

LOUISIANA STATE LAW INSTITUTE

MEETING OF THE COUNCIL

September 5, 2025

Friday, September 5, 2025

Persons Present:

Adams, Marguerite (Peggy) L.
Alpandinar, Erin N.
Belanger, Kathryn (Katie)
Bienvenu, David F.
Blunt, Shelton D.
Breard, L. Kent
Crigler, James C., Jr.
Crochet, Anne J.
Cromwell, L. David
Darensburg, June Berry
Doguet, Andre'
Drury, Lloyd "Trey", III
Fontana, Annette
Guice, Jon K.
Hawthorne, George "Trippe"
Hayes, Thomas M., III
Hogan, Lila Tritico
Holdridge, Guy
Holthaus, C. Frank
Janke, Benjamin West
Johnson, Rachael D.
Koerner, Louis R.
Lavergne, Luke A.
Lonegrass, Melissa T.
Lovett, John A.
Manning, C. Wendell
Meyer, Julia A.
Mouton, Quincy

Nicosia, Perry M.
Norman, Rick J.
Payer, Julie Baxter
Penzato, Allison H.
Philips, Harry "Skip", Jr.
Price, Donald W.
Procell, Christopher A.
Reeves, Ruth A.
Richardson, Sally Brown
Riviere, Christopher H.
Rusovich, Sydney G.
Saloom, Douglas J.
Scalise, Ronald J., Jr.
Smith, Kenya J.H.
Sossamon, Meera U.
Talley, Susan G.
Tate, George J.
Thibeaux, Robert P.
Thomas, David Abboud
Thrower, Jason B.
Tucker, Zelda W.
Ventulan, Josef
Waller, Mallory C.
Walters, Edward J., Jr.
Weems, Charles S., III
White, H. Aubrey, III
Woodruff-White, Lisa
Ziober, John David

President L. David Cromwell called the September Council meeting to order at 10:00 a.m. on Friday, September 5, 2025 at the Louisiana Supreme Court in New Orleans. After asking Council members to briefly introduce themselves, the President called on Mr. John David Ziober, Chair of the Membership and Nominating Committee, for a brief presentation.

Membership and Nominating Committee

Mr. Ziober began by reminding the Council that the Membership and Nominating Committee would soon be meeting to discuss its recommendations for the election of new Council members in December. He requested that members of the Council give some thought as to practicing attorneys across the state who would be active and engaged in the Law Institute's work, keeping in mind factors including diversity of age, race, practice area, geographic location, and more. Mr. Ziober asked Council members to submit any recommendations they may have to himself or to Ms. Mallory Waller and concluded his presentation, at which time the President called on Judge Guy Holdridge, Reporter of the Code of Civil Procedure Committee, to begin his presentation of materials.

Code of Civil Procedure Committee

Judge Holdridge first directed the Council's attention to the revised Comment to Civil Code Article 3462. He stated that this Article was amended during the 2025 Regular Session as a result of a compromise and explained that the original recommendation's

use of interruption would have led to an excessive increase in the prescriptive period since interruption causes the period to run anew from the date of interruption. Judge Holdridge then stated that the proposal aligns the Comment with the amended Article, providing that prescription is suspended for seven days for actions filed in a court of competent jurisdiction but improper venue, thus permitting a plaintiff within the suspension period to effect service on a defendant or refile an action in a court of proper venue. He then noted that the Code of Civil Procedure Committee plans to study Article 3462 and various other statutes providing for the interruption of prescription and recommend further revision – particularly, increasing the length of time of the suspension period set forth in Article 3462.

