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SENATE BILL NO. 538

Senate Amendments in [] — January 29, 2004

A BILL to amend and reenact §§ 13.1-754, 13.1-916, 13.1-1008, 13.1-1009, 13.1-1019, 13.1-1022, 13.1-1023.1, 13.1-1024, 13.1-1048, 13.1-1050.1, 13.1-1059, 13.1-1064, 13.1-1070, 13.1-1239, 13.1-1254, 50-73.69, 50-73.83, 50-73.132, 50-73.124 and 50-73.137:1 of the Code of Virginia; to amend the Code of Virginia by adding in Article 7 of Chapter 12 of Title 13.1 a section numbered 13.1-1041.1, by adding sections numbered 13.1-1049.1 and 50-73.46:1, by adding in Article 8 of Chapter 2.1 of Title 50 a section numbered 50-73.52:1, and by adding a section numbered 50-73.137:2; and to repeal §§ 13.1-1041 and 50-73.46 of the Code of Virginia, relating to business entities.

Patron Prior to Engrossment—Senator Stosch

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That §§ 13.1-754, 13.1-916, 13.1-1008, 13.1-1009, 13.1-1019, 13.1-1022, 13.1-1023.1, 13.1-1024, 13.1-1048, 13.1-1050.1, 13.1-1059, 13.1-1064, 13.1-1070, 13.1-1239, 13.1-1254, 50-73.69, 50-73.83, 50-73.132, 50-73.134 and 50-73.137:1 of the Code of Virginia are amended and reenacted, and that the Code of Virginia is amended by adding in Article 7 of Chapter 12 of Title 13.1 a section numbered 13.1-1041.1, by adding sections numbered 13.1-1049.1 and 50-73.46:1, by adding in Article 8 of Chapter 2.1 of Title 50 a section numbered 50-73.52:1, and by adding a section numbered 50-73.137:2 as follows:

§ 13.1-754. Reinstatement of a corporation that has ceased to exist.

A corporation that has ceased to exist may apply to the Commission for reinstatement within five years thereafter unless the corporate existence was terminated by order of the Commission upon a finding that the corporation has continued to exceed or abuse the authority conferred upon it by law. The Commission shall enter an order reinstating the corporate existence upon receiving an annual report together with payment of a reinstatement fee of \$100 plus all registration fees and penalties that were due before the corporation ceased to exist and that would have become due thereafter if the corporation had not ceased to exist. An annual report need not be submitted if such a report previously was filed during the calendar year in which reinstatement is sought. The application for reinstatement may be by letter signed by an officer or director of the corporation, or may be by affidavit signed by an agent of any shareholder's interests stating that after diligent search by such agent no officer or director can be found. The Commission shall assess the amounts that would have become due. Upon the entry by the Commission of an order of reinstatement, the corporate existence shall be deemed to have continued from the date of termination of corporate existence ~~except that reinstatement shall have no effect on any question of personal liability of the directors, officers or agents in respect to the period between termination of corporate existence and reinstatement, and any liability incurred by the corporation or a director, officer, or other agent after termination of corporate existence and before the reinstatement shall be determined as if the termination of corporate existence had never occurred.~~ If the name of a corporation that has ceased to exist has been assumed or reserved or registered by any other person, the reinstated corporation shall not engage in business until it has amended its articles of incorporation to change its name.

§ 13.1-916. Reinstatement of corporation that has ceased to exist.

A corporation that has ceased to exist may apply to the Commission for reinstatement within five years thereafter unless the corporate existence was terminated by order of the Commission upon a finding that the corporation has continued to exceed or abuse the authority conferred upon it by law. The Commission shall enter an order reinstating the corporate existence upon receiving an annual report together with payment of a reinstatement fee of ~~ten dollars~~ \$10 plus all registration fees and penalties that were due before the corporation ceased to exist and that would have become due thereafter if the corporation had not ceased to exist. An annual report need not be submitted if such a report previously was filed during the calendar year in which reinstatement is sought. The application for reinstatement may be by letter signed by an officer or director of the corporation. The Commission shall assess the amounts that would have become due. Upon the entry by the Commission of an order of reinstatement, the corporate existence shall be deemed to have continued from the date of the termination of corporate existence ~~except that reinstatement shall have no effect on any question of personal liability of the directors, officers or agents in respect of the period between termination of corporate existence and reinstatement, and any liability incurred by the corporation or a director, officer, or other agent after~~

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59 *termination [of corporate existence] and before the reinstatement shall be determined as if the*
60 *termination [of corporate existence] had never occurred.* If the name of a corporation that has ceased
61 to exist has been assumed or reserved or registered by any other person or corporation, the reinstated
62 corporation shall not transact business until it has amended its articles of incorporation to change its
63 name.

64 § 13.1-1008. Purposes.

65 Every limited liability company formed under this chapter has the purpose of engaging in any lawful
66 business, *purpose, or activity*, whether or not such business, *purpose, or activity* is carried on for profit,
67 except as otherwise provided by the law of this Commonwealth, unless a more limited purpose is set
68 forth in the articles of organization.

69 § 13.1-1009. Powers.

70 Unless the articles of organization provide otherwise, every limited liability company has the same
71 powers as an individual to do all things necessary or convenient to carry out its business and affairs,
72 including, without limitation, power:

73 1. To sue and be sued, complain and defend in its name;

74 2. To purchase, receive, lease or otherwise acquire, and own, hold, improve, use and otherwise deal
75 with, real or personal property, or any legal or equitable interest in property, wherever located;

76 3. To sell, convey, mortgage, pledge, lease, exchange, and otherwise dispose of all or any part of its
77 property;

78 4. To purchase, receive, subscribe for, or otherwise acquire, own, hold, vote, use, sell, mortgage,
79 lend, pledge, or otherwise dispose of, and deal in and with shares or other interests in, or obligations of,
80 any other person;

81 5. To make contracts and guaranties, incur liabilities, borrow money, issue its notes, bonds, and other
82 obligations, and secure any of its obligations by mortgage or pledge of any of its property, franchises or
83 income;

84 6. To lend money, invest and reinvest its funds, and receive and hold real and personal property as
85 security for repayment;

86 7. To conduct its business, locate offices, and exercise the powers granted by this chapter within or
87 without this Commonwealth;

88 8. To elect and appoint managers, employees and agents of the limited liability company, define their
89 duties, fix their compensation, and lend them money and credit;

