

7-80-101 - Short title.

This article shall be known and may be cited as the "Colorado Limited Liability Company Act".

7-80-102 - Definitions.

As used in this article, unless the context otherwise requires:

(1) "Articles of organization" means the articles of organization filed with the secretary of state for the purpose of forming a limited liability company as specified in sections 7-80-203 to 7-80-205.

(2) "Bankrupt" means bankrupt or a debtor under the federal bankruptcy code of 1978, Title 11 of the United States Code, as amended, or an insolvent under any state insolvency act.

(3) "Business" means any lawful activity, including ownership of real or personal property, whether or not engaged in for profit.

(4) "Contribution" means anything of value which a person contributes to the limited liability company as a prerequisite for or in connection with membership, including cash, property, or services rendered or a promissory note or other binding obligation to contribute cash or property or to perform services.

(5) "Court" includes every court and judge having jurisdiction in a case.

(6) "Foreign limited liability company" means a limited liability company formed under the laws of any jurisdiction other than this jurisdiction.

(6.5) "General partner" means a partner in a partnership and a general partner in a limited partnership.

(7) "Limited liability company" or "company" means a limited liability company organized and existing under this article.

(7.5) "Limited partner" means a limited partner in a limited partnership.

(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.

(8) "Manager" means a person elected or otherwise designated by the members of a limited liability company to manage the company pursuant to section 7-80-401. In the case of a limited liability company in which management is reserved to the members, "manager" means any member.

(9) "Member" means a person with an ownership interest in a limited liability company with the rights and obligations specified under this article. In the case of a limited liability company with only one member, "members" and "all of the members" refers to such one member.

(10) "Membership interest" means a member's share of the profits and losses of a limited liability company and the right to receive distributions of such company's assets.

(11) (a) "Operating agreement" means any agreement of all of the members or all of the members and the company as to the affairs of a limited liability company and the conduct of its business. Except as otherwise provided in this article or as otherwise required by a written operating agreement, 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 any

amendments agreed to by all of the members or adopted in such other manner as may be provided in a written operating agreement.

(b) In the case of a limited liability company with only one member, "operating agreement" includes:

(I) Any writing, without regard to whether such writing otherwise constitutes an agreement, as to such company's affairs and the conduct of the limited liability company's business signed by the sole member;

(II) Any written agreement between the member and the company as to the limited liability company's affairs and the conduct of the limited liability company's business; or

(III) Any agreement, whether or not the agreement is in writing, between the member and the limited liability company as to a limited liability company's affairs and the conduct of its business if the limited liability company is managed by a manager who is a person other than the member.

(12) "Partner" means both a general partner and a limited partner.

(13) "Partnership" means a partnership as defined in the "Uniform Partnership Law", article 60 of this title, or the "Colorado Uniform Partnership Act (1997)", article 64 of this title, a predecessor law, or a comparable law of another jurisdiction and includes a registered limited liability partnership.

(14) "Person" has the same meaning as specified in section 2-4-401 (8), C.R.S.

(14.5) "Principal office" means the office, in or out of this state, designated by a domestic or foreign limited liability company as its principal office in its most recent document on file with the secretary of state providing such information, including any notice of change of principal office on file with the secretary of state.

(15) "Registered office" means the business address of the registered agent on file with the secretary of state.

(16) "Verify", for purposes of provisions requiring that an instrument be verified, means that each person signing the instrument thereby affirms or acknowledges, under penalties of perjury, that the instrument is such person's act and deed or the act and deed of the limited liability company and that, to the best of such person's knowledge and belief, the facts stated in the instrument are true.

7-80-103 - Nature of business.

A limited liability company may be organized under this article for any lawful business, subject to any provisions of law governing or regulating such business within this state.

7-80-104 - Powers.

(1) Each limited liability company organized and existing under this article may:

(a) Sue and be sued, complain and defend, and participate in administrative or other proceedings, in its name;

(b) Purchase, take, receive, lease or otherwise acquire, own, hold, improve, use, and otherwise deal in and with real or personal property, or an interest in it, wherever situated;

(c) Sell, convey, assign, encumber, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of all or any part of its property and assets;

(d) Lend money to and otherwise assist its members and employees;

(e) Purchase, take, receive, subscribe for or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge, or otherwise dispose of, and otherwise use and deal in and with, shares or other interests in or obligations of other limited liability companies, domestic or foreign corporations, associations, general or limited partnerships, or individuals or direct or indirect obligations of the United States or of any government, state, territory, governmental district, or municipality or of any instrumentality of any of them;

(f) Make contracts and guarantees and incur liabilities, borrow money at such rates of interest as the limited liability company may determine, issue its notes, bonds, and other obligations, and secure any of its obligations by mortgage or pledge of all or any part of its property, franchises, and income;

(g) Lend money for its proper purposes, invest and reinvest its funds, and take and hold real property and personal property for the payment of funds so loaned or invested;

(h) Conduct its business, carry on its operations, and have and exercise the powers granted by this article in any state, territory, district, or possession of the United States or in any foreign country;

(i) Elect managers and appoint agents of the limited liability company and define their duties and fix their compensation;

(j) Make and alter operating agreements, not inconsistent with its articles of organization or with the laws of this state, for the administration and regulation of the affairs of the limited liability company;

(k) Indemnify a member or manager or former member or manager of the limited liability company as provided in section 7-80-410;

(l) Cease its activities and surrender its certificate of organization;

(m) Have and exercise all powers necessary or convenient to effect any or all of the purposes for which the limited liability company is organized;

(n) Become a member of a general partnership, limited partnership, joint venture, or similar association or any other limited liability company.

7-80-105 - Unauthorized assumption of powers.

All persons who assume to act as a limited liability company without authority to do so and without good faith belief that they have such authority shall be jointly and severally liable for all debts and liabilities incurred by such persons so acting.

7-80-106 - Transaction of business outside state.

It is the intention of the general assembly by the enactment of this article that the legal existence of limited liability companies formed under this article be recognized beyond the limits of this state and that, subject to any reasonable registration requirements, any such limited liability company 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.

7-80-107 - Application of corporation case law to set aside limited liability.

(1) In any case in which a party seeks to hold the members of a limited liability company personally

responsible for the alleged improper actions of the limited liability company, 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 limited liability company 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 members for liabilities of the limited liability company.

7-80-108 - Effect of operating agreement - nonwaivable provisions.

(1) The operating agreement may contain any provisions for the affairs of the limited liability company and the conduct of its business to the extent such provisions are consistent with law. Except as otherwise provided in subsection (2) or (3) of this section, an operating agreement governs the rights, duties, limitations, qualifications, and relations among the managers, the members, the members' assignees and transferees, and the limited liability company. Such provisions shall control over any provision of this article to the contrary except as set forth in subsection (2) of this section. To the extent the operating agreement does not otherwise provide, this article shall control.

(2) An operating agreement may not:

(a) Unreasonably restrict a member's right of access to books and records under section 7-80-411 or 7-80-712;

(b) Unreasonably reduce the duty of care under section 7-80-406;

(c) Eliminate the obligation to perform duties in good faith under section 7-80-406; except that the members by agreement may determine the standards by which the performance of the obligation is to be measured, if such standards are not manifestly unreasonable;

(d) Vary any filing requirement under this article; or

(e) Restrict rights of, or impose duties on, persons other than the members, their assignees and transferees, and the limited liability company without the consent of such persons.

(3) Unless contained in a written operating agreement or other writing approved in accordance with a written operating agreement, no operating agreement may:

(a) Vary the requirement under section 7-80-702 (1) that, if all of the other members of the limited liability company other than the member proposing to dispose of the member's interest do not approve of the proposed transfer or assignment by unanimous written consent, the transferee of the member's interest shall have no right to participate in the management of the business and affairs of the limited liability company or to become a member;

(b) (Deleted by amendment, L. 97, p. 1503, § 12, effective June 3, 1997.)

(c) Vary the requirement under section 7-80-701 that, after the filing of a limited liability company's original articles of organization, a person may be admitted as an additional member upon the written consent of all members;

(d) Vary any requirement under this article that a particular action or provision be reflected in a writing.

7-80-202 - Reservation of name.

(1) The exclusive right to the use of a name may be reserved by:

(a) Any person intending to organize a limited liability company under this article and to adopt that name;

(b) Any domestic limited liability company or any foreign limited liability company registered in this state which, in either case, intends to adopt that name;

(c) Any foreign limited liability company intending to register in this state and adopt that name; and

(d) Any person intending to organize a foreign limited liability company and intending to have it registered in this state and adopt that name.