Beginning discussion, one Council member expressed that it may be inappropriate to integrate the concept of suspension within an article providing for prescription and noted that the location of the provision may necessitate that practitioners be notified of its existence. He then suggested that the amendment may be inconsistent with the concept of suspension, which is provided for in Civil Code Article 3469 and applies to spouses during marriage and to parents and children during minority. The member suggested that the Committee recommend in its next proposal a distinct term or concept. The Council then discussed the practical effects of the amendment, with one member asking whether the new language of Article 3462 essentially provides for a two-year-and-seven-day prescriptive period. Judge Holdridge subsequently clarified that the provision’s application is limited to those actions timely filed in a court of competent jurisdiction but improper venue and that an action would still have prescribed regardless of where it is filed if the filing occurs after the two-year prescriptive period. After further discussion, the Council adopted the proposed language as follows:

Civil Code Article 3462. Interruption by filing of suit action or by service of process

* * *

Revision Comments – 2025

This amendment changes the law: and suspends prescription for seven days for actions filed in a court of competent jurisdiction but improper venue. The filing of an action in a court of competent jurisdiction will interrupt the prescriptive period even if venue is improper. This allows a plaintiff within the suspension period to effect service on a defendant or refile the action in a court of proper venue. There are, however, It is important to recognize that numerous more specific statutes that still require an action to be filed in a court of both competent jurisdiction and proper venue in order to interrupt prescription, including R.S. 9:5604 (professional accounting liability), 5605 (legal malpractice), 5606 (professional insurance agent liability), 5607 (professional engineer, surveyor, interior designer, architect, and real estate developer liability), and 5608 (action against home inspectors).

The Council then considered the proposed Comment to Code of Civil Procedure Article 371. Judge Holdridge reminded the Council that the language of this Article was previously adopted by the Council and subsequently enacted by the legislature. He explained that while the Article’s new language applies to the use of AI creating or altering an exhibit such that it no longer bears a resemblance to the original, the Comment seeks to clarify that the Article is not intended to apply to acceptable uses of AI meant to emphasize or highlight portions of an exhibit – uses that are not meant deceive the court or other parties. After brief discussion, the Council adopted the proposed language as follows:

Code of Civil Procedure Article 371. Attorney

* * *

Comments – 2025

Paragraphs B and C of this Article now refer to artificial intelligence used either to alter an original document, image, photo, video, film, or electronic information so that it no longer accurately reflects the original exhibit or to generate evidence that a party alleges to have existed prior to the filing of an action. The amendments do not apply to demonstrative evidence (see Comment (a) to Article 1551) and do not refer to symbols or highlighting on a document used to emphasize a word, phrase, or image or to symbols, highlighting, or enlargement used to emphasize information on an image, photo, video, film, or electronic information or a portion of an exhibit.

Next, Judge Holdridge presented proposed revisions to the Comment to Code of Civil Procedure Article 1551. Judge Holdridge explained that the original proposal included a provision requiring a scheduling conference and order upon notification that a party intended to use an expert in a summary judgment proceeding or trial. The legislature, however, opposed that provision, asking that the Law Institute instead recommend language providing for mandatory scheduling conferences and orders in all situations. Judge Holdridge then stated that the revision removes Comment (b) and adds that the provisions of Subsubparagraphs (A)(5)(a) and (b) do not apply to demonstrative exhibits, aligning the Comments with the legislature's changes and addressing an issue raised by the Committee regarding objections to the use of artificial intelligence, respectively. After Judge Holdridge accepted a technical suggestion, the Council adopted the proposed language as follows:

Code of Civil Procedure Article 1551. Pretrial and scheduling conference; order

* * *

Comments – 2025

(a) Subparagraph (A)(5) of this Article requires that the parties address at a pretrial conference or hearing the authenticity and admissibility of exhibits that are suspected to have been created, altered, or manipulated. The Article's use of "artificial intelligence" is broad and encompasses the suspected use of "deepfakes." R.S. 14:73:13 defines "deepfake" to mean "any audio or visual media in an electronic format ... that is created, altered, or digitally manipulated in a manner that would falsely appear to a reasonable observer to be an authentic record of the actual speech or conduct of the individual or replace an individual's likeness with another individual and depicted in the recording." Black's Law Dictionary (12th ed. 2024) defines "deepfake" to mean "a false video, audio recording, or other medium that is generated or manipulated by computer, often using artificial intelligence, with the intent to deceive viewers or listeners." Note that the provisions of Subsubparagraphs (A)(5)(a) and (b) of this Article do not apply to demonstrative exhibits.