90 9. To pay pensions and establish pension plans, pension trusts, profit sharing plans, and benefit and
91 incentive plans for all or any of the current or former managers, members, employees, and agents of the
92 limited liability company or any of its subsidiaries;

93 10. To make donations to the public welfare or for religious, charitable, scientific, literary or
94 educational purposes;

95 11. To make payments or donations, or do any other act, not inconsistent with this section or any
96 other applicable law, that furthers the business and affairs of the limited liability company;

97 12. To pay compensation, or to pay additional compensation to any or all managers, members, and
98 employees on account of services previously rendered to the limited liability company, whether or not
99 an agreement to pay such compensation was made before such services were rendered;

100 13. To insure for its benefit the life of any of its managers, members, or employees, to insure the life
101 of any member for the purpose of acquiring at his death the interest owned by such member and to
102 continue such insurance after the relationship terminates;

103 14. To cease its activities and cancel its certificate of organization;

104 15. To enter into partnership agreements, joint ventures, or other associations of any kind with any
105 person or persons;

106 16. To indemnify a member or manager or any other person to the same extent as a corporation may
107 indemnify any of the directors, officers, employees, or agents of the corporation *Subject to such*
108 *standards and restrictions, if any, as are set forth in its articles of organization or an operating*
109 *agreement, to indemnify and hold harmless any member or manager or other person from and against*
110 *any and all claims and demands whatsoever;*

111 17. To transact any lawful business that a corporation, partnership, or other business entity may
112 conduct under the laws of the Commonwealth subject, however, to any and all laws and restrictions that
113 govern or limit the conduct of such activity by such corporation, partnership or other business entity;
114 and

115 18. To have and exercise all powers necessary or convenient to effect any or all of the purposes for
116 which the limited liability company is organized.

117 § 13.1-1019. Liability to third parties.

118 Except as otherwise provided by this Code or as expressly provided in the articles of organization,
119 no member, manager or other agent of a limited liability company shall have any personal obligation for
120 any liabilities of a limited liability company, whether such liabilities arise in contract, tort or otherwise,

solely by reason of being a member, manager or agent of a limited liability company. *For the purposes of this section, a person to whom the rights of a member or manager are delegated as provided in § 13.1-1022 or § 13.1-1024 shall be deemed an agent of a limited liability company.*

§ 13.1-1022. Management of limited liability company.

A. Except to the extent that the articles of organization or an operating agreement provides in writing for management of a limited liability company by a manager or managers, management of a limited liability company shall be vested in its members.

B. Unless otherwise provided in this chapter, in the articles of organization, or in an operating agreement, the members of a limited liability company shall vote in proportion to their contributions to the limited liability company, as adjusted from time to time, and a majority vote of the members of a limited liability company shall consist of the vote or other approval of members having a majority share of the voting power of all members.

C. Unless otherwise provided in this chapter, in the articles of organization, or in an operating agreement, any action required or permitted to be taken by the members of a limited liability company may be taken upon a majority vote of the members.

D. Unless otherwise provided in the articles of organization or an operating agreement, the members of a limited liability company have the power and authority to delegate to one or more other persons the members' rights and powers to manage and control the business and affairs of the limited liability company, including to delegate to agents, officers and employees of a member or the limited liability company, and to delegate by a management agreement or other agreement with, or otherwise to, other persons. *Such persons may be denominated as officers of the limited liability company without being deemed to have the status of a manager, unless designated as a manager in the articles of organization or an operating agreement.*

E. Unless otherwise provided in the articles of organization or an operating agreement, the members of a limited liability company may take action permitted or required to be taken by the members without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, shall be signed by members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting. A consent transmitted by a member by electronic transmission shall be deemed to be signed for the purposes of this section. Unless otherwise provided in the articles of organization or an operating agreement, on any matter that is to be voted on by members, the members may vote in person or by proxy.

F. *The articles of organization or an operating agreement may provide for classes or groups of members having such relative rights, powers, and duties as the articles of organization or an operating agreement may provide, and may make provision for the future creation in the manner provided in the articles of organization or an operating agreement of additional classes or groups of members having such relative rights, powers, and duties as may from time to time be established, including rights, powers, and duties senior to existing classes and groups of members.*

G. *The articles of organization, an operating agreement, or a plan of merger may provide that dissenters' rights with respect to a membership interest shall be available for any class or group of members in connection with any amendment of an operating agreement, any merger in which the limited liability company is a party, any conversion of the limited liability company to another business form, any transfer to or domestication in any other jurisdiction by the limited liability company, or the sale of all or substantially all of the limited liability company's assets.*

§ 13.1-1023.1. Remedies for breach of operating agreement by member or manager.

A. An operating agreement may provide that:

1. A member or manager who fails to perform in accordance with, or to comply with terms and conditions of, the operating agreement shall be subject to specified penalties or specified consequences; and

2. At the time or upon the happening of events specified in the operating agreement, a member or manager shall be subject to specified penalties or specified consequences.

The specified penalties or specified consequences may include and take the form of any penalty or consequence set forth in subsection D of § 13.1-1027.

B. *In the articles of organization, in writing in an operating agreement or in another writing, a member or manager may consent to or be subject to the nonexclusive jurisdiction of the courts of, or arbitration in, a specified jurisdiction, or the exclusive jurisdiction of the courts of the Commonwealth, or the exclusivity of arbitration in a specified jurisdiction of the Commonwealth, and to be served with legal process in a manner prescribed in the articles of organization, an operating agreement, or other writing.*

§ 13.1-1024. Management of a limited liability company by a manager or managers.

A. The articles of organization or an operating agreement of a limited liability company may delegate full or partial responsibility for managing a limited liability company to or among one or more

182 managers.

183 B. Managers need not be residents of this Commonwealth or members of the limited liability
184 company unless the articles of organization or an operating agreement so require. The articles of
185 organization or an operating agreement may prescribe other qualifications for managers.

186 C. The number of managers shall be fixed by or in the manner provided in the articles of
187 organization or an operating agreement. The number of managers may be increased or decreased by
188 amendment to, or in the manner provided in, the articles of organization or an operating agreement.

189 D. Unless otherwise provided in the articles of organization or an operating agreement, managers
190 shall be elected by the members.

191 E. Unless otherwise provided in the articles of organization or an operating agreement, any vacancy
192 occurring in the office of manager shall be filled by a majority vote of the members.

