering in the state except under the following conditions:

(a) Professional engineers may practice under this part 1 as individuals or partners or through joint stock associations, REGISTERED LIMITED LIABILITY PARTNERSHIPS, limited liability companies, or corporations.

SECTION 30. 12-32-109.5, Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

12-32-109.5. Professional service corporations, limited liability companies, and registered limited liability partnerships for the practice of podiatry - definitions. (6) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ARTICLES OF INCORPORATION" INCLUDES OPERATING AGREEMENTS OF LIMITED LIABILITY COMPANIES AND PARTNERSHIP AGREEMENTS OF REGISTERED LIMITED LIABILITY PARTNERSHIPS.

(b) "CORPORATION" INCLUDES A LIMITED LIABILITY COMPANY ORGANIZED UNDER THE "COLORADO LIMITED LIABILITY COMPANY ACT", ARTICLE 80 OF TITLE 7, C.R.S., AND A LIMITED LIABILITY PARTNERSHIP REGISTERED UNDER SECTION 7-60-144, C.R.S.

(c) "DIRECTOR" AND "OFFICER" OF A CORPORATION INCLUDES A MEMBER AND A MANAGER OF A LIMITED LIABILITY COMPANY AND A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(d) "EMPLOYEES" INCLUDES EMPLOYEES, MEMBERS, AND MANAGERS OF A LIMITED LIABILITY COMPANY AND EMPLOYEES AND PARTNERS OF A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(e) "SHARE" INCLUDES A MEMBER'S RIGHTS IN A LIMITED LIABILITY COMPANY AND A PARTNER'S RIGHTS IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(f) "SHAREHOLDER" INCLUDES A MEMBER OF A LIMITED LIABILITY COMPANY AND A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

SECTION 31. 12-33-124, Colorado Revised Statutes, 1991 Repl. Vol., is amended BY THE ADDITION OF A NEW SUBSECTION to read:

12-33-124. Professional service corporations, limited liability companies, and

registered limited liability partnerships for the practice of chiropractic - definitions. (7) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ARTICLES OF INCORPORATION" INCLUDES OPERATING AGREEMENTS OF LIMITED LIABILITY COMPANIES AND PARTNERSHIP AGREEMENTS OF REGISTERED LIMITED LIABILITY PARTNERSHIPS.

(b) "CORPORATION" INCLUDES A LIMITED LIABILITY COMPANY ORGANIZED UNDER THE "COLORADO LIMITED LIABILITY COMPANY ACT", ARTICLE 80 OF TITLE 7, C.R.S., AND A LIMITED LIABILITY PARTNERSHIP REGISTERED UNDER SECTION 7-60-144, C.R.S.

(c) "DIRECTOR" AND "OFFICER" OF A CORPORATION INCLUDES A MEMBER AND A MANAGER OF A LIMITED LIABILITY COMPANY AND A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(d) "EMPLOYEES" INCLUDES EMPLOYEES, MEMBERS, AND MANAGERS OF A LIMITED LIABILITY COMPANY AND EMPLOYEES AND PARTNERS OF A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(e) "SHARE" INCLUDES A MEMBER'S RIGHTS IN A LIMITED LIABILITY COMPANY AND A PARTNER'S RIGHTS IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(f) "SHAREHOLDER" INCLUDES A MEMBER OF A LIMITED LIABILITY COMPANY AND A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

SECTION 32. 12-35-112, Colorado Revised Statutes, 1991 Repl. Vol., is amended BY THE ADDITION OF A NEW SUBSECTION to read:

12-35-112. Names and status under which dental practice may be conducted.

(3) THE PRACTICE OF DENTISTRY BY A LIMITED LIABILITY COMPANY OF LICENSEES OR BY A LIMITED LIABILITY PARTNERSHIP OF LICENSEES IS PERMITTED SUBJECT TO THE LIMITATIONS AND REQUIREMENTS, IN SO FAR AS ARE APPLICABLE, SET FORTH IN SECTION 12-36-134, RELATING TO A LIMITED LIABILITY COMPANY OR LIMITED LIABILITY PARTNERSHIP FOR THE PRACTICE OF MEDICINE.

SECTION 33. 12-36-134, Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

12-36-134. Professional service corporations, limited liability companies, and registered limited liability partnerships for the practice of medicine - definitions. (8) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ARTICLES OF INCORPORATION" INCLUDES OPERATING AGREEMENTS OF LIMITED LIABILITY COMPANIES AND PARTNERSHIP AGREEMENTS OF REGISTERED LIMITED LIABILITY PARTNERSHIPS.