~~(b) Paragraph C of this Article is new and mandatory. To resolve the many issues with respect to the timing of challenging an expert's qualifications or methodologies, the court shall either provide for deadlines in a pretrial or scheduling order in accordance with Paragraph A or, upon being notified by a party that it intends to use an expert in a summary judgment proceeding or trial, issue an order in accordance with Paragraph C. These deadlines aim to ensure that motions are filed, and hearing dates are set, in accordance with applicable law and in consideration of the court's calendar. The requirements of this Article are not meant to supersede the requirements of Article 1571.~~

~~(c) The requirements of this Article are not meant to supersede the requirements of Article 1571.~~

There being no additional business on behalf of the Code of Civil Procedure Committee, Judge Holdridge concluded his presentation, and the President called on Professor Lloyd "Trey" Drury, III, Reporter of the Corporations Committee, to begin his presentation of materials.

Corporations Committee

Professor Drury began by providing the Council with a brief overview of the LLC revision project thus far and noted that today's presentation would focus on dissociation from and dissolution of an LLC. He also explained that the proposed revisions represent a significant policy change from existing Louisiana LLC law, which provides for withdrawal at will with the right to demand the fair market value of the interest but can be disruptive for LLCs. The Reporter noted that other model statutes have eliminated this concept of withdrawal as a matter of right and then directed the Council's attention to R.S. 12:22-601, on page 1 of the "Part 6" materials. Professor Drury explained that Subsection A provides for the general power of dissociation, Subsection B sets forth when dissociation is considered wrongful, and Subsection C states the consequences of wrongful dissociation. A motion was made and seconded to adopt R.S. 12:22-601, at which time one Council member expressed concern about Subparagraph (B)(2)(d) in light of the fact that trusts are not considered persons but relationships in Louisiana. Professor Drury agreed that language encompassing Louisiana trusts should be included but explained that the Committee was cognizant of retaining common law terminology because out-of-state trusts can be members of Louisiana LLCs, and the Council suggested that this explanation be included in a Comment. Members of the Council discussed reordering the provision to read "a person that is not an individual, an estate, or a trust other than a business trust," using "foreign trust" to incorporate the notion of out-of-state trusts, and ensuring that "individual" is sufficiently clear to encompass trustees of Louisiana trusts. Ultimately, the Council agreed to recommit Subparagraph (B)(2)(d) for further deliberation of these and other issues, such as whether the definition of "person" should include mention of a trustee or executor, before approving the remaining provisions of R.S. 12:22-601 as presented. The adopted proposal reads as follows:

R.S. 12:22-601. Power to dissociate as member; wrongful dissociation

(a) A A person has the power to dissociate as a member at any time, rightfully or wrongfully, by withdrawing as a member by express will under ~~Section 602(1)~~ R.S. 12:22-602(1).

(b) B. A person's dissociation as a member is wrongful only ~~if the dissociation~~ in the following cases:

(1) The dissociation is in breach of breaches an express provision of the operating agreement; ~~or,~~

(2) The dissociation occurs before the completion of the winding up of the limited liability company and is caused in one of the following ways:

(A) (a) ~~the~~ The person withdraws as a member by express will in either of the following cases:

(i) If the company is constituted without a definite term, by failing to give reasonable notice in good faith at a time that is not unfavorable to the company.

(ii) If the company is constituted for a definite term, by withdrawing prior to the expiration of the term without just cause arising out of the failure of another member to perform a material obligation.

~~(B) (b) the~~ The person is expelled as a member by judicial order under Section 602(6); R.S. 12:22-602(6).

~~(C) (c) the~~ The person is dissociated under Section 602(8); or R.S. 12:22-602(8).