193 F. All managers or any lesser number may be removed in the manner provided in the articles of
194 organization or an operating agreement. If the articles of organization or an operating agreement does
195 not provide for the removal of managers, then all managers or any lesser number may be removed with
196 or without cause by a majority vote of the members.

197 G. Unless otherwise provided in the articles of organization or an operating agreement, any action
198 required or permitted to be taken by the managers of a limited liability company may be taken upon a
199 majority vote of the managers.

200 H. Unless otherwise provided in the articles of organization or an operating agreement, a manager of
201 a limited liability company has the power and authority to delegate to one or more other persons the
202 manager's rights and powers to manage and control the business and affairs of the limited liability
203 company, including to delegate to agents, officers and employees of a member or manager of the limited
204 liability company, and to delegate by a management agreement or another agreement with, or otherwise
205 to, other persons. *Such persons may be denominated as officers of the limited liability company without
206 being deemed to have the status of a manager, unless designated as a manager in the articles of
207 organization or an operating agreement.* Unless otherwise provided in the articles of organization or an
208 operating agreement, such delegation by a manager of a limited liability company shall not cause the
209 manager to cease to be a manager of the limited liability company.

210 I. Unless otherwise provided in the articles of organization or an operating agreement, the managers
211 of a limited liability company may take any action permitted or required to be taken by the managers
212 without a meeting, without prior notice and without a vote if a consent or consents in writing, setting
213 forth the action so taken, shall be signed by managers having not less than the minimum number of
214 votes that would be necessary to authorize or take such action at a meeting. A consent transmitted by a
215 manager by electronic transmission shall be deemed to be signed for the purposes of this section. Unless
216 otherwise provided in the articles of organization or an operating agreement, on any matter that is to be
217 voted on by managers, the managers may vote in person or by proxy, and any such proxy may be
218 granted in writing, by means of electronic transmission or as otherwise permitted by applicable law.

219 J. *The articles of organization or an operating agreement may provide for classes or groups of*
220 *managers having such relative rights, powers, and duties as the articles of organization or an operating*
221 *agreement may provide, and may make provision for the future creation in the manner provided in the*
222 *articles of organization or an operating agreement of additional classes or groups of managers having*
223 *such relative rights, powers, and duties as may from time to time be established, including rights,*
224 *powers, and duties senior to existing classes and groups of managers.*

225 § 13.1-1041.1. *Member's transferable interest subject to charging order.*

226 A. *On application by a judgment creditor of a member or of a member's assignee, a court having*
227 *jurisdiction may charge the transferable interest of the judgment debtor to satisfy the judgment. The*
228 *court may appoint a receiver of the share of the distributions due or to become due to the judgment*
229 *debtor in respect of the limited liability company and make all other orders, directions, accounts, and*
230 *inquiries the judgment debtor might have made or which the circumstances of the case may require.*

231 B. *A charging order constitutes a lien on the judgment debtor's transferable interest in the limited*
232 *liability company. The court may order a foreclosure of the interest subject to the charging order at any*
233 *time. The purchaser at the foreclosure sale has the rights of an assignee.*

234 C. *At any time before foreclosure, an interest charged may be redeemed:*

235 1. *By the judgment debtor;*

236 2. *With property other than limited liability company property, by one or more of the other*
237 *members; or*

238 3. *With the limited liability company property, by one or more of the other members with the consent*
239 *of all of the members whose interests are not so charged.*

240 D. *This chapter does not deprive a member of a right under exemption laws with respect to the*
241 *member's interest in the limited liability company.*

242 E. *This section provides the exclusive remedy by which a judgment creditor of a member or*
243 *member's assignee may satisfy a judgment out of the judgment debtor's transferable interest in the*

limited liability company.

§ 13.1-1048. Winding up.

A. Unless otherwise provided in the articles of organization or an operating agreement, upon the dissolution of a limited liability company, the members may wind up the limited liability company's affairs; but the circuit court of the locality in which the registered office of the limited liability company is located, on cause shown, may wind up the limited liability company's affairs on application of any member, his legal representative, or assignee, and in connection therewith, may appoint one or more liquidating trustees.

B. Upon dissolution of a limited liability company and until the filing of a certificate of cancellation as provided in § 13.1-1050, the liquidating trustees, in the name and on behalf of the limited liability company, may (i) prosecute and defend suits, whether civil, criminal or administrative, (ii) wind up the limited liability company's business, (iii) dispose of and convey the limited liability company's property, (iv) discharge or make reasonable provision for the limited liability company's liabilities, and (v) distribute to the members any remaining assets of the limited liability company, all without affecting the liability of members and without imposing the liability of a general partner on a liquidating trustee.

§ 13.1-1049.1. Known claims against dissolved limited liability company.

A. A dissolved limited liability company may dispose of the known claims against it by following the procedure described in this section.

B. The dissolved limited liability company shall deliver to each of its known claimants written notice of the dissolution at any time after its effective date. The written notice shall:

1. Provide a reasonable description of the claim that the claimant may be entitled to assert;
2. State whether the claim is admitted, or not admitted, and if admitted (i) the amount that is admitted, which may be as of a given date, and (ii) any interest obligation if fixed by an instrument of indebtedness;

3. Provide a mailing address where a claim may be sent;

4. State a deadline, which may not be fewer than 120 days from the effective date of the written notice, by which confirmation of the claim shall be delivered to the dissolved limited liability company; and

5. State that, except to the extent that any claim is admitted, the claim will be barred if written confirmation of the claim is not delivered by the deadline.

C. A claim against the dissolved limited liability company is barred to the extent that it is not admitted:

1. If the dissolved limited liability company delivered written notice to the claimant in accordance with subsection B and the claimant does not deliver written confirmation of the claim to the dissolved limited liability company by the deadline; or

2. If the dissolved limited liability company delivered written notice to the claimant that its claim is not admitted, in whole or in part, and the claimant does not commence a proceeding to enforce the claim within 90 days from the delivery of written confirmation of the claim to the dissolved limited liability company.

D. For purposes of this section, "claim" does not include (i) a contingent liability or a claim based on an event occurring after the effective date of dissolution or (ii) a liability or claim the ultimate maturity of which is more than 60 days after the delivery of written notice to the claimant pursuant to subsection B.

E. If a liability exists but the full extent of any damages is or may not be ascertainable, and a proceeding to enforce the claim is commenced pursuant to subdivision C 2, the claimant may amend the pleadings after filing to include any damages that occurred or are alleged to have occurred after filing, and the court having jurisdiction of such claim may continue such proceeding during its pendency if it appears that further damages are or still may be occurring.