(2) To reserve a specified name, a person shall submit an application to the secretary of state, in the form and manner he shall designate. If the secretary of state finds that the name is available for use by a domestic or foreign limited liability company, he shall reserve the name for the exclusive use of the applicant for a period of one hundred twenty days. Such reservation may be renewed for additional periods not to exceed one hundred twenty days from the date of such renewals. The right to the exclusive use of a reserved name may be transferred to any other person by delivering to the office of the secretary of state a notice of the transfer, executed by the applicant for whom the name was reserved, and specifying the name and address of the transferee.

7-80-203 - Formation.

(1) One or more natural persons eighteen years of age or older may organize a limited liability company by executing and delivering articles of organization to the secretary of state as specified in sections 7-80-204 and 7-80-205. Such person or persons need not be members of the limited liability company after formation has occurred. The execution of the articles of organization constitutes an affirmation by any such person, under penalty of perjury, that the facts stated therein are true and that the limited liability company has one or more members. A person may sign the articles of organization by an attorney-in-fact duly authorized by a written power of attorney.

(2) Repealed.

7-80-204 - Articles of organization.

(1) The articles of organization shall set forth:

(a) The name of the limited liability company and, if known, its principal place of business;

(b) (Deleted by amendment, L. 94, p. 712, § 7, effective July 1, 1994.)

(c) The name and business address of the registered agent for service of process as required by section 7-80-301;

(d) If management is vested in managers, the names and business addresses of the initial manager or managers;

(e) If the management of the limited liability company is vested in managers rather than members, a statement to that effect; and

(f) If management is not vested in managers rather than members, the names and business addresses of the initial member or members.

(2) With respect to a limited liability company, the management of which is vested by its articles of organization in managers rather than reserved to the members, the names and addresses of the initial

member or members may be set forth in the articles of organization.

7-80-205 - Filing of articles of organization.

(1) The organizers shall execute and deliver duplicate originals of the articles of organization to the secretary of state with a filing fee in an amount to be determined by the secretary of state.

(2) The secretary of state shall review the articles of organization, and, if he finds they conform to law, he shall:

(a) Endorse each of the duplicate originals with the word "Filed" and the date of the filing;

(b) File one duplicate original in his office; and

(c) Return one duplicate copy to the principal place of business of the limited liability company or to its representative.

7-80-206 - Appeal from secretary of state.

(1) If the secretary of state fails to approve any articles of organization, amendment, or dissolution or any other document required by this article and declines to file it, he shall, within ten days of its delivery to him, give written notice of his disapproval to the person or limited liability company delivering the same, specifying the reasons therefor.

(2) Such person or limited liability company may appeal the disapproval to the district court of the city and county of Denver by filing with the clerk of such court a petition setting forth a copy of the articles or other documents sought to be filed and a copy of the written disapproval thereof by the secretary of state; whereupon, the matter shall be tried de novo by the court, and the court shall either sustain the action of the secretary of state or direct him to take such action as the court deems proper.

(3) Appeals from all final orders and judgments entered by the district court pursuant to this section in review of any ruling or decision of the secretary of state may be taken as in other civil actions.

7-80-207 - Effect of filing of articles of organization.

(1) (a) A limited liability company is formed upon the filing of articles of organization, or, as specified in such articles, upon a later date, not more than ninety days after the date of filing with the secretary of state; except that, if the secretary of state reviews the articles of organization as delivered and finds that they conform to law, the date of filing shall relate back to the date of delivery, unless the said articles specify a later date. If, for any reason, the secretary of state finds that the delivered articles do not conform to law, including, but not limited to a failure to enclose the filing fee, there shall be no relation back to the date of delivery. The earliest filing date shall be the date that the articles are delivered to the secretary of state in a form which conforms to law.

(b) Each of the duplicate copies stamped "Filed" and marked with the filing date shall be conclusive evidence that all conditions precedent required to be performed by the organizers have been complied with and that the limited liability company has been or shall be, on such later date as specified in the articles, legally organized and formed under this article.

(2) If such later date is specified, such article may be prevented from becoming effective by a certificate of withdrawal, executed in the same manner as the

articles of organization and filed with the secretary of state on or before the specified effective date.

(3) Nothing in this section shall affect the right of this state to institute a proceeding to cancel or revoke the articles of organization or for involuntary dissolution of the limited liability company or the right of any aggrieved person to maintain an action to enjoin or obtain other relief for a violation of or failure to comply with the provisions of this title.

7-80-208 - Notice of existence of limited liability company.

The fact that the articles of organization are on file in the office of the secretary of state is notice that the limited liability company is a limited liability company and is notice of all other facts set forth therein which are required or expressly permitted to be set forth in the articles of organization by section 7-80-204. Source: L. 90: Entire article added, p. 420, § 1, effective April 18. L. 97: Entire section amended, p. 1503, § 15, effective June 3.

This notice provision applies only where a third party seeks to impose liability on a limited liability company's (LLC) members or managers simply because of their status as members or managers of the LLC. When a third party sues a manager or member of an LLC under an agency theory, the principles of agency law apply notwithstanding the Colorado Limited liability company Act's statutory notice rules. *Water, Waste & Land, Inc. v. Lanham*, 955 P.2d 997 (Colo. 1998).

The general assembly did not intend this notice provision to alter the partially disclosed principal doctrine. The legislature did not intend the notice language to relieve the agent of an LLC of the duty to disclose its identity in order to avoid personal liability. *Water, Waste & Land, Inc. v. Lanham*, 955 P.2d 997 (Colo. 1998).

Where an agent fails to disclose either the fact that he is acting on behalf of a principal or the identity of the principal, this notice provision cannot relieve the agent of liability to a third party. *Water, Waste & Land, Inc. v. Lanham*, 955 P.2d 997 (Colo. 1998).

When a third party deals with an agent acting on behalf of an LLC, the existence and identity of which has been disclosed, the third party is conclusively presumed to know that the entity is an LLC and not a partnership or some other type of business organization. *Water, Waste & Land, Inc. v. Lanham*, 955 P.2d 997 (Colo. 1998).

7-80-209 - Amendment of articles of organization.

(1) The articles of organization shall be amended when:

(a) There is a change in the name of the limited liability company;

(b) There is a false or erroneous statement in the articles of organization;

(c) and (d) (Deleted by amendment, L. 94, p. 713, § 8, effective July 1, 1994.)

(1.5) Unless otherwise provided in a written operating agreement, an amendment to the articles of organization is invalid unless approved by written consent of all members.

(2) An amendment to the articles of organization of a limited liability company shall be in the form and manner designated by the secretary of state. The amendment shall be signed and verified by a

manager and may be signed on his behalf by an attorney-in-fact, duly authorized by a written power of attorney. Duplicate originals of the amendment shall be delivered to the secretary of state for filing accompanied by the requisite filing fee.

(3) Unless the secretary of state finds that any amendment does not conform to law, upon receipt of all filing fees required by law, he shall:

(a) Endorse on each duplicate original the word "Filed" and the date of the filing;

(b) File one duplicate original in his office; and

(c) Return the other duplicate original to the person who filed it or his representative.

(4) Upon the filing of an amendment in the office of the secretary of state, the articles of organization shall be amended as set forth therein.

7-80-301 - Registered agent to be maintained.

Each limited liability company shall appoint and continuously maintain in this state a registered agent for service of process on the limited liability company. The limited liability company shall register the name and business address of the registered agent with the secretary of state in the form and manner he shall designate.

7-80-302 - Change of name or business address of registered agent.

(1) Within fifteen days of any change in the name or business address of the registered agent, a limited liability company shall file a report of such change with the secretary of state, in the form and manner he shall designate.

(2) Such report shall be executed by a manager and delivered to the secretary of state. If the secretary of state finds that the report conforms to the provisions of this article and if the filing fee is paid, he shall file the report in his office, and, upon such filing, any change specified in the report shall become effective.

(3) Any registered agent of a limited liability company may resign as agent by delivering an original and one copy of a written notice thereof to the secretary of state. The secretary of state shall transmit one copy to the principal office of the limited liability company. The appointment of the agent shall terminate upon the expiration of thirty days after receipt of the notice by the secretary of state. Upon the expiration of thirty days after the mailing by the secretary of state of such notice to the limited liability company, any limited liability company that has not filed a report replacing the registered agent who resigned shall be deemed suspended and inoperative and subjected to the provisions of subsection (5) of this section and section 7-80-305. In addition to any other obligations under this article, reinstatement after action under this section shall include filing such a report to designate a new registered agent.