* * *

~~(e) C.~~ A person that wrongfully dissociates as a member is liable to the limited liability company and, subject to ~~Section 804~~ R.S. 12:22-801, to the other members for damages caused by the dissociation. The liability is in addition to any debt, obligation, or other liability of the member to the company or the other members.

Next, the Council turned to R.S. 12:22-602, on page 5 of the materials, and Professor Drury explained that Subparagraph (3)(b) had been added on line 16 to clarify that when a member transfers their entire interest to another member of the LLC, the receiving member does not have to be admitted as to the additional interest and thus the transferring member is automatically dissociated. The Council quickly adopted Paragraphs (1) through (5) as presented before considering Paragraph (6), and specifically whether the mere issuance of an order is sufficient in a situation where, for example, the judicial decision is appealed. Members of the Council considered whether to include some notion of a judgment that is final and definitive before concluding that these issues should be left to the discretion of the court. The Council did, however, instruct that a Comment should be added clarifying that these are the exclusive grounds for expulsion by judicial order, and the Reporter agreed.

The Council then considered Paragraph (7), on page 6 of the materials, and again discussed swapping the order of lines 30 and 31 to read "a curator, guardian, general conservator, or tutor other than a natural tutor." Members of the Council also questioned whether the person's membership is reinstated if the tutorship or curatorship expires, as well as the applicability of this provision with respect to minors with no other incapacities and with respect to limited interdictions over, for example, healthcare but not financial decisions. The Council suggested that the Committee consult with the Reporters of the Trust Code and Marriage-Persons Committees with respect to these issues and recommitted Paragraph (7) for this purpose. Turning to Paragraph (8), the Council changed "the person does any of the following" to "any of the following occurs" on line 37 and agreed that each of the Subparagraphs on lines 39 through 44 should begin with "The person." With respect to Paragraph (9), one Council member suggested deleting "trust's" on line 2 of page 7 and adding "held in trust" after "company" on line 3 of the same page, and the Reporter agreed. The Reporter also agreed that the superfluous "a" on line 1 should be deleted and that this provision and the next should be coordinated with the recommitment of R.S. 12:22-601(B)(2)(d) as necessary. In Paragraph (10), the Council agreed to change "estate's" to "decedent's" on line 7, and in Paragraph (14), one Council member questioned whether "participates in a conversion" should be replaced with language that is more final such as "completes winding up" in Paragraph (16). The Council discussed that the ULLCA Comment on lines 13 through 17 of page 10 provides some guidance, but the Reporter agreed to revisit this point when the Committee considers Part 10. After further discussion concerning relocating the additional provision on lines 30 and 31, the Council approved R.S. 12:22-602 subject to the changes and recommitments that were previously discussed, and the adopted proposal reads as follows:

R.S. 12:22-602. Events causing dissociation

A person is dissociated as a member ~~when~~ in the following cases:

(1) ~~the~~ The limited liability company knows or has notice of the person's express will to withdraw as a member, ~~but, if~~ If the person has specified a withdrawal date later than the date the company knew or had notice, the dissociation is effective on that later date;

(2) ~~an~~ An event stated in the operating agreement as causing the person's dissociation occurs;.

(3) ~~the~~ The person's entire interest is transferred in one of the following cases:

(a) In a foreclosure sale under Section 503(f); R.S. 12:22-503(F).

(b) To another member.

(4) ~~the~~ The person is expelled as a member pursuant to the operating agreement;.

(5) ~~the~~ The person is expelled as a member by the affirmative vote or consent of all the other members if on any of the following grounds:

~~(A)~~ (a) it ~~It~~ is unlawful to carry on the limited liability company's activities and affairs with the person as a member;.

~~(B)~~ (b) ~~there~~ There has been a transfer of all of the person's transferable interest in the company, other than:

(i) a transfer for security purposes; or

(ii) a charging order in effect under ~~Section 503 which~~ R.S. 12:22-503 that has not been foreclosed;.