(b) "CORPORATION" INCLUDES A LIMITED LIABILITY COMPANY ORGANIZED UNDER THE "COLORADO LIMITED LIABILITY COMPANY ACT", ARTICLE 80 OF TITLE 7, C.R.S.,

AND A LIMITED LIABILITY PARTNERSHIP REGISTERED UNDER SECTION 7-60-144, C.R.S.; EXCEPT THAT THE NAME OF AN ENTITY OTHER THAN A CORPORATION SHALL CONTAIN THE WORD "PROFESSIONAL" OR THE ABBREVIATION "PROF." IN ADDITION TO ANY OTHER WORDS REQUIRED BY THE STATUTE UNDER WHICH SUCH ENTITY IS ORGANIZED.

(c) "DIRECTOR" AND "OFFICER" OF A CORPORATION INCLUDES A MEMBER AND A MANAGER OF A LIMITED LIABILITY COMPANY AND A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(d) "EMPLOYEES" INCLUDES EMPLOYEES, MEMBERS, AND MANAGERS OF A LIMITED LIABILITY COMPANY AND EMPLOYEES AND PARTNERS OF A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(e) "PRESIDENT" INCLUDES ALL MANAGERS, IF ANY, OF A LIMITED LIABILITY COMPANY AND ALL PARTNERS IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(f) "SHARE" INCLUDES A MEMBER'S RIGHTS IN A LIMITED LIABILITY COMPANY AND A PARTNER'S RIGHTS IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(g) "SHAREHOLDER" INCLUDES A MEMBER OF A LIMITED LIABILITY COMPANY AND A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

SECTION 34. 12-40-125, Colorado Revised Statutes, 1991 Repl. Vol., is amended BY THE ADDITION OF A NEW SUBSECTION to read:

12-40-125. Professional service corporations, limited liability companies, and registered limited liability partnerships for the practice of optometry - definitions. (7) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ARTICLES OF INCORPORATION" INCLUDES OPERATING AGREEMENTS OF LIMITED LIABILITY COMPANIES AND PARTNERSHIP AGREEMENTS OF REGISTERED LIMITED LIABILITY PARTNERSHIPS.

(b) "CORPORATION" INCLUDES A LIMITED LIABILITY COMPANY ORGANIZED UNDER THE "COLORADO LIMITED LIABILITY COMPANY ACT", ARTICLE 80 OF TITLE 7, C.R.S., AND A LIMITED LIABILITY PARTNERSHIP REGISTERED UNDER SECTION 7-60-144, C.R.S.

(c) "DIRECTOR" AND "OFFICER" OF A CORPORATION INCLUDES A MEMBER AND A MANAGER OF A LIMITED LIABILITY COMPANY AND A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(d) "EMPLOYEES" INCLUDES EMPLOYEES, MEMBERS, AND MANAGERS OF A LIMITED LIABILITY COMPANY AND EMPLOYEES AND PARTNERS OF A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(e) "SHARE" INCLUDES A MEMBER'S RIGHTS IN A LIMITED LIABILITY COMPANY AND A PARTNER'S RIGHTS IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(f) "SHAREHOLDER" INCLUDES A MEMBER OF A LIMITED LIABILITY COMPANY AND A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

SECTION 35. 12-41-124, Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

12-41-124. Professional service corporations, limited liability companies, and registered limited liability partnerships for the practice of physical therapy - definitions. (6) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ARTICLES OF INCORPORATION" INCLUDES OPERATING AGREEMENTS OF LIMITED LIABILITY COMPANIES AND PARTNERSHIP AGREEMENTS OF REGISTERED LIMITED LIABILITY PARTNERSHIPS.

(b) "CORPORATION" INCLUDES A LIMITED LIABILITY COMPANY ORGANIZED UNDER THE "COLORADO LIMITED LIABILITY COMPANY ACT", ARTICLE 80 OF TITLE 7, C.R.S., AND A LIMITED LIABILITY PARTNERSHIP REGISTERED UNDER SECTION 7-60-144, C.R.S.