(4) If a registered agent changes his registered business address, he shall, within fifteen days of such change, file a report with the secretary of state in the form and manner the secretary shall designate and shall pay a fee in an amount to be determined by the secretary. He shall submit such a report for each limited liability company for which he is a registered agent and shall mail a copy of the appropriate report to each limited liability company so affected. If a registered agent provides such a report to the secretary of state as provided in this subsection (4), the limited liability company need not file such a

report to indicate the change in the business address of the registered agent; except that nothing in this section shall relieve the limited liability company from the responsibility of assuring that such a report is filed.

(5) Limited liability companies which have been suspended for the preceding three-year period under the provisions of this section and section 7-80-305 shall be dissolved by operation of law without the necessity of any other action under the provisions of sections 7-80-809 and 7-80-810.

7-80-303 - Limited liability company reports.

(1) Each domestic limited liability company and each foreign limited liability company authorized to transact business in this state shall file, within the time prescribed by this section, a limited liability company report setting forth:

(a) The name of the limited liability company and, if a foreign limited liability company, the state where it is organized;

(b) The name and business address of the registered agent of the limited liability company in this state, and, in the case of a foreign liability company, the address of its principal office in the state where it is organized; and

(c) The name and address of each manager of the limited liability company.

(2) (a) The report process shall be initiated by the secretary of state issuing a report form to the limited liability company in a designated year on or before the last day of the month in which the limited liability company was organized. The limited liability company shall return the report to the secretary of state, hand-delivered or post-marked on or before the sixtieth day from the last day of the month in which the report form was mailed to the limited liability company by the secretary of state.

(b) The information required shall be given as of the date of the execution of the report, and it shall be executed by a manager of the limited liability company, or, for a foreign limited liability company without a manager, by an authorized agent, or, if the limited liability company is in the hands of a receiver or trustee, by the receiver or trustee on behalf of the limited liability company. This report shall be accompanied by a written declaration that it is made under the penalties of perjury.

7-80-304 - Filing of report.

If the secretary of state finds that a report conforms to the requirements of this article, he shall file the same. If he finds that it does not so conform, he shall promptly return the same to the limited liability company 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 from the date the report was mailed back to the limited liability company.

7-80-305 - Failure to pay fees and file appropriate reports - suspended limited liability companies.

(1) If any domestic limited liability company 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 limited liability company of such failure to pay or file, or both. Thirty

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, such limited liability company shall be suspended.

(2) Any domestic limited liability company which is suspended under the provisions of this section or section 7-80-302 (3) shall be inoperative and no longer competent to transact business in this state; except that the members of such limited liability company may hold their annual or special meetings of members for the election of managers, and such limited liability company may hold or continue to hold, encumber, sell, or convey real estate and make such reports as are required by the laws of the United States and this state. The suspension of such limited liability company shall not take away any remedy against such limited liability company, its members, or its managers for any liability incurred prior thereto.

(3) If the members' meetings have been regularly called and due notice has been given to the members, as required by law, of any such suspended limited liability company and a quorum is not present at any members' meeting, an election of managers may be held by a majority vote of the members present and entitled to vote at such meeting, if not less than thirty percent of all members entitled to vote for the election of such managers is present at said meeting in person or by written proxy.

(4) Until dissolved pursuant to section 7-80-302 (5) or otherwise, any suspended domestic limited liability company may become reinstated, revived, and operative by:

(a) Paying a reinstatement fee as determined by the secretary of state;

(b) Making and delivering a limited liability company 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 periodic reports for domestic limited liability companies plus a late filing penalty for each year a required limited liability report was not filed; and

(e) If the limited liability company has been suspended under section 7-80-302 (3), making and delivering the report replacing a registered agent and paying the fee due upon filing such report.

(5) Upon the filing of any such required report and the payment of all such sums due, such suspended and inoperative limited liability company shall thereupon become reinstated, revived, and operative.

7-80-306 - Service of process.

(1) Any process, notice, or demand required or permitted by law may be served upon any domestic or foreign limited liability company by delivering a copy thereof to the registered agent required by section 7-80-301 or 7-80-907.

(2) If a limited liability company fails to appoint or maintain a registered agent in this state as required by section 7-80-301 or 7-80-907, or if, having been appointed, the agent's authority has been revoked, or if the agent cannot, with reasonable diligence, be found at the registered office, the limited liability company may be served by registered or certified mail, return receipt requested, addressed to the limited liability company at its principal office. Service

is perfected under this subsection (2) at the earliest of:

(a) The date the limited liability company receives the process, notice, or demand;

(b) The date shown on the return receipt, if signed on behalf of the limited liability company; or

(c) Five days after mailing.

(3) This section does not prescribe the only means, or necessarily the required means, of serving a limited liability company.

(4) and (5) (Deleted by amendment, L. 97, p. 1504, § 16, effective June 3, 1997.)

7-80-307 - 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;

(b) Furnishing written information on any limited liability company;

(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 limited liability company, 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) (a) 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, he or she shall be paid in advance a per diem allowance of forty-four dollars for each day of attendance in addition to the other fees, allowances, and charges.

(b) Notwithstanding the amount specified for any fee or allowance in paragraph (a) of this subsection (2), the secretary of state by rule or as otherwise provided by law may reduce the amount of one or more of the fees or allowances if necessary pursuant to section 24-75-402 (3), C.R.S., to reduce the uncommitted reserves of the fund to which all or any portion of one or more of the fees or allowances is credited. After the uncommitted reserves of the fund are sufficiently reduced, the secretary of state by rule or as otherwise provided by law may increase the amount of one or more of the fees or allowances as provided in section 24-75-402 (4), C.R.S.

7-80-308 - Forms to be furnished by secretary of state.

All filings and reports required by this article to be filed in the office of the secretary of state shall be typewritten on forms which shall be prescribed and furnished by the secretary of state.

7-80-309 - Powers of secretary of state.

The secretary of state shall have the power reasonably necessary to enable him to administer this article efficiently and to perform the duties imposed upon him.

7-80-401 - Management of limited liability company.

(1) If the articles of organization vest management in a manager or managers:

(a) The articles of organization or the operating agreement of the limited liability company may apportion management responsibility or voting power among the several managers, if there are two or more, in any manner or upon any basis not inconsistent with this article.

(b) The manager or managers, if they are natural persons, shall be eighteen years of age or older but need not be residents of this state or members of the limited liability company unless the articles of organization or the operating agreement so requires. The articles of organization or the operating agreement may prescribe other qualifications for managers. Nothing in this article shall prohibit members who are natural persons eighteen years of age or older or other persons from serving as managers.

(2) If management is reserved to the members, management of the limited liability company's business and affairs shall be vested in the members, and any reference in this article to managers shall be deemed to refer to members.

7-80-402 - Election and term of managers.

(1) The number constituting the initial manager or group of managers shall be fixed by the articles of organization. The number of managers may be increased or decreased, but no decrease shall have the effect of shortening the term of any incumbent manager. The number of managers shall be the same as that provided for in the articles of organization. The initial managers shall hold office until the first annual meeting of members and until their successors have been elected and qualified. Managers shall be elected by a majority of the members.

(2) At the first annual meeting of members and at each annual meeting thereafter, the members shall elect managers to hold office until the next succeeding annual meeting, except as provided in section 7-80-403 in the case of classification of managers. Each member shall hold office for the term for which he is elected and until his successor has been elected and qualified.

7-80-403 - Classification of managers.

When there are six or more managers, in lieu of electing all the managers annually, the articles of organization may provide that the managers be divided into either two or three classes, each class to be as nearly equal in number as possible, the term of office of managers of the first class to expire at the first annual meeting of members after their election, that of managers of the second class to expire at the second annual meeting after their election, and that of managers of the third class, if any, to expire at the third annual meeting after their election. At each annual meeting after such classification, the number of managers equal to the number of the class whose

term expires at the time of such meeting shall be elected to hold office until the second succeeding annual meeting, if there are two classes, or until the third succeeding annual meeting, if there are three classes. No classification of managers shall be effective prior to the first annual meeting of members.

7-80-404 - Vacancies.

Any vacancies occurring in the group of managers may be filled by written agreement of a majority of the remaining managers. A manager chosen to fill a vacancy shall serve the unexpired term of his predecessor in office. Any manager's position to be filled by reason of an increase in the number of managers shall be filled by written agreement of a majority of the managers then in office or by election at an annual meeting or at a special meeting of members called for that purpose. A manager chosen to fill a position resulting from an increase in the number of managers shall hold office until the next annual meeting of members and until his successor has been elected and qualified.

7-80-405 - Removal of managers.

At a meeting called expressly for that purpose, all managers or any lesser number may be removed with or without cause by a vote of the majority of the members then entitled to vote at an election of managers.

7-80-406 - Duties of manager.

(1) A manager elected pursuant to section 7-80-402 shall perform his duties as a manager in good faith, in a manner he reasonably believes to be in the best interests of the limited liability company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. A person who so performs his duties shall not have any liability by reason of being or having been a manager of the limited liability company.