§ 13.1-1050.1. Reinstatement.

A limited liability company that has filed a certificate of cancellation may be relieved of the cancellation and its certificate of organization shall be reinstated by filing articles of reinstatement in the form prescribed by the Commission not later than ~~one year~~ five years following the date of cancellation, together with a reinstatement fee of \$100 and all registration fees and penalties that were due before the certificate of organization was cancelled or that would have become due had the certificate of organization not been cancelled. If the name of the limited liability company is not available at the time of reinstatement, as a precondition to reinstatement, the articles of reinstatement shall contain an amendment to the articles of organization to change the limited liability company's name. If the limited liability company complies with the provisions of this section, the Commission shall reinstate the certificate of organization of the limited liability company, and the limited liability company shall be deemed not to have had its certificate of organization cancelled. In that event, the reinstated limited liability company shall resume carrying on its business as if neither cancellation nor dissolution had ever

305 occurred, and any liability incurred by that limited liability company or a member, manager or other
306 agent after the cancellation and before the reinstatement is determined as if cancellation had never
307 occurred.

308 § 13.1-1059. Transactions not constituting doing business.

309 A. The following activities of a foreign limited liability company, among others, do not constitute
310 transacting business within the meaning of this article:

- 311 1. Maintaining, defending, or settling any proceeding;
- 312 2. Holding meetings of its members or carrying on any other activities concerning its internal affairs;
- 313 3. Maintaining bank accounts;
- 314 4. Maintaining offices or agencies for the transfer, exchange and registration of the foreign limited
315 liability company's securities or maintaining trustees or depositories with respect to those securities;
- 316 5. Selling through independent contractors;
- 317 6. Soliciting or obtaining orders, whether by mail or through employees or agents or otherwise, if the
318 orders require acceptance outside this Commonwealth before they become contracts;
- 319 7. Creating or acquiring indebtedness, deeds of trust, and security interests in real or personal
320 property;
- 321 8. Securing or collecting debts or enforcing deeds of trust and security interests in property securing
322 the debts;
- 323 9. Owning, without more, real or personal property;
- 324 10. Conducting an isolated transaction that is completed within ~~thirty~~ 30 days and that is not one in
325 the course of repeated transactions of a like nature; or
- 326 11. For a period of less than ~~ninety~~ 90 consecutive days, producing, directing, filming, crewing or
327 acting in motion picture feature films, television series or commercials, or promotional films that are
328 sent outside of the Commonwealth for processing, editing, marketing and distribution.
- 329 12. *Serving, without more, as a general partner of, or as a partner in a partnership that is a general*
330 *partner of, a domestic or foreign limited partnership that does not otherwise transact business in the*
331 *Commonwealth.*

332 B. The term "transacting business" as used in this section shall have no effect on personal
333 jurisdiction under § 8.01-328.1.

334 C. The list of activities in subsection A of this section is not exhaustive. This section does not apply
335 in determining the contracts or activities that may subject a foreign limited liability company to service
336 of process or taxation in this Commonwealth or to regulation under any other law of this
337 Commonwealth.

338 § 13.1-1064. Penalty for failure to timely pay annual registration fees or file statement of change.

339 A. Any domestic or any foreign limited liability company failing to pay the annual registration fee
340 into the state treasury within the time prescribed in § 13.1-1062 shall incur a penalty thereon of
341 ~~twenty-five dollars~~ \$25, which shall be added to the amount of the annual registration fee due. The
342 penalty prescribed herein shall be in addition to any other penalties and liabilities imposed by law.

343 B. 1. If any domestic or foreign limited liability company fails to pay on or before October 1 of the
344 year assessed the annual registration fee, the Commission shall mail notice to the limited liability
345 company of impending cancellation of its certificate of organization or certificate of registration, as the
346 case may be. The certificate shall be automatically canceled if any annual registration fee is unpaid as of
347 December 31 of that year. A domestic limited liability company whose certificate has been canceled
348 pursuant to this section is dissolved upon cancellation and shall be wound up pursuant to Article 9
349 (§ 13.1-1046 et seq.) of this chapter.

350 2. If any domestic or foreign limited liability company whose registered agent has filed with the
351 Commission his statement of resignation pursuant to § 13.1-1017 fails to file a statement of change
352 pursuant to § 13.1-1016 within ~~thirty-one~~ 31 days after the date on which the statement of resignation
353 was filed, the Commission shall mail notice to the limited liability company of impending cancellation
354 of its certificate of organization or certificate of registration, as the case may be. If the limited liability
355 company fails to file the statement of change before the last day of the second month immediately
356 following the month in which the impending cancellation notice was mailed, the certificate shall be
357 automatically canceled as of that day. A domestic limited liability company whose certificate has been
358 canceled pursuant to this section is dissolved upon cancellation and shall be wound up pursuant to
359 Article 9 (§ 13.1-1046 et seq.) of this chapter.

360 3. *If the certificate of a domestic limited liability company is canceled pursuant to subdivisions 1 or*
361 *2, its properties and affairs shall pass automatically to its managers, or if the limited liability company*
362 *is managed by its members, then to its members, or if the limited liability company has no managers or*
363 *members, then to the holders of its interests, as trustees in liquidation. The trustees shall then proceed*
364 *to (i) collect the assets of the limited liability company, (ii) sell, convey, and dispose of such of its*
365 *properties as are not to be distributed in kind to its partners, (iii) pay, satisfy, and discharge its*
366 *liabilities and obligations, and (iv) do all other acts required to liquidate its business and affairs. After*

367 *paying or adequately providing for the payment of all its obligations, the trustees shall distribute the*
 368 *remainder of its assets, either in cash or in kind, among its members or interest holders according to*
 369 *their respective rights and interests.*

370 C. No member, manager or other agent of a limited liability company shall have any personal
 371 obligation for any liabilities of the limited liability company, whether such liabilities arise in contract,
 372 tort or otherwise, solely by reason of the failure or refusal of that limited liability company to pay the
 373 annual registration fee or by reason of the cancellation of the limited liability company's certificate of
 374 organization or certificate of registration, as applicable, pursuant to subsection B of this section.