~~(C)~~ (c) ~~the person is an entity and:~~

~~(i)~~ The company notifies ~~the person~~ an entity that it will be expelled as a member because the ~~person~~ entity has filed a statement of dissolution or the equivalent, the ~~person~~ entity has been administratively dissolved, the ~~person's~~ entity's charter or the equivalent has been revoked, or the ~~person's~~ entity's right to conduct business has been suspended by the ~~person's~~ entity's jurisdiction of formation; and

~~(ii)~~ not later than 90 days after none of the following events occurs during the ninety-day period immediately following the notification;

(i) ~~the~~ The statement of dissolution or the equivalent ~~has not been~~ is withdrawn, rescinded, or revoked;.

(ii) ~~the~~ The person ~~has not been reinstated, or the person's entity,~~ the entity's charter or the equivalent, ~~or the entity's~~ or right to conduct business ~~has not been~~ is reinstated; or.

~~(D)~~ (d) The person is an unincorporated entity that has been dissolved and whose activities and affairs are being wound up;.

(6) ~~on~~ On application by the limited liability company or a member in a direct action under ~~Section 804~~ R.S. 12:22-801, the person is expelled as a member by judicial order ~~because the person~~ on any of the following grounds:

~~(A)~~ (a) The person has engaged or is engaging in wrongful conduct that has affected adversely and materially, or will affect adversely and materially, the company's activities and affairs;.

~~(B)~~ (b) The person has committed willfully or persistently, or is committing willfully or persistently, a material breach of the operating agreement or a duty or obligation under ~~Section 409~~ R.S. 12:22-409; or.

~~(C)~~ (c) The person has engaged or is engaging in conduct relating to the company's activities and affairs ~~which~~ that makes it not reasonably practicable to carry on the activities and affairs with the person as a member;

* * *

(8) ~~in~~ In a member-managed limited liability company, ~~the person~~ any of the following occurs:

~~(A)~~ (a) The person becomes a debtor in bankruptcy;

~~(B)~~ (b) ~~signs~~ The person makes an assignment for the benefit of creditors; ~~or~~ .

~~(C)~~ (c) The person seeks, consents to, or acquiesces in the appointment of a trustee, receiver, or liquidator of the person or of all or substantially all the person's property;

(9) ~~in~~ In the case of ~~a person that is~~ a testamentary or inter vivos trust or is a person acting as a member by virtue of being a trustee of such a trust, the ~~trust's~~ entire transferable interest in the limited liability company held in trust is distributed;

(10) ~~in~~ In the case of ~~a person that is~~ an estate or succession or ~~is acting as a member by virtue of being a personal representative of an estate~~ a succession representative who has been admitted as a member, the ~~estate's~~ decedent's entire transferable interest in the limited liability company is distributed;

(11) ~~in~~ In the case of a person that is not an individual, the existence of the person terminates;

(12) ~~the~~ The limited liability company participates in a merger under ~~[Article]~~ Part 10 of this Chapter and:

~~(a)~~ the company is not the surviving entity; or

~~(b) otherwise as a result of the merger,~~ the person otherwise ceases to be a member as a result of the merger .

(13) ~~the~~ The limited liability company participates in an interest exchange under ~~[Article]~~ Part 10 of this Chapter and, as a result of the interest exchange, the person ceases to be a member;

(14) ~~the~~ The limited liability company participates in a conversion under ~~[Article]~~ Part 10; of this Chapter.

(15) ~~the~~ The limited liability company participates in a domestication under ~~[Article]~~ Part 10 of this Chapter and, as a result of the domestication, the person ceases to be a member; ~~or~~ .

(16) ~~the~~ The limited liability company dissolves and completes winding up.

(17) The person's entire transferable interest is transferred, and the transferee is admitted as a member of the company.