(2) In performing his duties, a manager shall be entitled to rely on information, opinions, reports, or statements of the following persons or groups unless he has knowledge concerning the matter in question that would cause such reliance to be unwarranted:

(a) One or more employees or other agents of the limited liability company whom the manager reasonably believes to be reliable and competent in the matters presented;

(b) Any attorney, public accountant, or other person as to matters which the manager reasonably believes to be within such person's professional or expert competence; or

(c) A committee upon which he does not serve, duly designated in accordance with a provision of the articles of organization or the operating agreement, as to matters within its designated authority, which committee the manager reasonably believes to merit confidence.

(3) A manager shall have no authority to do any act in contravention of either the articles of organization or the operating agreement.

(4) Every manager is an agent of the limited liability company for the purpose of its business, and the act of every manager, including the execution in the limited liability company name of any instrument for apparently carrying on in the usual way the business of the limited liability company of which he is a manager, binds the limited liability company, unless

the manager so acting otherwise lacks the authority to act for the limited liability company and the person with whom he is dealing has knowledge of the fact that he has no such authority.

7-80-407 - Contracting debts.

Except as otherwise provided in this article, no debt shall be contracted or liability incurred by or on behalf of a limited liability company, except by one or more of its managers.

7-80-408 - Limited liability company property.

Real and personal property owned or purchased by a limited liability company shall be held and owned, and conveyance made, in the limited liability company name. Instruments and documents providing for the acquisition, mortgage, or disposition of property of the limited liability company shall be valid and binding upon the limited liability company if executed by one or more managers of a limited liability company.

7-80-409 - Business transactions of member or manager with the limited liability company.

A member or a manager may lend money to, act as surety for, and transact other business with the limited liability company and, subject to other applicable law, has the same rights and obligations with respect thereto as a person who is not a member or manager; except that this section shall not be construed to relieve a manager from any of his duties as specified in section 7-80-406.

7-80-410 - Indemnification of members, managers, employees, or agents.

(1) A limited liability company shall indemnify every member and manager in respect of payments made and personal liabilities reasonably incurred by that member or manager in the ordinary and proper conduct of the limited liability company's business or for the preservation of the limited liability company's business or property.

(2) (a) A limited liability company may indemnify and advance expenses pursuant to subsection (1) of this section to an employee or agent of the limited liability company who is not a manager to the same extent as a manager.

(b) A limited liability company may indemnify and advance expenses to an employee or agent of the limited liability company who is not a manager to a greater extent if consistent with law and if provided for by its articles of organization, its operating agreement, or in a contract.

(3) A limited liability company may purchase and maintain insurance on behalf of a person who is or was a manager, employee, fiduciary, or agent of the limited liability company or who, while a manager, employee, fiduciary, or agent of the limited liability company, is or was serving at the request of the limited liability company as manager, officer, partner, trustee, employee, fiduciary, or agent of any other foreign or domestic limited liability company or any corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan against any liability asserted against or incurred by such person in any such capacity or arising out of such person's status as such, whether or not the limited liability company would have the power to indemnify such person against such liability under the provisions of

this section. Any such insurance may be procured from any insurance company designated by the members of the limited liability company, whether such insurance company is formed under the laws of this state or any other jurisdiction of the United States or elsewhere.

7-80-411 - Records.

(1) Each limited liability company shall keep at the principal office, the following:

(a) A current list of the full name and last-known business, residence, or mailing address of each member and manager, both past and present;

(b) A copy of the articles of organization and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any amendment has been executed;

(c) Copies of the limited liability company's federal, state, and local income tax returns and reports, if any, for the three most recent years;

(d) Copies of any currently effective written operating agreements, copies of any writings permitted or required under section 7-80-502, and copies of any financial statements of the limited liability company for the three most recent years;

(e) Minutes of every annual and special meeting and any meeting ordered pursuant to section 7-80-707 (4);

(f) Unless contained in a written operating agreement or in a writing permitted or required under section 7-80-502, a statement prepared and certified as accurate by a manager of the limited liability company which describes:

(I) The amount of cash and a description and statement of the agreed value of the other property or services contributed by each member and which each member has agreed to contribute in the future;

(II) The times at which or events on the happening of which any additional contributions agreed to be made by each member are to be made;

(III) If agreed upon, the time at which or the events on the happening of which a member may terminate his membership in the limited liability company and the amount of, or the method of determining, the distribution to which he may be entitled respecting his membership interest and the terms and conditions of the termination and distribution;

(IV) Any right of a member to receive distributions which include a return of all or any part of a member's contribution;

(g) Any written consents obtained from members pursuant to section 7-80-711.

(2) Such records are subject to inspection and copying at the reasonable request, and at the expense, of any member during ordinary business hours.

7-80-501 - Form of contribution.

The contribution of a member may be in cash, property, or services rendered or a promissory note or other obligation to contribute cash or property or to perform services.

7-80-502 - Liability for contributions.

(1) A member is obligated to the limited liability company to perform any enforceable promise to contribute cash or property or to perform services, even if he is unable to perform because of death, disability, or any other reason. If a member does not

make the required contribution of property or services, he is obligated at the option of the limited liability company to contribute cash equal to that portion of the value, as stated in the limited liability records required to be kept by section 7-80-411, of such contribution that has not been made.

(2) The obligation of a member to make a contribution or return money or other property paid or distributed in violation of this article may be compromised only by consent in writing of all the members. Notwithstanding the compromise, a creditor of a limited liability company who extends credit or otherwise acts in reliance on the original obligation may enforce the original obligation.

(3) No promise by a member to contribute to the limited liability company is enforceable unless set out in a writing signed by the member.

7-80-503 - Sharing of profits and losses.

The profits and losses of a limited liability company shall be allocated among the members and among classes of members on the basis of the value, as stated in the limited liability company records required to be kept pursuant to section 7-80-411, of the contributions made by each member.

7-80-504 - Sharing of distributions.

Distributions of cash or other assets of a limited liability company shall be allocated among the members and among classes of members on the basis of the value, as stated in the limited liability company records required to be kept pursuant to section 7-80-411, of the contributions made by each member.

7-80-601 - Interim distributions.

Except as provided in this part 6, a member is entitled to receive distributions from a limited liability company before the member's resignation from the limited liability company and before the dissolution and winding up thereof to the extent and at the times or upon the happening of the events specified in the operating agreement or as otherwise agreed by all of the members.

7-80-602 - Resignation of member.

Unless prohibited in a written operating agreement, a member may resign from a limited liability company at any time by giving written notice to the other members, but, if the resignation violates the operating agreement, the limited liability company may recover from the resigning member damages for breach of the operating agreement and offset the damages against the amount otherwise distributable to him.

7-80-603 - Interest of member upon resignation or withdrawal.

A member who has resigned or withdrawn shall have no right to participate in the management of the business and affairs of the limited liability company and is entitled only to receive the share of the profits or other compensation by way of income and the return of contributions, to which such member would have been entitled if the member had not resigned or withdrawn.

7-80-604 - Distribution in kind.

A member, regardless of the nature of his contribution, has no right to demand and receive any distribution from a limited liability company in any form other than cash. A member may not be compelled to accept a distribution of any asset in kind from a limited liability company to the extent that the percentage of the asset distributed to him exceeds a percentage of that asset which is equal to the percentage in which he shares in distributions from the limited liability company.

7-80-605 - Right to distribution.

At the time a member becomes entitled to receive a distribution, he has the status of and is entitled to all remedies available to a creditor of the limited liability company with respect to the distribution.

7-80-606 - Limitations on distribution.

A member may not receive a distribution from a limited liability company to the extent that, after giving effect to the distribution, all liabilities of the limited liability company, other than liabilities to members on account of their membership interests, would exceed the fair value of the limited liability company assets.

7-80-607 - Liability upon return of contribution.

(1) Repealed.

(2) If a member has received the return of any part of his contribution in violation of the operating agreement or this article, he is liable to the limited liability company for a period of six years thereafter for the amount of the contribution wrongfully returned.

(3) A member receives a return of his contribution to the extent that a distribution to him reduces his share of the fair value of the net assets of the limited liability company below the value, as set forth in the records required to be kept pursuant to section 7-80-411, of his contribution which has not been distributed to him.

7-80-701 - Admission of members.

After the filing of a limited liability company's original articles of organization, a person may be admitted as an additional member upon the written consent of all members.

7-80-702 - Interest in limited liability company - transferability of interest.

