

circumstances; permitting the operating agreement of a limited liability company to include a certain provision; prohibiting the termination of a person's membership in a limited liability company from causing the limited liability company to be dissolved or to wind up its affairs under certain circumstances; providing that a limited liability company continues to exist following the termination of a person's membership under certain circumstances; and generally relating to the membership and activities of limited liability companies.

BY repealing and reenacting, with amendments,

Article - Corporations and Associations

Section 4A-101(n), 4A-201, 4A-601, and 4A-902

Annotated Code of Maryland

(1999 Replacement Volume and 2001 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - Corporations and Associations**

4A-101.

(n) (1) "Member" means a person with an interest in a limited liability company with the rights and obligations specified under this title.

(2) "MEMBER" INCLUDES A PERSON WHO HAS BEEN ADMITTED AS A MEMBER OF A LIMITED LIABILITY COMPANY ORGANIZED IN THE STATE OR A FOREIGN LIMITED LIABILITY COMPANY.

4A-201.

A limited liability company may be organized under this title and may conduct [business in any state for any lawful purpose,] ACTIVITIES IN ANY STATE RELATED TO ANY LAWFUL BUSINESS, PURPOSE, INVESTMENT, OR ACTIVITY, WHETHER OR NOT FOR PROFIT, except the business of acting as an insurer.

4A-601.

(a) A person becomes a member of a limited liability company:

(1) At the time the limited liability company is formed; or

(2) At any later time specified in the operating agreement.

(b) After the formation of a limited liability company, a person may be admitted as a member:

(1) In the case of a person acquiring a membership interest directly from the limited liability company, upon compliance with the operating agreement or, if the operating agreement does not so provide, upon the unanimous consent of the members; or