After lunch, Professor Drury directed the Council's attention to R.S. 12:22-603, on page 16 of the materials, and noted that he would be deferring Subsection C for consideration at a future meeting. A motion was quickly made and seconded to adopt

Subsections A and B as presented, and the motion passed without objection. The adopted proposals read as follows:

R.S. 12:22-603. Effect of dissociation

~~(a) A.~~ If The dissociation of a person is dissociated as a member has all of the following effects:

(1) ~~the~~ The person's right to participate as a member in the management and conduct of the limited liability company's activities and affairs terminates;

(2) ~~the~~ The person's duties and obligations under ~~Section 409 R.S. 12:22-409~~ as a member end with regard to matters arising and events occurring after the person's dissociation; ~~and,~~

(3) ~~subject~~ Subject to Section 504 R.S. 12:22-504, Subsection C of this Section, and [Article] Part 10 of this Chapter, any transferable interest owned by the person in the person's capacity as a member immediately before dissociation is owned by the person solely as a transferee.

~~(b) B.~~ A person's dissociation as a member does not of itself discharge the person from any debt, obligation, or other liability to the limited liability company or the other members ~~which~~ that the person incurred while a member.

* * *

Next, the Council turned to the "Part 7" materials, beginning with R.S. 12:22-701 on page 1. After briefly discussing Paragraphs (A)(1) through (3), the Reporter explained that Paragraph (A)(4) provides oppression as a ground for dissolution of the LLC, whereas under the LBCA, a separate oppression remedy was created to permit oppressed shareholders to withdraw and demand payment of the fair market value of their shares. Professor Drury noted that although the Committee considered including a similar oppression remedy in the LLC context, they ultimately decided against it, instead adopting ULLCA with the understanding that Paragraph (B)(2) on page 2 permits the court to order a remedy other than dissolution if appropriate in oppression situations. A motion was made and seconded to adopt this provision, at which time the Director questioned why the judgment on line 22 of page 1 must be entered by the district court as opposed to an appellate court and why the timing is tied to the entry of the judgment as opposed to the judgment becoming final and definitive. Members of the Council engaged in a great deal of discussion concerning the implications of suspensive and devolutive appeals in this context, as well as whether the applicable proceeding should be summary or ordinary, and suggested consulting provisions on suspension of execution of judgments in the statutes on evictions and injunctions. Ultimately, the Reporter agreed to accept the deletion of "by the district court" on line 22 and to change "in" to "of" on line 45. The Council also briefly discussed the concept of "signing" on line 2 of page 2 as attaching a symbol, which the secretary of state does indeed do in this case, and it was suggested that the venue provision of Paragraph (B)(1) be replicated in the Code of Civil Procedure. The Council then approved R.S. 12:22-701 as amended, and the adopted proposal reads as follows:

R.S. 12:22-701. Events causing dissolution

~~(a) A.~~ A limited liability company is dissolved, and its activities and affairs ~~must~~ shall be wound up, upon the occurrence of any of the following:

(1) ~~an~~ An event or circumstance that the operating agreement states causes dissolution;

(2) ~~the~~ The affirmative vote or consent of all the members;

(3) ~~the~~ The passage of 90 one hundred eighty consecutive days during which the company has no members unless before the end of the period both of the following occur:

~~(A) (a) consent~~ Consent to admit at least one specified person as a member is given by transferees owning the rights to receive a majority of distributions as transferees at the time the consent is to be effective; ~~and~~.

~~(B) (b) at~~ At least one person becomes a member in accordance with the consent;.

(4) ~~on~~ On application by a member, the entry ~~by [the appropriate court] of an order~~ a judgment dissolving the company on any of the following grounds that:

~~(A) (a) the~~ The conduct of all or substantially all the company's activities and affairs is unlawful;.

~~(B) (b) it~~ It is not reasonably practicable to carry on the company's activities and affairs in conformity with the ~~certificate~~ articles of organization and the operating agreement; ~~or~~.

~~(C) (c) the~~ The managers or those members in control of the company:

(i) ~~have~~ Have acted, are acting, or will act in a manner that is illegal or fraudulent; ~~or~~.