(1) The interest of each member in a limited liability company constitutes the personal property of the member and may be transferred or assigned. However, if all of the other members of the limited liability company other than the member proposing to dispose of his or its interest do not approve of the proposed transfer or assignment by unanimous written consent, the transferee of the member's interest shall have no right to participate in the management of the business and affairs of the limited liability company or to become a member. The transferee shall only be entitled to receive the share of profits or other compensation by way of income and the return of contributions to which that member would otherwise be entitled.

(2) A substituted member is a person admitted to all the rights of a member who has died or has assigned his interest in a limited liability company with the approval of all the members of the limited liability company by unanimous written consent. The substituted member has all the rights and powers and

is subject to all the restrictions and liabilities of his assignor; except that the substitution of the assignee does not release the assignor from liability to the limited liability company under section 7-80-502.

7-80-703 - Rights of creditor against a member.

On application to a court of competent jurisdiction by any judgment creditor of a member, the court may charge the membership interest of the member with payment of the unsatisfied amount of the judgment with interest thereon and may then or later appoint a receiver of the member's share of the profits and of any other money due or to become due to the member in respect of the limited liability company and make all other orders, directions, accounts, and inquiries which the debtor member might have made, or which the circumstances of the case may require.

To the extent so charged, except as provided in this section, the judgment creditor has only the rights of an assignee of the membership interest. The membership interest charged may be redeemed at any time before foreclosure. If the sale is directed by the court, the membership may be purchased without causing a dissolution with separate property by any one or more of the members. With the consent of all members whose membership interests are not being charged or sold, the membership may be purchased without causing a dissolution with property of the limited liability company. This article shall not deprive any member of the benefit of any exemption laws applicable to the member's membership interest. Source: L. 90: Entire article added, p. 433, § 1, effective April 18. L. 97: Entire section amended, p. 1505, § 19, effective June 3.

Law reviews. For article, "Charging Partnership and LLC Interests To Satisfy Debts of Individuals", see 23 Colo. Law. 2743 (1994).

7-80-704 - Deceased or incompetent members who are individuals - dissolved or terminated members who are legal entities.

(1) If a member who is an individual dies or a court of competent jurisdiction adjudges him to be incompetent to manage his person or his property, the member's executor, administrator, guardian, conservator, or other legal representative may exercise all of the powers of an assignee or transferee of the member.

(2) If a member is a corporation, trust, or other entity and is dissolved or terminated, the legal representative or successor of the member may exercise all of the powers of an assignee or transferee of the member.

(3) Upon death, incompetency, dissolution, or termination as contemplated in subsection (1) or (2) of this section, the member's interest shall be deemed transferred or assigned for purposes of section 7-80-702.

7-80-705 - Liability of members and managers.

Members and managers of limited liability companies are not liable under a judgment, decree, or order of a court, or in any other manner, for a debt, obligation, or liability of the limited liability company.

7-80-706 - Voting.

(1) Subject to the provisions of this article which require majority or unanimous consent, vote, or agreement of the members, the operating agreement

may grant to all or a specified group of the members the right to consent, vote, or agree, on a per capita or other basis, upon any matter.

(2) Any member may vote in person or by proxy.

7-80-707 - Meetings of members.

(1) Meetings of members may be held at such place, either within or without this state, as may be stated in or fixed in accordance with the operating agreement. If no other place is stated or so fixed, all meetings shall be held at the registered office of the limited liability company.

(2) An annual meeting of the members shall be held at such time as may be stated or fixed in accordance with the operating agreement. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the limited liability company.

(3) Special meetings of the members may be called by any manager or managers or by not less than one-tenth of all the members entitled to vote at the meeting.

(4) (a) Any court of competent jurisdiction in the state of Colorado may summarily order a meeting to be held:

(I) On application of any member of the limited liability company, if an annual meeting was not held within six months after the end of the limited liability company's fiscal year or fifteen months after its last annual meeting, whichever is earlier; or

(II) On application of a member who participated in a proper call for a special meeting, if:

(A) Notice of the special meeting was not given within thirty days after the date the demand was delivered to the manager or managers of the limited liability company; or

(B) The special meeting was not held in accordance with the notice.

(b) The court may fix the time and place of the meeting, specify a date for determining members entitled to notice of and to vote at the meeting, prescribe the form and content of the meeting notice, fix the quorum required for a meeting or direct that the interests represented at the meeting constitute a quorum for the meeting, and enter other orders necessary to permit the meeting to be held.

7-80-708 - Quorum of members - vote required.

A majority of the members entitled to vote shall constitute a quorum at the meeting of members. If a quorum is present, the affirmative vote of the majority of the members represented at the meeting and entitled to vote on the subject matter shall be the act of the members. If a quorum is not represented at any meeting of the members, such meeting may be adjourned for a period not to exceed sixty days at any one adjournment.

7-80-709 - Notice of members' meetings.

(1) Written notice stating the place, day, and hour of the meeting and, in case of a special meeting, the purpose for which the meeting is called shall be delivered not less than ten days nor more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of any manager or person calling the meeting to each member of record entitled to vote at such meeting.

(2) Notice to members, if mailed, shall be deemed delivered as to any member when deposited in the

United States mail, addressed to the member, with postage prepaid, but, if three successive letters mailed to the last-known address of any member are returned as undeliverable, no further notices to such member shall be necessary until another address for such member is made known to the limited liability company.

(3) When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the limited liability company may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty days, a notice of the adjourned meeting shall be given to each member entitled to vote at the meeting.

7-80-710 - Waiver of notice.

(1) When any notice is required to be given to any member of a limited liability company under the provisions of this article or under the provisions of the articles of organization or the operating agreement of the limited liability company, a waiver thereof in writing signed by the person entitled to such notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of such notice.

(2) By attending a meeting, a member:

(a) Waives objection to lack of notice or defective notice of such meeting unless the member, at the beginning of the meeting, objects to the holding of the meeting or the transacting of business at the meeting;

(b) Waives objection to consideration at such meeting of a particular matter not within the purpose or purposes described in the meeting notice unless the member objects to considering the matter when it is presented.

7-80-711 - Action by members without a meeting.

(1) Action required or permitted by this article to be taken at a members' meeting may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each member entitled to vote. Action taken under this subsection (1) is effective when all members entitled to vote have signed the consent, unless the consent specifies a different effective date.

(2) Written consent of the members entitled to vote has the same force and effect as a unanimous vote of such members and may be stated as such in any document.

7-80-712 - Information and accounting.

(1) A member of a limited liability company shall have the right to:

(a) Inspect and copy limited liability company records, as provided by section [7-80-411](#);

(b) Obtain from the manager or managers from time to time, subject to such reasonable standards as may be set forth in the operating agreement or otherwise established by the manager or managers, upon reasonable demand for any purpose reasonably related to the member's interest as a member:

(I) True and full information regarding the state of the business and financial condition of the limited liability company and any other information regarding the affairs of the limited liability company; and

(II) Promptly after becoming available, a copy of the limited liability company's federal, state, and local income tax returns for each year; and

(c) Have a formal accounting of limited liability company affairs whenever circumstances render it just and reasonable.

7-80-801 - Dissolution.

(1) A limited liability company organized under this article shall be dissolved upon the occurrence of any of the following events:

(a) (Deleted by amendment, L. 94, p. 720, § 32, effective July 1, 1994.)

(b) By the unanimous written agreement of all members;

(c) (Deleted by amendment, L. 97, p. 1505, § 20, effective June 3, 1997.)

(d) At the time or upon the occurrence of events specified in writing in an operating agreement.

(2) As soon as possible following the occurrence of any of the events specified in this section effecting the dissolution of the limited liability company, the limited liability company shall execute a statement of intent to dissolve in such form as shall be prescribed by the secretary of state. The statement of intent to dissolve shall be executed by a manager of the limited liability company.

7-80-802 - Execution by judicial act.

Any person who is adversely affected by the failure or refusal of any limited liability company to execute and file any amendment, statement of intent to dissolve, or other document to be filed under this article may petition the district court in the county where the registered office of the limited liability company is located or, if no such address is on file with the secretary of state, in the city and county of Denver, to direct the execution and filing of the amendment, statement of intent to dissolve, or other document. If the court finds that it is proper for the amendment, statement of intent to dissolve, or other document to be executed and filed and that there has been a failure or refusal to execute and file such document, it shall order the secretary of state to record an appropriate amendment, statement of intent to dissolve, or other document.

7-80-803 - Filing of statement of intent to dissolve.

(1) Duplicate originals of the statement of intent to dissolve shall be delivered to the secretary of state. If the secretary of state finds that such statement conforms to law, he shall, when all required fees have been paid:

(a) Endorse on each duplicate original the word "Filed" and the month, day, and year of the filing thereof;

(b) File one duplicate original in his office;

(c) Return the other duplicate original to the limited liability company or its representative.