375 D. A domestic or foreign limited liability company whose certificate of organization or certificate of
 376 registration has been canceled pursuant to subsection B of this section *or § 13.1-1056* may be relieved
 377 of the cancellation, and its certificate of organization or certificate of registration shall be reinstated by
 378 paying, not later than ~~two~~ *five* years following the date of cancellation, the annual registration fee
 379 required by § 13.1-1062, together with the late fee imposed by subsection A of this section; a
 380 reinstatement fee of \$100; and all registration fees and penalties that were due before the certificate was
 381 canceled and would have become due had the certificate not been canceled. If the name of the limited
 382 liability company is not available at the time of reinstatement, as a precondition to reinstatement the
 383 limited liability company, if domestic, shall file an amendment to its articles of organization to change
 384 its name, or if foreign, shall adopt a designated name, to satisfy the requirements of § 13.1-1012.

385 E. If the domestic or foreign limited liability company complies with the provision of, and pays the
 386 fees required by, subsection D of this section, the Commission shall reinstate the certificate of
 387 organization or certificate of registration of the limited liability company. A domestic or foreign limited
 388 liability company whose certificate of organization or certificate of registration is reinstated within ~~two~~
 389 *five* years after the date on which it was canceled pursuant to subsection B of this section [*or*
 390 *§ 13.1-1056*] shall be deemed not to have had its certificate of organization or certificate of registration
 391 canceled. In that event, the reinstated domestic or foreign limited liability company resumes carrying on
 392 its business as if neither cancellation nor dissolution had ever occurred, and any liability incurred by that
 393 domestic or foreign limited liability company or a member, manager or other agent after the cancellation
 394 and before the reinstatement is determined as if cancellation had never occurred.

395 § 13.1-1070. Merger.

396 A. Pursuant to a written plan of merger, a domestic limited liability company may merge with one or
 397 more domestic or foreign limited liability companies, partnerships, limited partnerships, business trusts
 398 or corporations if:

399 1. The merger is not prohibited by the articles of organization or operating agreement of any
 400 domestic limited liability company that is a party to the merger, and each domestic limited liability
 401 company party to the merger approves the plan of merger in accordance with § 13.1-1071 and complies
 402 with the terms of its articles of organization and operating agreement;

403 2. Each domestic partnership that is a party to the merger complies with the applicable provisions of
 404 Article 9 (§ 50-73.124 et seq.) of Chapter 2.2 of Title 50;

405 3. Each domestic limited partnership that is a party to the merger complies with the applicable
 406 provisions of Article 7.1 (§ 50-73.48:1 et seq.) of Chapter 2.1 of Title 50;

407 4. Each domestic business trust that is a party to the merger complies with the applicable provisions
 408 of Article 11 (§ 13.1-1257 et seq.) of Chapter 14 of this title;

409 5. Each domestic corporation that is a party to the merger complies with the applicable provisions of
 410 Article 12 (§ 13.1-716 et seq.) of Chapter 9 of this title;

411 6. The merger is permitted by the laws under which each foreign limited liability company, foreign
 412 partnership, foreign limited partnership, foreign business trust, and foreign corporation party to the
 413 merger is organized, formed or incorporated, and each such foreign limited liability company,
 414 partnership, limited partnership, business trust or corporation complies with those laws in effecting the
 415 merger;

416 7. No member of a domestic limited liability company that is a party to the merger will, as a result
 417 of the merger, become personally liable for the liabilities or obligations of any other person or entity
 418 unless that member approves the plan of merger or otherwise consents to becoming personally liable;

419 8. In the case of a merger of a limited liability company to which one or more domestic or foreign
 420 corporations are parties, a domestic or foreign corporation, limited liability company or business trust
 421 party to the merger is the surviving entity of the merger.

422 B. The plan of merger shall set forth:

423 1. The name of each domestic or foreign limited liability company, partnership, limited partnership,
 424 business trust or corporation planning to merge and the name of the surviving domestic or foreign
 425 limited liability company, partnership, limited partnership, business trust or corporation into which each
 426 other domestic or foreign limited liability company, partnership, limited partnership, business trust or
 427 corporation plans to merge;

2. The name of the state or country under whose law each domestic or foreign limited liability company, partnership, limited partnership, business trust or corporation planning to merge is organized, formed or incorporated and the name of the state or country of organization, formation or incorporation of the surviving domestic or foreign limited liability company, partnership, limited partnership, business trust or corporation;

3. The terms and conditions of the merger; and

4. The manner and basis of converting the membership interests of each domestic limited liability company, the shares of beneficial interest of each domestic business trust, the partnership interests of each domestic partnership or limited partnership and the shares of each domestic corporation party to the merger into membership interests, partnership interests, shares of beneficial interest, shares, obligations or other securities of the surviving or any other domestic or foreign limited liability company, partnership, limited partnership, business trust or corporation or into cash or other property in whole or in part, and the manner and basis of converting rights to acquire the membership interests of each domestic partnership or limited liability company, the partnership interests of each domestic partnership or limited partnership, the shares of beneficial interest of each domestic business trust, and the shares of each domestic corporation party to the merger into rights to acquire membership interests, partnership interests, shares of beneficial interest, shares, obligations or other securities of the surviving or any other domestic or foreign limited liability company, partnership, limited partnership, business trust, or corporation or into cash or other property in whole or in part.

C. The plan of merger may set forth:

1. If a domestic limited liability company is to be the surviving entity, amendments to the articles of organization or an operating agreement of that limited liability company;

2. If the merger is not to be effective upon the issuance of the certificate of merger described in § 13.1-1072 C by the Commission, the future effective date or time of the merger; and

3. Other provisions relating to the merger.

§ 13.1-1239. Reinstatement.

A business trust that has filed articles of cancellation may be relieved of the cancellation and its certificate of trust shall be reinstated by filing articles of reinstatement in the form prescribed by the Commission not later than ~~one year~~ *five years* following the date of cancellation, together with payment of a reinstatement fee of \$100 and all registration fees and penalties that were due before the certificate of trust was canceled or that would have become due had the certificate of trust not been canceled. If the name of the business trust is not available at the time of reinstatement, as a condition to reinstatement, the articles of reinstatement shall contain an amendment to the articles of trust to change the business trust's name. If the business trust complies with the provisions of this section, the Commission shall reinstate the certificate of trust of the business trust, and the business trust shall be deemed not to have had its certificate of trust canceled. In that event, the reinstated business trust shall resume carrying on its business as if neither cancellation nor dissolution had ever occurred, and any liability incurred by that business trust or a beneficial owner, trustee or other agent after the cancellation and before the reinstatement is determined as if cancellation had never occurred.

