

AN ACT concerning business.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Limited Liability Company Act is amended by changing Section 10-10 as follows:

(805 ILCS 180/10-10)

Sec. 10-10. Liability of members and managers.

(a) Except as otherwise provided in subsections (a-5) and ~~subsection~~ (d) of this Section, the debts, obligations, and liabilities of a limited liability company, whether arising in contract, tort, or otherwise, are solely the debts, obligations, and liabilities of the company. A member or manager is not personally liable for a debt, obligation, or liability of the company solely by reason of being or acting as a member or manager.

(a-5) Nothing in subsection (a) or subsection (d) limits the personal liability of a member or manager imposed under law other than this Act, including, but not limited to, the law of agency, contracts ~~contract~~, and torts, and, subject to subsection (c), court-imposed equitable remedies, such as piercing the limited liability company veil ~~tort law~~. The purpose of this subsection (a-5) is to supersede ~~overrule~~ the interpretation of subsections (a) and (d) set forth in *Dass v.*

Yale, 2013 IL App (1st) 122520, and Carollo v. Irwin, 2011 IL App (1st) 102765, and clarify that under existing law a member or manager of a limited liability company may be liable under law other than this Act for his, her, or its own wrongful acts or omissions, even when acting or purporting to act on behalf of a limited liability company. ~~This subsection is therefore intended to be applicable to actions with respect to which all timely appeals have not exhausted before the effective date of this amendatory Act of the 101st General Assembly as well as to all actions commenced on or after the effective date of this amendatory Act of the 101st General Assembly.~~

(b) (Blank).

(c) The failure of a limited liability company to observe the usual company formalities or requirements relating to the exercise of its company powers or management of its business is not a ground for imposing personal liability on the members or managers for liabilities of the company.

(d) All or specified members of a limited liability company are liable in their capacity as members for all or specified debts, obligations, or liabilities of the company if:

(1) a provision to that effect is contained in the articles of organization; and

(2) a member so liable has consented in writing to the adoption of the provision or to be bound by the provision.

(e) This Section applies to all actions with respect to

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which all timely appeals have not been exhausted before the effective date of this amendatory Act of the 103rd General Assembly and all future actions commenced on or after the effective date of this amendatory Act of the 103rd General Assembly.

(Source: P.A. 101-553, eff. 1-1-20.)