(2) The filing of the statement of intent to dissolve shall not affect the limited liability of the members.

7-80-804 - Effect of filing of statement of intent to dissolve.

Upon the filing with the secretary of state of a statement of intent to dissolve, the limited liability company shall cease to carry on its business, except insofar as may be necessary for the winding up of its

business, but its separate existence shall continue until articles of dissolution have been filed with the secretary of state or until a decree dissolving the limited liability company has been entered by a court of competent jurisdiction.

7-80-805 - Distribution of assets upon dissolution.

(1) In settling accounts after dissolution, the assets of the limited liability company shall be distributed as follows:

(a) To creditors, including members who are creditors, to the extent otherwise permitted by law, in satisfaction of liabilities of the limited liability company other than liabilities for distributions to members under section 7-80-601 or 7-80-603;

(b) To members and former members of the limited liability company in satisfaction of liabilities for distributions under section 7-80-601 or 7-80-603; and

(c) To members of the limited liability company for the return of their contributions and respecting their membership interests in the proportions in which the members share in distributions.

7-80-806 - Articles of dissolution.

(1) When all debts, liabilities, and obligations have been paid and discharged or adequate provision has been made therefor and all of the remaining property and assets have been distributed to the members, articles of dissolution shall be executed in duplicate and verified by the person signing the statement, which statement shall set forth:

(a) The name of the limited liability company;

(b) That a statement of intent to dissolve the company has been filed with the secretary of state and the date on which such statement was filed;

(c) That all debts, obligations, and liabilities have been paid and discharged or that adequate provision has been made therefor;

(d) That all the remaining property and assets have been distributed among its members in accordance with their respective rights and interests;

(e) That there are no suits pending against the company in any court or that adequate provision has been made for the satisfaction of any judgment, order, or decree which may be entered against it in any pending suit.

7-80-807 - Filing of articles of dissolution.

(1) Duplicate originals of such articles of dissolution shall be delivered to the secretary of state. If the secretary of state finds that such articles of dissolution conform to law, he shall, when all required fees have been paid:

(a) Endorse on each duplicate original the word "Filed" and the date of the filing thereof; and

(b) File one duplicate original in his office.

(2) A duplicate original of the articles of dissolution, together with a certificate of dissolution issued by the secretary of state, shall be returned to the representative of the dissolved limited liability company. Upon the filing of such articles of dissolution, the existence of the company shall cease, except for the purpose of suits, other proceedings, and appropriate action as provided in this article. The manager or managers in office at the time of dissolution, or those which remain, shall thereafter be trustees for the members and creditors of the dissolved limited liability company and as such

shall have authority to distribute any company property discovered after dissolution, convey real estate, and take such other action as may be necessary on behalf of and in the name of such dissolved limited liability company.

7-80-808 - Involuntary dissolution.

(1) A limited liability company may be dissolved involuntarily by a decree of the district court in an action filed by the attorney general when it is established that:

(a) The limited liability company procured its articles of organization through fraud; or

(b) The limited liability company has continued to exceed or abuse the authority conferred upon it by law; or

(c) The limited liability company has failed for thirty days to appoint and maintain a registered agent in this state; or

(d) The limited liability company has failed for thirty days after change of its registered office or registered agent to file in the office of the secretary of state a statement of such change.

(2) District courts shall have full power to liquidate the assets and business of a limited liability company:

(a) In an action by a creditor:

(i) When the claim of the creditor has been reduced to judgment and an execution thereon returned unsatisfied and it is established that the limited liability company is insolvent; or

(ii) When the limited liability company has admitted in writing that the claim of the creditor is due and owing and it is established that the limited liability company is insolvent;

(b) Upon application by a limited liability company, which has filed a statement of intent to dissolve as provided in this article, to have its liquidation continued under the supervision of the court;

(c) When an action has been filed by the attorney general to dissolve a limited liability company and it is established that liquidation of its business and affairs should precede the entry of a decree of dissolution.

(3) Proceedings under paragraphs (a) and (b) of subsection (2) of this section shall be brought in the district court of the county in which the registered office of the limited liability company is located.

7-80-809 - Notification to attorney general.

(1) The secretary of state may certify to the attorney general the name of any limited liability company which has given cause for dissolution as provided in this article, together with the facts pertinent thereto.

(2) When the secretary of state certifies the name of a limited liability company to the attorney general as having given any cause for dissolution, the secretary of state shall concurrently mail to the limited liability company at its registered office a notice that the certification has been made. Not less than thirty days after the receipt of such certification, the attorney general shall file an action in the name of the state against the limited liability company for its dissolution.

(3) If, before action is filed, the limited liability company appoints or maintains a registered agent as provided in this article or files with the secretary of state the required statement of change of registered office or registered agent, this article shall be forthwith certified by the secretary of state to the attorney general, and he shall not file an action against the limited liability company for such cause.

(4) If, after action is filed, the limited liability company appoints or maintains a registered agent as provided in this article or files with the secretary of state the required statement of change of registered office or registered agent and pays the cost of the action and a penalty of fifty dollars, the action for such cause shall abate.

7-80-810 - Venue and process.

(1) Every action for the involuntary dissolution of a limited liability company brought by the attorney general shall be commenced either in the district court of the county in which the registered office of the limited liability company is located or in the district court of the city and county of Denver. Summons shall issue and be served as in other civil actions.

(2) If process is returned not found, the attorney general shall cause publication to be made as in other civil cases in a newspaper of general circulation published in the county where the registered office of the limited liability company is located, containing a notice of the pendency of the action, the title of the court, the title of the action, and the date on or after which default may be entered. The attorney general may include in one notice the names of any number of limited liability companies against which actions are then pending in the same court. The attorney general shall cause a copy of such notice to be mailed to the registered agent of the limited liability company within ten days after the first publication thereof.

(3) The certificate of the attorney general of the mailing of the notice shall be prima facie evidence thereof. Such notice shall be published at least once each week for two successive weeks, and the first publication may begin at any time after the summons has been returned. Unless a limited liability company has been served with summons, no default shall be taken against it earlier than thirty days after the first publication of the notice.

7-80-901 - Law governing foreign limited liability companies.

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.

7-80-902 - Name.

A foreign limited liability company may apply for a certificate of authority under any name that would be available to a domestic limited liability company, whether or not such name is the name under which it is authorized in its jurisdiction of organization.

7-80-903 - Registered name - limitation - procedure.

(1) Any limited liability company organized and existing under laws other than the laws of this state may register its company name pursuant to the provisions of this article, if such name would be available to a domestic limited liability company pursuant to part 6 of article 90 of this title.

(2) Such registration shall be made by delivering to the secretary of state an application for registration

executed by an officer of the limited liability company, setting forth:

- (a) The name of such limited liability company;
- (b) The jurisdiction under the laws of which it is organized;
- (c) The date of its organization;
- (d) A statement that it is carrying on or doing business and a brief statement of the business in which it is engaged; and
- (e) A certificate stating that the corporation is in good standing under the laws of the jurisdiction wherein it is organized, executed by the secretary of state of such jurisdiction or by such other official as may have custody of the records pertaining to limited liability companies.

(3) The applicant shall also pay to the secretary of state a registration fee in the amount of one dollar for each month, or fraction thereof, between the date of filing the application and December 31 of the calendar year in which the application is filed.

(4) Such registration shall be effective until the close of the calendar year in which the application for registration is filed.

7-80-904 - Certificate of authority - application.

(1) Before transacting business in this state, a foreign limited liability company shall obtain a certificate of authority. An applicant for such a certificate shall pay a filing fee in an amount determined by the secretary of state and shall submit to the secretary of state, in duplicate, an application executed by a manager, member, or other authorized agent and setting forth:

- (a) The name of the foreign limited liability company and, if different, the name under which it proposes to transact business in this state;
- (b) The jurisdiction and date of its formation;
- (c) The name and business address of the proposed registered agent in this state, which agent shall be an individual resident of this state, a domestic corporation, or a foreign corporation having a place of business in, and authorized to do business in, this state;
- (d) The address of the office required to be maintained in the jurisdiction of its organization by the laws of that jurisdiction or, if not so required, of the principal place of business of the foreign limited liability company;
- (e) Such additional information as may be necessary or appropriate in order to enable the secretary of state to determine whether such limited liability company is entitled to transact business in this state.

7-80-905 - Filing - issuance of certificate of authority.

(1) If the secretary of state finds that an application or amended application for a certificate of authority conforms to law and all requisite fees have been paid, he shall:

- (a) Endorse on the application or the amended application the word "Filed" and the date of the filing thereof;
- (b) File in his office one duplicate original of the application or the amended application; and
- (c) Return the other duplicate original of the application or the amended application to the person who filed it or to his representative with a certificate of authority issued by the secretary of state.

