**South Carolina General Assembly**

125th Session, 2023-2024

**H. 4335**

**STATUS INFORMATION**

General Bill

Sponsors: Rep. Herbkersman

Companion/Similar bill(s): 4275

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Introduced in the House on April 18, 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

4/18/2023 House Introduced and read first time ([House Journal‑page 147](h:\hj\20230418.docx))

4/18/2023 House Referred to Committee on **Judiciary** ([House Journal‑page 147](h:\hj\20230418.docx))

View the latest  [legislative information](https://www.scstatehouse.gov/billsearch.php?billnumbers=4335&session=125&summary=B)  at the website

**VERSIONS OF THIS BILL**

[04/18/2023](https://www.scstatehouse.gov/sess125_2023-2024/prever/4335_20230418.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. This 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. This act is retroactive and applies to any current LLC.

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