§ 13.1-1254. Penalty for failure to timely pay annual registration fees or file statement of change.

A. Any domestic or any foreign business trust failing to pay the annual registration fee into the state treasury within the time prescribed in § 13.1-1252 shall incur a penalty thereon of \$25, which shall be added to the amount of the annual registration fee due. The penalty prescribed herein shall be in addition to any other penalties and liabilities imposed by law.

B. 1. If any domestic or foreign business trust fails to pay on or before October 1 of the year assessed the annual registration fee, the Commission shall mail notice to the business trust of impending cancellation of its certificate of trust or certificate of registration, as the case may be. The certificate shall be automatically canceled if any annual registration fee is unpaid as of December 31 of that year. A domestic business trust whose certificate has been canceled pursuant to this section is dissolved upon cancellation and shall be wound up pursuant to Article 8 (§ 13.1-1234 et seq.) of this chapter.

2. If any domestic or foreign business trust whose registered agent has filed with the Commission his statement of resignation pursuant to § 13.1-1222 fails to file a statement of change pursuant to § 13.1-1221 within 31 days after the date on which the statement of resignation was filed, the Commission shall mail notice to the business trust of impending cancellation of its certificate of trust or certificate of registration, as the case may be. If the business trust fails to file the statement of change before the last day of the second month immediately following the month in which the impending cancellation notice was mailed, the certificate shall be automatically canceled as of that day. A domestic business trust whose certificate has been canceled pursuant to this section is dissolved upon cancellation and shall be wound up pursuant to Article 8 (§ 13.1-1234 et seq.) of this chapter.

3. *If the certificate of a domestic business trust is canceled pursuant to subdivisions 1 or 2, its properties and affairs shall pass automatically to its trustees as trustees in liquidation. The trustees shall then proceed to (i) collect the assets of the business trust, (ii) sell, convey, and dispose of such of its*

properties as are not to be distributed in kind to its beneficial owners, (iii) pay, satisfy, and discharge its liabilities and obligations, and (iv) do all other acts required to liquidate its business and affairs. After paying or adequately providing for the payment of all its obligations, the trustees shall distribute the remainder of its assets, either in cash or in kind, among its beneficial owners according to their respective rights and interests.

C. No beneficial owner, trustee or other agent of a business trust shall have any personal obligation for any liabilities of the business trust, whether such liabilities arise in contract, tort or otherwise, solely by reason of the failure or refusal of that business trust to pay the annual registration fee or by reason of the cancellation of the business trust's certificate of trust or certificate of registration, as applicable, pursuant to subsection B of this section.

D. A domestic or foreign business trust whose certificate of trust or certificate of registration has been canceled pursuant to subsection B of this section or § 13.1-1246 may be relieved of the cancellation, and its certificate of trust or certificate of registration shall be reinstated by paying, not later than ~~two~~ five years following the date of cancellation, the annual registration fee required by § 13.1-1252, together with the late fee imposed by subsection A of this section; a reinstatement fee of \$100; and all registration fees and penalties that were due before the certificate was canceled and would have become due had the certificate not been canceled. If the name of the business trust is not available at the time of reinstatement, as a precondition to reinstatement, the business trust, if domestic, shall file an amendment to its articles of trust to change its name or, if foreign, shall adopt a designated name, to satisfy the requirements of § 13.1-1214.

E. If the domestic or foreign business trust complies with the provisions of, and pays the fees required by, subsection D of this section, the Commission shall reinstate the certificate of trust or certificate of registration of the business trust. A domestic or foreign business trust whose certificate of trust or registration is reinstated within ~~two~~ five years after the date on which it was canceled pursuant to subsection B of this section [or § 13.1-1246] shall be deemed not to have had its certificate of trust or certificate of registration canceled. In that event, the reinstated domestic or foreign business trust resumes carrying on its business as if neither cancellation nor dissolution had ever occurred, and any liability incurred by that domestic or foreign business trust or a beneficial owner, trustee or other agent after the cancellation and before the reinstatement is determined as if cancellation had never occurred.

§ 50-73.46:1. Partner's transferable interest subject to charging order.

A. On application by a judgment creditor of a partner or of a partner's assignee, a court having jurisdiction may charge the transferable interest of the judgment debtor to satisfy the judgment. The court may appoint a receiver of the share of the distributions due or to become due to the judgment debtor in respect of the limited partnership and make all other orders, directions, accounts, and inquiries the judgment debtor might have made or which the circumstances of the case may require.

B. A charging order constitutes a lien on the judgment debtor's transferable interest in the limited partnership. The court may order a foreclosure of the interest subject to the charging order at any time. The purchaser at the foreclosure sale has the rights of an assignee.

C. At any time before foreclosure, an interest charged may be redeemed:

1. By the judgment debtor;
2. With property other than partnership property, by one or more of the other partners; or
3. With partnership property, by one or more of the other partners with the consent of all of the partners whose interests are not so charged.

D. This chapter does not deprive a partner of a right under exemption laws with respect to the partner's interest in the limited partnership.

E. This section provides the exclusive remedy by which a judgment creditor of a partner or partner's assignee may satisfy a judgment out of the judgment debtor's transferable interest in the limited partnership.

§ 50-73.52:1. Known claims against dissolved limited partnership.

A. A dissolved limited partnership may dispose of the known claims against it by following the procedure described in this section.

B. The dissolved limited partnership shall deliver to each of its known claimants written notice of the dissolution at any time after its effective date. The written notice shall:

1. Provide a reasonable description of the claim that the claimant may be entitled to assert;
2. State whether the claim is admitted, or not admitted, and if admitted (i) the amount that is admitted, which may be as of a given date, and (ii) any interest obligation if fixed by an instrument of indebtedness;
3. Provide a mailing address where a claim may be sent;
4. State a deadline, which may not be fewer than 120 days from the effective date of the written notice, by which confirmation of the claim shall be delivered to the dissolved limited partnership; and
5. State that, except to the extent that any claim is admitted, the claim will be barred if written

551 *confirmation of the claim is not delivered by the deadline.*

552 *C. A claim against the dissolved limited partnership is barred to the extent that it is not admitted:*

553 *1. If the dissolved limited partnership delivered written notice to the claimant in accordance with*
554 *subsection B and the claimant does not deliver written confirmation of the claim to the dissolved limited*
555 *partnership by the deadline; or*