7-80-906 - Changes and amendments.

If any statement in the application for a certificate of authority by a foreign limited liability company was false when made or any arrangements or other facts described have changed, making the application inaccurate in any respect, including but not limited to a change in the name or address of the registered agent required to be maintained by section 7-80-907, the foreign limited liability company shall promptly submit to the office of the secretary of state, in duplicate, an amended application for a certificate of authority, executed by a manager, member, or other authorized agent correcting such statement.

7-80-907 - Requirement for registered agent and certain reports.

(1) A foreign limited liability company authorized to transact business in this state shall:

- (a) Appoint and continuously maintain a registered agent in the same manner as provided in section 7-80-301;
- (b) File a report upon any change in the name or business address of its registered agent in the same manner as provided in section 7-80-302;
- (c) File limited liability company reports as provided in section 7-80-303.

7-80-908 - Revocation of certificate of authority.

(1) The certificate of authority of a foreign limited liability company to transact business in this state may be revoked by the secretary of state upon the occurrence of any of these events:

- (a) The foreign limited company has failed to:
 - (I) File its limited liability company report within the time required by this article or has failed to pay any fees or penalties prescribed by this article;
 - (II) Appoint and maintain a registered agent as required by this article;
 - (III) File a report upon any change in the name or business address of the registered agent;
 - (IV) File in the office of the secretary of state any amendment to its application for a certificate of authority as specified in section 7-80-906;
- (b) A misrepresentation has been made of any material matter in any application, report, affidavit, or other document submitted by such foreign limited liability company pursuant to this article.
- (2) No certificate of authority of a foreign limited liability company shall be revoked by the secretary of state unless:

- (a) He has given the foreign limited liability company not less than sixty days' notice thereof by mail addressed to its registered office in this state or, if said foreign limited liability company fails to appoint and maintain a registered agent in this state, addressed to the office required to be maintained pursuant to section 7-80-904 (1) (d); and
- (b) During such sixty-day period, the foreign limited liability company has failed to file such limited liability company report, to pay such fees or penalties, to file such report of change regarding the registered agent, to file any such amendment, or to correct such misrepresentation.

(3) Upon the expiration of sixty days after the mailing of such notice, the authority of the foreign limited liability company to transact business in this state shall cease.

7-80-909 - Certificate of withdrawal.

(1) A foreign limited liability company authorized to transact business in this state may withdraw from this state upon procuring from the secretary of state a certificate of withdrawal. In order to procure such certificate, the foreign limited liability company shall deliver to the secretary of state an application for withdrawal, which shall set forth:

- (a) The name of the limited liability company and the state or country under the laws of which it is incorporated;
 - (b) That the limited liability company is not transacting business in this state;
 - (c) That the limited liability company surrenders its authority to transact business in this state;
 - (d) That the limited liability company revokes the authority of its registered agent in this state to accept service of process and consents that service of process in any action, suit, or proceeding based upon any cause of action arising in this state during the time the limited liability company was authorized to transact business in this state may thereafter be made on such limited liability company by service thereof upon the secretary of state;
 - (e) A post-office address to which a person may mail a copy of any process against the limited liability company;
 - (f) Such additional information as is necessary or appropriate in order to enable the secretary of state to determine and assess any unpaid fees payable by such limited liability company as prescribed in this article.
- (2) The application for withdrawal shall be in the form and manner designated by the secretary of state and shall be executed by the limited liability company by one of its managers, or, if the limited liability company does not have a manager, by an authorized agent, or, if the limited liability company is in the hands of a receiver or trustee, by such receiver or trustee on behalf of the limited liability company. This report shall be accompanied by a written declaration that it is made under the penalties of perjury.

7-80-910 - Transaction of business without certificate of authority.

(1) A foreign limited liability company transacting business in this state may not maintain any action, suit, or proceeding in any court of this state until it possesses a certificate of authority.

(2) The failure of a foreign limited liability company to obtain a certificate of authority does not impair the validity of any contract or act of the foreign limited liability company or prevent the foreign limited liability company from defending any action, suit, or proceeding in any court of this state.

(3) A foreign limited liability company, by transacting business in this state without a certificate of authority, appoints the secretary of state as its agent upon whom any notice, process, or demand may be served.

(4) A foreign limited liability company which transacts business in this state without a valid certificate of authority shall be liable to the state for the years or parts thereof during which it transacted business in this state without such certificate in an amount equal to all fees which would have been imposed by this article upon that limited liability company had it duly obtained such certificate, filed all reports required by this article, and paid all penalties imposed by this

article. The attorney general shall bring proceedings to recover all amounts due this state under the provisions of this section.

(5) A foreign limited liability company which transacts business in this state without a valid certificate of authority shall be subject to a civil penalty, payable to the state, not to exceed five thousand dollars. Each manager or, in the absence of managers, each member or agent who authorizes, directs, or participates in the transaction of business in this state on behalf of a foreign limited liability company which does not have such certificate shall be subject to a civil penalty, payable to the state, not to exceed one thousand dollars.

(6) The civil penalties set forth in subsection (5) of this section may be recovered in an action brought within the district court in and for the city and county of Denver by the attorney general. Upon a finding by the court that a foreign limited liability company or any of its members, managers, or agents have transacted business in this state in violation of this article, the court shall issue, in addition to the imposition of a civil penalty, an injunction restraining the further transaction of the business of the foreign limited liability company and the further exercise of any limited liability company's rights and privileges in this state. The foreign limited liability company shall be enjoined from transacting business in this state until all civil penalties plus any interest and court costs which the court may assess have been paid and until the foreign limited liability company has otherwise complied with the provisions of this article.

(7) A member of a foreign limited liability company is not liable for the debts and obligations of the limited liability company solely by reason of such company's having transacted business in this state without a valid certificate of authority.

7-80-911 - Action to restrain from transaction of business.

The attorney general may bring an action to restrain a foreign limited liability company from transacting business in this state in violation of this part 9.

7-80-912 - Process - service on a foreign limited liability company.

Service of process on a foreign limited liability company shall be as provided in section 7-80-306.

7-80-913 - Execution of application or certificate.

The execution of an application constitutes an affirmation under the penalties of perjury that the facts stated therein are true.

7-80-1001 - Conversion of partnership or limited partnership to limited liability company.

(1) (a) A partnership or limited partnership may be converted to a limited liability company pursuant to this section.

(b) The terms and conditions of a conversion of a partnership or limited partnership to a limited liability company must, in the case of a partnership or limited partnership, be approved by all the partners or by a number or percentage specified for conversion in the partnership agreement.

(2) After the conversion is approved under paragraph (b) of subsection (1) of this section, the partnership or limited partnership shall file articles of organization with the office of the secretary of state which satisfy

the requirements of section 7-80-204 and which include:

(a) A statement that the partnership or limited partnership was converted to a limited liability company from a partnership or limited partnership, as the case may be;

(b) Its former name;

(c) In the case of a partnership or limited partnership, a statement of the number of votes cast by the partners entitled to vote for and against the conversion and, if the vote is less than unanimous, the number or percentage required to approve the conversion under the partnership agreement; and

(d) In the case of a limited partnership, the limited partnership shall cancel its certificate of limited partnership pursuant to section 7-62-203.

(3) The conversion takes effect, in the case of a partnership, when the articles of organization are filed with the office of the secretary of state or at any later date specified in the articles of organization or, in the case of a limited partnership, when the certificate of limited partnership is canceled.

(4) (a) A general partner who becomes a member of a limited liability company as a result of a conversion remains liable as a general partner for an obligation incurred by the partnership or limited partnership before the conversion takes effect.

(b) If the other party to a transaction with the limited liability company reasonably believes when entering the transaction that the member undertaking the transaction is a general partner in a partnership or a limited partnership, the member is liable for an obligation incurred by the limited liability company within ninety days after the conversion takes effect. The general partner's liability for all other obligations of the limited liability company incurred after the conversion takes effect is that of a member as provided in this article.

(c) A limited partner who becomes a member as a result of a conversion remains liable only as a limited partner for an obligation incurred by the limited partnership before the conversion takes effect.

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 or 7-64-1002.

(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 partnership or registered limited liability limited partnership, as the case may be.

7-80-1002 - Effect of conversion.

(1) A partnership, 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, limited partnership, or limited liability company remains vested in the converted entity;

(b) All obligations of the converting partnership, limited partnership, or limited liability company continue as obligations of the converted entity; and

(c) An action or proceeding pending against the converting partnership, limited partnership, or limited

liability company may be continued as if the conversion had not occurred.

7-80-1003 - Merger of entities.