(ii) ~~have~~ Have acted or are acting in a manner that is oppressive and ~~was, is, or will be directly harmful to the applicant; or. Oppression of a member occurs if the company's distribution, compensation, governance, and other practices, considered as a whole over an appropriate period of time, are plainly incompatible with a genuine effort to deal fairly and in good faith with the member. Conduct that is consistent with the good faith performance of the operating agreement is presumed not to be oppressive. The following factors are relevant in assessing fairness and good faith:~~

(aa) The conduct of the member alleging oppression.

(bb) The treatment that a reasonable member would consider fair under the circumstances, considering the reasonable expectations of all members of the company.

(5) ~~the~~ The signing and filing of a statement of administrative dissolution by the ~~[Secretary of State]~~ secretary of state under Section 708 R.S. 12:22-708.

(6) The filing of simplified articles of termination under R.S. 12:22-711.

~~(b) B.(1)~~ In a proceeding brought under Paragraph (A)(4) of this Section, venue is proper in the parish where the limited liability company's principal office or, if none in this state, its registered office is located.

(2) In a proceeding brought under subsection—(a)(4)(C) Subparagraph (A)(4)(c) of this Section, the court may order a remedy other than dissolution.

Next, the Reporter asked the Council to consider R.S. 12:22-702, on page 10 of the materials, and one Council member questioned whether the articles of dissolution should contain a statement of the grounds of dissolution in all cases, not just when dissolution is approved by the members. Professor Drury agreed, and the Council added

"The grounds of dissolution as described in R.S. 12:22-701" as new Item (B)(1)(b)(iii) and redesignated existing Item (iii) on line 21 as Item (iv). The Council also noted that this change should be made in the corresponding provision of the LBCA, R.S. 12:1-1403. The Council then changed "Act" to "Chapter" on line 22 and "all" to "any" on line 28 and added "compromise" to the list of settlements on line 45. Members of the Council further agreed that Subparagraph (f) on page 11 should be "Reserved" to maintain consistent designations before discussing the provisions of Subsection C, specifically in the context of decisions in a manager-managed LLC that are required to be made by a vote of the members, such as alienation of immovables and other assets, which will be problematic if the LLC has no members. The Council agreed that Subsections C and D should be recommitted for purposes of considering this issue, then changed "are true" to "circumstances exist" on line 39 in Subsection E. A motion was made and seconded to adopt the provisions of R.S. 12:22-702 as discussed, and the motion passed with no objection. The adopted proposal reads as follows:

R.S. 12:22-702. Winding up

~~(a)~~ A. A dissolved limited liability company shall wind up its activities and affairs and, except as otherwise provided in ~~Section 703~~ R.S. 12:22-703, the company continues after dissolution only for the purpose of winding up.

~~(b)~~ B. (1) In winding up its activities and affairs, a limited liability company shall:

(a) ~~(1) shall discharge~~ Discharge the company's debts, obligations, and other liabilities, settle and close the company's activities and affairs, and marshal and distribute the assets of the company; and

(b) Upon the commencement of dissolution, deliver to the secretary of state for filing articles of dissolution stating all of the following:

(i) The name of the company.

(ii) The date of dissolution.

(iii) The grounds of dissolution as described in R.S. 12:22-701.

(iv) If dissolution was approved by the members, a statement that the proposal to dissolve was duly approved by the members in the manner required by this Chapter and by the articles of organization and operating agreement.

(c) Upon the completion of winding up, deliver to the secretary of state for filing articles of termination stating the name of the company and that the company is terminated.

(2) The company may also do any of the following:

~~(a) deliver~~ Deliver to the [Secretary of State ~~secretary of state~~] for filing a statement of dissolution stating the name of the company and that the company is dissolved;

(a) Appoint a person to wind up the company's activities and affairs. If the company does so, unless otherwise provided, the person has the powers of a sole manager under R.S. 12:22-407(C) and is deemed to be a manager for the purposes of R.S. 12:22-304(A).