(c) "DIRECTOR" AND "OFFICER" OF A CORPORATION INCLUDES A MEMBER AND A MANAGER OF A LIMITED LIABILITY COMPANY AND A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(d) "EMPLOYEES" INCLUDES EMPLOYEES, MEMBERS, AND MANAGERS OF A LIMITED LIABILITY COMPANY AND EMPLOYEES AND PARTNERS OF A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(e) "SHARE" INCLUDES A MEMBER'S RIGHTS IN A LIMITED LIABILITY COMPANY AND A PARTNER'S RIGHTS IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(f) "SHAREHOLDER" INCLUDES A MEMBER OF A LIMITED LIABILITY COMPANY AND A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

SECTION 36. 12-43-211, Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

12-43-211. Professional service corporations for the practice of psychology, clinical social work, marriage and family therapy, and professional counseling. (7) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ARTICLES OF INCORPORATION" INCLUDES OPERATING AGREEMENTS OF LIMITED LIABILITY COMPANIES AND PARTNERSHIP AGREEMENTS OF REGISTERED LIMITED LIABILITY PARTNERSHIPS.

(b) "CORPORATION" INCLUDES A LIMITED LIABILITY COMPANY ORGANIZED UNDER THE "COLORADO LIMITED LIABILITY COMPANY ACT", ARTICLE 80 OF TITLE 7, C.R.S., AND A LIMITED LIABILITY PARTNERSHIP REGISTERED UNDER SECTION 7-60-144, C.R.S.

(c) "DIRECTOR" AND "OFFICER" OF A CORPORATION INCLUDES A MEMBER AND A MANAGER OF A LIMITED LIABILITY COMPANY AND A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(d) "EMPLOYEES" INCLUDES EMPLOYEES, MEMBERS, AND MANAGERS OF A LIMITED LIABILITY COMPANY AND EMPLOYEES AND PARTNERS OF A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(e) "SHARE" INCLUDES A MEMBER'S RIGHTS IN A LIMITED LIABILITY COMPANY AND A PARTNER'S RIGHTS IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

(f) "SHAREHOLDER" INCLUDES A MEMBER OF A LIMITED LIABILITY COMPANY AND A PARTNER IN A REGISTERED LIMITED LIABILITY PARTNERSHIP.

SECTION 37. 12-52-103 (5), Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended to read:

12-52-103. Definitions. As used in this article, unless the context otherwise requires:

(5) "Person" means any natural person, firm, association, partnership, REGISTERED LIMITED LIABILITY PARTNERSHIP, syndicate, joint stock company, unincorporated company or association, limited liability company, common law trust, or any corporation organized under the laws of the United States or of any state or territory of the United States or of any foreign country.

SECTION 38. 12-61-101, Colorado Revised Statutes, 1991 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

12-61-101. Definitions. As used in this part 1, unless the context otherwise requires:

(1.7) "PARTNERSHIP" INCLUDES, BUT IS NOT LIMITED TO, A REGISTERED LIMITED LIABILITY PARTNERSHIP.

SECTION 39. 24-35-301 (1), (1.5), and (2), Colorado Revised Statutes, 1988 Repl. Vol., as amended, are amended to read:

24-35-301. Registration - required. (1) On and after July 1, 1986, every person and general partnership or other business organization doing business in this state under any name other than the personal name of its owner or owners ~~and every limited liability company doing business in this state under a name other than its true limited liability company name~~ shall register and annually renew such trade name with the department of revenue. Corporations, LIMITED LIABILITY COMPANIES, GENERAL PARTNERSHIPS REGISTERED AS REGISTERED LIMITED LIABILITY PARTNERSHIPS, and limited partnerships, INCLUDING LIMITED PARTNERSHIPS REGISTERED AS REGISTERED LIMITED LIABILITY LIMITED PARTNERSHIPS operating under a trade ~~or assumed~~ name shall ~~file~~ REGISTER SUCH NAME with the secretary of state in accordance with section 7-71-101, C.R.S., and are not subject to the provisions of this article. ~~Limited liability companies operating under a trade or assumed name shall also file with the secretary of state in accordance with section 7-71-101, C.R.S.~~

(1.5) Any person, ~~limited liability company~~, GENERAL partnership, or other business organization may record with the county clerk and recorder of the county in

which the business or trade is carried on and in which any real property owned by the person, ~~limited liability company~~, GENERAL partnership, or other business organization is located an affidavit setting forth the full first names and surnames of all the parties representing such person, ~~limited liability company~~, GENERAL partnership, or other business organization as of the date of such affidavit. Upon recording, the affidavit provided for in this subsection (1.5) shall constitute prima facie evidence of the facts recited therein insofar as the same affect title to real property.

(2) Registration of trade names shall be made in the manner and form and at such times as the department of revenue shall require. Such registration shall include: The trade name of the registrant, the address of the registrant's principal place of business in this state, and the names and addresses of the persons, ~~limited liability company~~, GENERAL partnership, ~~corporation~~, or other business organization doing business under such trade name.

