**South Carolina General Assembly**

125th Session, 2023-2024

**H. 4275**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Herbkersman, Sandifer, M.M. Smith and Whitmire

Companion/Similar bill(s): 4335

Document Path: LC-0256PH23.docx

Introduced in the House on April 5, 2023

Currently residing in the House Committee on **Judiciary**

Summary: LLC Operating Agreement

**HISTORY OF LEGISLATIVE ACTIONS**

 Date Body Action Description with journal page number

 4/5/2023 House Introduced and read first time (House Journal‑page 95)

 4/5/2023 House Referred to Committee on **Judiciary** (House Journal‑page 95)

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=4275&session=125&summary=B)  at the website

**VERSIONS OF THIS BILL**

[04/05/2023](https://www.scstatehouse.gov/sess125_2023-2024/prever/4275_20230405.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 33-44-409, RELATING TO GENERAL STANDARDS OF MEMBER’S AND MANAGER’S CONDUCT, SO AS TO PROVIDE AN EXCEPTION TO A MEMBER’S DUTY OF LOYALTY UNDER CERTAIN CIRCUMSTANCES.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 33-44-409(b)(3) of the S.C. Code is amended to read:

 (3) to refrain from competing with the company in the conduct of the company's business before the dissolution of the company. The item does not apply when a member is also a member of another LLC and there is not an enforceable noncompete provision in the operating agreement.

SECTION 2. This act takes effect upon approval by the Governor.

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