(1) Pursuant to a plan of merger approved under subsection (3) of this section, a limited liability company may be merged with one or more limited liability companies, partnerships, or limited partnerships.

(2) The plan of merger must set forth:

(a) The name of each limited liability company, partnership, or limited partnership that is a party to the merger;

(b) The name of the surviving entity into which the other limited liability companies, partnerships, or limited partnerships will merge;

(c) Whether the surviving entity is a limited liability company, partnership, or limited partnership and the status of each member and partner thereof;

(d) The terms and conditions of the merger;

(e) The manner and basis of converting the interests of each party to the merger into interests or obligations of the surviving entity, or into cash or other property, in whole or in part; and

(f) The street address of the surviving entity's principal place of business.

(3) The plan of merger must be approved:

(a) In the case of a limited liability company that is a party to the merger, by the vote required for approval of a merger by the law of the state or foreign jurisdiction in which the limited liability company is organized and, in the absence of such specifically applicable law, by the vote required for approval of a merger pursuant to the provisions of the operating agreement, or in the absence of such provisions, by all the members of the limited liability company;

(b) In the case of a partnership that is a party to the merger, by all the partners, or a number or percentage specified for merger in the partnership agreement; and

(c) In the case of a limited partnership that is a party to the merger, by the vote required for approval of a merger by the law of the state or foreign jurisdiction in which the limited partnership is organized and, in the absence of such specifically applicable law, all the partners or by a number or percentage specified for merger in the partnership agreement.

(4) After a plan of merger is approved and before the merger takes effect, the plan may be amended or abandoned as provided in the plan.

(5) The merger takes effect on the latest of:

(a) The approval of the plan of merger by each party to the merger, as provided in subsection (3) of this section;

(b) The filing by each party to the merger of any documents required by statute to be filed as a condition to the effectiveness of the merger; or

(c) Any effective date specified in the plan of merger.

7-80-1004 - Effect of merger.

(1) When a merger takes effect:

(a) Every limited liability company, partnership, or limited partnership that is a party to the merger other than the surviving entity ceases to exist;

(b) All property owned by each of the merged limited liability companies, partnerships, or limited partnerships vests in the surviving entity;

(c) All obligations of every limited liability company, partnership, or limited partnership that is a party to

the merger become the obligations of the surviving entity; and

(d) An action or proceeding pending against a limited liability company, partnership, or limited partnership that is a party to the merger may be continued as if the merger had not occurred or the surviving entity may be substituted as a party to the action or proceeding.

(2) The secretary of state is the agent for service of process in an action or proceeding against a surviving foreign limited liability company, foreign partnership, or foreign limited partnership to enforce an obligation of a domestic limited liability company, domestic partnership, or domestic limited partnership that is a party to a merger. The surviving entity shall promptly notify the secretary of state of the mailing address of its principal place of business and of any change of address. Upon receipt of process, the secretary of state shall mail a copy of the process to the surviving foreign limited liability company, foreign partnership, or foreign limited partnership.

(3) A member of the surviving limited liability company or a partner of the surviving partnership or limited partnership is liable for all obligations of a party to the merger for which the member or partner was personally liable before the merger, in addition to any liabilities the member or partner may have by reason of being a member or partner of such surviving limited liability company, partnership, or limited partnership.

7-80-1005 - Statement of merger.

(1) After a merger, the surviving limited liability company, partnership, or limited partnership may file a statement that one or more limited liability companies, partnerships, or limited partnerships have merged into the surviving entity.

(2) A statement of merger must contain:

(a) The name of each limited liability company, partnership, or limited partnership that is a party to the merger;

(b) The name of the surviving entity into which the other limited liability companies, partnerships, or limited partnerships were merged;

(c) The street address of the surviving entity's principal place of business and an office in this state, if any; and

(d) Whether the surviving entity is a limited liability company, partnership, or limited partnership.

(3) Except as provided in subsection (4) of this section, property of the surviving limited liability company, partnership, or limited partnership that before the merger was held in the name of another party to the merger is property held in the name of the surviving entity upon filing a statement of merger.

(4) Real property of the surviving limited liability company, partnership, or limited partnership that before the merger was held in the name of another party to the merger is property held in the name of the surviving entity upon recording a certified copy of the statement of merger in the office for recording transfers of that real property.

(5) A filed and, where appropriate, recorded statement of merger, executed and verified by a member or manager, stating the name of the limited liability company, partnership, or limited partnership that is a party to the merger in whose name property was held before the merger and the name of the surviving entity, but not containing all of the other

information required by subsection (2) of this section, operates with respect to the limited liability companies, partnerships, or limited partnerships named to the extent provided in subsections (3) and (4) of this section.

7-80-1006 - Nonexclusive.

This part 10 does not preclude a limited liability company, partnership, or limited partnership from being converted or merged in any other manner provided by law.

7-80-1101 - Application to existing limited liability companies.

(1) A limited liability company formed under this article prior to July 1, 1994, may elect to be governed by the provisions of this article. All of the members may make an election for limited liability company at any time on or after July 1, 1994, by filing amended articles of organization that comply with the provisions of section 7-80-209 and contain an affirmative statement that the members have elected to be governed by the provisions of this article.

(2) A limited liability company formed under this article prior to July 1, 1994, until it elects to be governed by the provisions of this article, shall be governed by the provisions of the "Colorado Limited liability company Act" as in effect immediately prior to July 1, 1994.

COLORADO CORPORATE VEIL

7-80-107 - Application of corporation case law to set aside limited liability.

(1) In any case in which a party seeks to hold the members of a limited liability company personally responsible for the alleged improper actions of the limited liability company, 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 limited liability company 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 members for liabilities of the limited liability company.

Source: L. 90: Entire article added, p. 416, § 1, effective April 18. L. 94: Entire section amended, p. 710, § 4, effective July 1.

Courts have pierced the corporate veil of nonprofit corporations. Comment, Piercing the Nonprofit Corporate Veil, 66 Marq. L. Rev. 134 (1984). Section 6 (numbered as section 7-30-106 in C.R.S.) makes a nonprofit association a legal entity for these purposes. Therefore, as a matter of its other law a jurisdiction enacting this Act may appropriately apply this doctrine to a nonprofit association. In *Macaluso v. Jenkins*, 95 Ill. App. 3d 461, 420 N.E.2d 251 (1981), the president of a nonprofit corporation was found to have so commingled its funds and assets with his own and those of a business corporation he controlled and have treated them as his own for his benefit that the corporate veil must be pierced to promote justice. He was found liable for a debt contracted in the name of the nonprofit corporation. See also Harry G. Henn & John R. Alexander, Law of Corporations, pp 344-352 (West 3d ed. 1983); Alfred F. Conard, Corporations in Perspective, pp 424-433 (Foundation Press, 1976).

Any attempt to pierce the corporate veil after corporate existence was established is equitable in nature and therefore may not be heard by a jury. *Straub v. Mountain Trails Resort, Inc.*, 770 P.2d 1321 (Colo. App. 1988).

Corporate veil pierced by application of the alter ego doctrine. Where the corporate entity has been used to defeat public convenience, or to justify or protect wrong, fraud, or crime, or in other situations where equity requires, stockholders may be held personally liable for corporate obligations. *Reader v. Dertina & Associates Marketing*, 693 P.2d 398 (Colo. App. 1984).

Failure of corporation to provide legally required workmen's compensation insurance does not per se meet test for piercing of the corporate veil. *Matter of Death of Smithour*, 778 P.2d 303 (Colo. App. 1989).

Law reviews. For article, "The New Colorado Corporation Act", see 35 *Dicta* 317 (1958). For article, "1959 Amendments to the Colorado Corporation Code", see 36 *Dicta* 489 (1959). For note, "Service of Process on Foreign Corporations Outside the Forum", see 34 *Rocky Mt. L. Rev.* 359

(1962). For article, "The 1985 Proposed Revisions to the Colorado Corporation Code", see 14 *Colo. Law.* 34 (1985). For article, "Piercing the Corporate Veil: Limited Liability", see 15 *Colo. Law.* 795 (1986). For article, "Trade Name Registration Requirements and Customs in Colorado -- Parts I and II", see 16 *Colo. Law.* 238 and 454 (1987).

This section is applicable only in action against employer for negligence resulting in personal injury or death and relates to the abrogation of enumerated common law defenses, and none of these circumstances is relevant to case in which claimant is attempting to pierce the corporate veil in a workers' compensation proceeding. *Matter of Death of Smithour*, 778 P.2d 302 (Colo. App. 1989).

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 a domestic entity 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.

Source: L. 95: Entire article added, p. 791, § 18, effective May 24. L. 2000: (3)(e) amended, p. 953, § 27, effective July 1.