SECTION 40. 39-22-103 (2.5), (5.5), and (8.5), Colorado Revised Statutes, 1994 Repl. Vol., are amended to read:

39-22-103. Definitions - construction of terms. As used in this article, unless the context otherwise requires:

(2.5) "C corporation" means any organization taxed as a corporation for federal income tax purposes. ~~other than a limited liability company.~~

(5.5) "Member" means a member in a limited liability company, as set forth in section 7-80-102 (9), C.R.S., or in a foreign limited liability company, and may be an individual, corporation, estate, trust, partnership, or limited liability company.

(8.5) "Resident member" means a member who is a resident individual, a domestic corporation, a resident estate, a resident trust, a partnership, or a limited liability company organized under the laws of this state. A "nonresident member" means a member other than a resident member.

SECTION 41. 39-22-201.5, Colorado Revised Statutes, 1994 Repl. Vol., is repealed as follows:

39-22-201.5. Limited liability company members - subject to tax. ~~A limited liability company, as such, shall not be subject to tax under this article. Members of a limited liability company shall be liable for the tax and the alternative minimum tax under this article only in their separate or individual capacities.~~

SECTION 42. 39-22-202.5, Colorado Revised Statutes, 1994 Repl. Vol., is repealed as follows:

39-22-202.5. Resident members. ~~(1) In determining the federal taxable income of a resident member for Colorado income tax purposes, any modification described in section 39-22-104 which relates to an item of limited liability company income, gain, loss, or deduction shall be made in accordance with the member's distributive share, for federal income tax purposes, of the item to which the modification relates. Where a member's distributive share of any such item is not required to be taken into~~

~~account separately for federal income tax purposes, the member's distributive share of any such item shall be determined in accordance with his distributive share, for federal income tax purposes, of limited liability company taxable income or loss generally.~~

(2) Each item of limited liability company income, gain, loss, deduction, or credit shall have the same character for a member under this article as for federal income tax purposes:

~~(3) Where a member's distributive share of an item of partnership income, gain, loss, deduction, or credit is determined for federal income tax purposes by special provision of the operating agreement of the limited liability company with respect to such item and where the principal purpose of such provision is the avoidance or evasion of tax under this article, the member's distributive share of such item and any modification required with respect thereto shall be determined as if the operating agreement made no special provision with respect to such item.~~

SECTION 43. 39-22-204.5, Colorado Revised Statutes, 1994 Repl. Vol., is repealed as follows:

39-22-204.5. Accounting periods and methods - limited liability companies. The provisions of section 39-22-111 shall apply to limited liability companies to the extent not inconsistent with sections 39-22-201.5 to 39-22-203.5.

SECTION 44. 39-22-205, Colorado Revised Statutes, 1994 Repl. Vol., is repealed as follows:

39-22-205. Limited liability company members. ~~(1) A domestic limited liability company shall, for purposes of this title, be treated the same as a partnership. A foreign limited liability company shall, for purposes of this title, be treated the same as a partnership if it is treated as a partnership for federal income tax purposes. Members of any domestic limited liability company or members of any foreign limited liability company treated as a partnership for federal income tax purposes shall be liable for the tax and the alternative minimum tax under this article only in their separate or individual capacities.~~

~~(2) For the purposes of this title, a resident member shall be treated the same as a resident partner.~~

~~(3) For the purposes of this title, a nonresident member shall be treated the same as a nonresident partner.~~

SECTION 45. 39-22-206, Colorado Revised Statutes, 1994 Repl. Vol., is amended to read:

39-22-206. Foreign source income of export taxpayers. If a partnership or a limited liability company qualifies as an export taxpayer, its partners or members may exclude from gross income for Colorado income tax purposes such partners' or members' distributive share of any such partnership or limited liability company income or gain which constitutes foreign source income for federal income tax purposes. For the purposes of this section, an "export taxpayer" means any

partnership or ~~limited liability company~~ which is subject to the provisions of this article and which sells fifty percent or more of its product or products which are produced in Colorado in states other than Colorado or in foreign countries or, if the gross receipts of such partnership or ~~limited liability company~~ are derived from the performance of services, such services are performed in Colorado by a partner ~~member~~, or employee of the partnership or ~~limited liability company~~ and fifty percent or more of such services provided by the partnership or ~~limited liability company~~ are sold or provided to persons outside of Colorado.

SECTION 46. Repeal. 39-22-203.5 and 39-22-601 (4.5), Colorado Revised Statutes, 1994 Repl. Vol., are repealed.

SECTION 47. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 24, 1995