556 *2. If the dissolved limited partnership delivered written notice to the claimant that its claim is not*
557 *admitted, in whole or in part, and the claimant does not commence a proceeding to enforce the claim*
558 *within 90 days from the delivery of written confirmation of the claim to the dissolved limited*
559 *partnership.*

560 *D. For purposes of this section, "claim" does not include (i) a contingent liability or a claim based*
561 *on an event occurring after the effective date of dissolution or (ii) a liability or claim the ultimate*
562 *maturity of which is more than 60 days after the delivery of written notice to the claimant pursuant to*
563 *subsection B.*

564 *E. If a liability exists but the full extent of any damages is or may not be ascertainable, and a*
565 *proceeding to enforce the claim is commenced pursuant to subdivision C 2, the claimant may amend the*
566 *pleadings after filing to include any damages that occurred or are alleged to have occurred after filing,*
567 *and the court having jurisdiction of such claim may continue such proceeding during its pendency if it*
568 *appears that further damages are or still may be occurring.*

569 *§ 50-73.69. Penalty for failure to timely pay annual registration fee or file statement of change.*

570 *A. Any domestic or any foreign limited partnership failing to pay the annual registration fee into the*
571 *state treasury within the time prescribed in § 50-73.67 shall incur a penalty thereon of ~~twenty-five~~*
572 *dollars \$25 which shall be added to the amount of the annual registration fee due. The penalty*
573 *prescribed herein shall be in addition to any other penalties and liabilities imposed by law.*

574 *B. 1. If any domestic or foreign limited partnership fails to pay on or before October 1 of the year*
575 *assessed the annual registration fee, the Commission shall mail notice to the limited partnership of*
576 *impending cancellation of its certificate of limited partnership or certificate of registration, as the case*
577 *may be. The certificate shall be automatically canceled if any annual registration fee is unpaid as of*
578 *December 31 of that year. A domestic limited partnership whose certificate has been canceled pursuant*
579 *to this section is dissolved upon cancellation and shall be wound up pursuant to Article 8 (§ 50-73.49 et*
580 *seq.) of this chapter.*

581 *2. If any domestic or foreign limited partnership whose registered agent has filed with the*
582 *Commission his statement of resignation pursuant to § 50-73.6 fails to file a statement of change*
583 *pursuant to § 50-73.5 within ~~thirty-one~~ 31 days after the date on which the statement of resignation was*
584 *filed, the Commission shall mail notice to the limited partnership of impending cancellation of its*
585 *certificate. If the limited partnership fails to file the statement of change as of the last day of the second*
586 *month immediately following the month in which the impending cancellation notice was mailed, the*
587 *certificate shall be automatically canceled as of that day. A domestic limited partnership whose*
588 *certificate has been canceled pursuant to this section is dissolved upon cancellation and shall be wound*
589 *up pursuant to Article 8 (§ 50-73.49 et seq.) of this chapter.*

590 *3. If the certificate of a domestic limited partnership is canceled pursuant to subdivisions 1 or 2, its*
591 *properties and affairs shall pass automatically to its general partners as trustees in liquidation. The*
592 *trustees shall then proceed to (i) collect the assets of the limited partnership, (ii) sell, convey and*
593 *dispose of such of its properties as are not to be distributed in kind to its partners, (iii) pay, satisfy and*
594 *discharge its liabilities and obligations and (iv) do all other acts required to liquidate its business and*
595 *affairs. After paying or adequately providing for the payment of all its obligations, the trustees shall*
596 *distribute the remainder of its assets, either in cash or in kind, among its partners according to their*
597 *respective rights and interests.*

598 *C. A limited partner of a domestic or foreign limited partnership is not liable as a general partner of*
599 *that domestic or foreign limited partnership solely by reason of the failure or refusal of that limited*
600 *partnership to pay the annual registration fee or by reason of the cancellation of the limited partnership's*
601 *certificate of limited partnership or certificate of registration, as applicable, pursuant to subsection B of*
602 *this section.*

603 *D. A domestic or foreign limited partnership whose certificate of limited partnership or certificate of*
604 *registration has been canceled pursuant to either subsection B of this section or § 50-73.13 or § 50-73.58*
605 *may be relieved of the cancellation, and its certificate of limited partnership or certificate of registration*
606 *shall be reinstated by paying, not later than ~~two~~ five years following the date of cancellation, the annual*
607 *registration fee required by § 50-73.67, together with any late fee imposed by subsection A of this*
608 *section; a reinstatement fee of \$100; and all registration fees and penalties that were due before the*
609 *certificate was canceled and would have become due had the certificate not been canceled. If the name*
610 *of the limited partnership is not available at the time of reinstatement, the limited partnership shall file*
611 *an amendment to its certificate of limited partnership or certificate of registration or adopt an assumed*
612 *name for use in this Commonwealth as a precondition to reinstatement.*

E. If the domestic or foreign limited partnership complies with the provisions of, and pays the fees required by, subsection D of this section, the Commission shall reinstate the certificate of limited partnership or certificate of registration of the limited partnership. A domestic or foreign limited partnership whose certificate of limited partnership or certificate of registration is reinstated within ~~two~~ *five* years after the date on which it was canceled pursuant to subsection B of this section [*or* § 50-73.18 *or* § 50-73.58] shall be deemed not to have had its certificate of limited partnership or certificate of registration canceled. In that event, the reinstated domestic or foreign limited partnership resumes carrying on its business as if neither cancellation nor dissolution had ever occurred, and any liability incurred by that domestic or foreign limited partnership or a partner after the cancellation and before the reinstatement is determined as if cancellation had never occurred.

§ 50-73.83. Execution, filing, and recording of statements.

A. A statement may be filed with the Commission. A duly authenticated copy of a statement that is filed in an office in another state may be filed with the Commission. Either filing has the effect provided in this chapter with respect to partnership property located in or transactions that occur in this Commonwealth.

B. A duly authenticated copy of a statement that has been filed with the Commission and recorded in the office for recording transfers of real property has the effect provided for recorded statements in this chapter. A recorded statement that is not a duly authenticated copy of a statement filed with the Commission does not have the effect provided for recorded statements in this chapter.

C. A statement filed by a partnership shall be executed by at least two partners, *except as provided in subdivision A 1 of § 50-73.78*. Other statements shall be executed by a partner or other person authorized by this chapter. The person executing a statement shall sign it and state beneath or opposite his signature his name and the capacity in which he executes the document. An individual who executes a statement as, or on behalf of, a partner or other person named as a partner in a statement shall personally declare under penalty of perjury that the contents of the statement are accurate. Any person may execute a statement by an attorney-in-fact.