~~(b) preserve~~ Preserve the company activities, affairs, and property as a going concern for a reasonable time;

(c) ~~prosecute~~ Prosecute and defend actions and proceedings, whether civil, criminal, or administrative;

(d) ~~transfer~~ Transfer the company's property;

(e) ~~settle~~ Settle disputes by mediation, or arbitration, or compromise.

(f) ~~deliver~~ Deliver to the ~~[Secretary of State secretary of state]~~ for filing a statement of termination stating the name of the company and that the company is terminated; and [Reserved]

(g) ~~perform~~ Perform other acts necessary or appropriate to the winding up.

* * *

(e) E. ~~[The appropriate court]~~ The district court may order judicial supervision of the winding up of a dissolved limited liability company, including the appointment of a person to wind up the company's activities and affairs, in each of the following cases:

(1) ~~on~~ On the application of a member, if the applicant establishes good cause;

(2) ~~on~~ On the application of a transferee, if all of the following circumstances exist:

(a) ~~the~~ The company does not have any members;

(b) ~~the~~ The legal representative, if any, of the last person to have been a member declines or fails to wind up the company's activities; ~~and,~~

(c) ~~within~~ Within a reasonable time following the dissolution, a person has not been appointed pursuant to ~~subsection (c); or~~ Subsection D of this Section.

(3) ~~in~~ In connection with a proceeding under ~~Section 701(a)(4)~~ R.S. 12:22-701(A)(4).

Finally, the Council considered R.S. 12:22-703, on page 20 of the materials, and a motion was quickly made and seconded to adopt the provision. The Council agreed that "the district court has entered a judgment" should be changed to "a judgment has been entered" on lines 5 and 6 of page 20. R.S. 12:22-703 was then approved as amended, and the adopted proposal reads as follows:

R.S. 12:22-703. Rescinding dissolution

~~(a)~~ A. A limited liability company may rescind its dissolution, unless a ~~statement~~ articles of termination applicable to the company ~~has~~ have become effective, ~~[the appropriate court]~~ has entered an order a judgment has been entered under ~~Section 701(a)(4)~~ R.S. 12:22-701(A)(4) dissolving the company, or the ~~[Secretary of State]~~ secretary of state has dissolved the company under R.S. 12:22-708.

~~(b)~~ B. Rescinding dissolution under this ~~section~~ Section requires both of the following:

(1) ~~the~~ The affirmative vote or consent of each member; ~~and~~

(2) ~~if~~ If the limited liability company has delivered to the ~~[Secretary of State]~~ secretary of state for filing a statement of dissolution and:

(A) the statement has not become effective, delivery to the ~~[Secretary of State]~~ secretary of state for filing of a statement of withdrawal under Section R.S. 12:22-208 applicable to the statement of dissolution; or

~~(B)~~ if the statement of dissolution has become effective, delivery to the ~~[Secretary of State]~~ secretary of state for filing of a statement of rescission stating the name of the company and that dissolution has been rescinded under this ~~section~~ Section.

~~(c)~~ C. If a limited liability company rescinds its dissolution, all of the following occur rules apply:

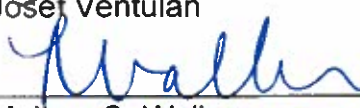
(1) ~~the~~ The company resumes carrying on its activities and affairs as if dissolution had never occurred;

(2) ~~subject~~ Subject to ~~paragraph~~ Paragraph (3) of this ~~Section~~ Subsection, any liability incurred by the company after the dissolution and before the rescission has ~~becomes~~ become effective is determined as if dissolution had never occurred; ~~and~~

(3) ~~the~~ The rights of a third party arising out of conduct in reliance on the dissolution before the third party knew or had notice of the rescission ~~may~~ shall not be adversely affected.

At this time, Professor Drury concluded his presentation, and the September 2025 Council meeting was adjourned.



Josef Ventulan


Mallory C. Waller