D. A person authorized by this chapter to file a statement may :

1. Amend or cancel the statement by filing an amendment or cancellation that names the partnership, states the identification number issued by the Commission to the partnership, identifies the statement, and states the substance of the amendment or cancellation; and

2. Renew a statement of partnership authority by filing during the 90-day period preceding the date of the statement's cancellation by operation of law, a renewal of a statement of partnership authority that names the partnership, states the identification number issued by the Commission to the partnership, states the partnership's desire to renew the statement of partnership authority, and states that all of the information set forth in the statement of partnership authority is true and correct as of the execution date of the renewal.

E. A person who files a statement pursuant to this section shall promptly send a copy of the statement to every nonfiling partner and to any other person named as a partner in the statement. Failure to send a copy of a statement to a partner or other person does not limit the effectiveness of the statement as to a person not a partner.

F. The Commission shall charge and collect the following fees:

1. The fee shall be \$100 for any one of the following:

- a. For filing a statement of registration as a registered limited liability partnership;
- b. For filing a statement of registration as a foreign registered limited liability partnership; or
- c. For restoration of status pursuant to subdivision E 1 of § 50-73.134.

2. The fee shall be \$50 for filing any one of the following:

- a. An amendment to a statement of registration as a registered limited liability partnership;
- b. An amendment to a statement of registration as a foreign registered limited liability partnership; or
- c. An annual continuation report pursuant to § 50-73.134.

3. For filing any other statement or amendment thereto, cancellation thereof or renewal of a statement of partnership authority, the fee shall be \$25. The fees paid into the state treasury under this section shall be set aside and paid into the special fund created under § 13.1-775.1, subject to that section. The court responsible for recording transfers of real property may collect a fee for recording a statement.

G. The Commission may provide forms for statements and reports.

H. Any statement filed with the Commission under this chapter shall be typewritten or printed. The typewritten or printed portion shall be in black. Photocopies, or other reproduced copies, of typewritten or printed statements may be filed. In every case, information in the statement shall be legible and the document shall be capable of being reformatted and reproduced in copies of archival quality. The statement shall be in the English language. A partnership name need not be in English if written in English letters or Arabic or Roman numerals. Any signature on a statement may be a facsimile.

674 I. The Commission may accept the electronic filing of any information required or permitted to be
675 filed under this chapter and may prescribe the methods of execution, recording, reproduction and
676 certification of electronically filed information pursuant to § 59.1-496.

677 J. A statement shall be effective at the time of the filing of the statement with the Commission as set
678 forth in this section unless the statement states that it shall become effective at a later time and date
679 specified in the statement. In that event, the statement shall become effective at the earlier of the time
680 and date so specified or 11:59 p.m. on the fifteenth day after the date on which the statement is filed
681 with the Commission.

682 § 50-73.132. Registered limited liability partnerships.

683 A. To become a registered limited liability partnership, a partnership shall file with the Commission
684 a statement of registration as a registered limited liability partnership stating:

685 1. The name of the partnership that satisfies the requirements of § 50-73.133;

686 2. If the partnership is of record with the Commission, the identification number issued by the
687 Commission to the partnership;

688 3. The address, including the street and number, if any, of its principal office (which may, but need
689 not be, located within the Commonwealth);

690 4. The post office address, including the street and number, if any, of its initial registered office,
691 which in the case of a limited partnership formed pursuant to Chapter 2.1 (§ 50-73.1 et seq.) of this title
692 shall be identical to the limited partnership's registered office address on record with the Commission;

693 5. The name of the city or county in which the registered office is located;

694 6. The name of its initial registered agent at that office, which in the case of a limited partnership
695 formed pursuant to Chapter 2.1 (§ 50-73.1 et seq.) of this title shall be identical to the limited
696 partnership's registered agent on record with the Commission, and that the agent is either (i) an
697 individual who is a resident of Virginia and is either a general partner of the registered limited liability
698 partnership, an officer or director of a corporate general partner of the registered limited liability
699 partnership, a general partner of a general partner of the registered limited liability partnership, a
700 member or manager of a limited liability company that is a general partner of the registered limited
701 liability partnership, a trustee of a trust that is a general partner of the registered limited liability
702 partnership, or a member of the Virginia State Bar or (ii) a domestic or foreign stock or nonstock
703 corporation, limited liability company, or registered limited liability partnership authorized to transact
704 business in this Commonwealth;

705 7. Any other matters that the partnership determines to include;

706 ~~8. That the partnership thereby applies for status as a registered limited liability partnership; and~~

707 ~~9 8. The manner in which the registration was approved by the partners.~~

708 A partnership becomes a registered limited liability partnership at the time of the filing of the initial
709 statement of registration with the Commission or at any later date or time specified in the statement of
710 registration as provided in subsection J of § 50-73.83.

711 B. The Commission shall register as a registered limited liability partnership any partnership that
712 submits a completed statement of registration with the required fee.

713 C. The registration of a partnership as a registered limited liability partnership shall be approved by
714 the partners in the manner provided in the partnership's partnership agreement for amendments to the
715 partnership agreement or, if no provision is made in the partnership agreement, by all of the partners.

716 D. A partnership that has registered shall continue to be a registered limited liability partnership
717 until:

718 1. ~~Registration statement~~ *Its registration* is revoked pursuant to subsection C of § 50-73.134; or

719 2. The partnership or limited partnership files with the Commission a statement of cancellation of
720 registration under § 50-73.137.

721 E. A partnership that has been registered as a registered limited liability partnership under this
722 chapter is, for all purposes, the same entity that existed before it registered.

723 § 50-73.134. Registered limited liability partnership annual continuation reports.

724 A. On or before July 1 of each year after the calendar year in which it became registered under
725 § 50-73.132, each registered limited liability partnership and each foreign registered limited liability
726 partnership authorized to transact business in this Commonwealth shall file an annual continuation report
727 with the Commission setting forth the name of the partnership, the partnership's current principal office
728 address and, if a foreign registered limited liability partnership, the jurisdiction in which it is registered
729 as a registered limited liability partnership. If the report appears to be incomplete or inaccurate, the
730 Commission shall return it for correction or explanation. Otherwise, it shall be deemed filed in the office
731 of the clerk of the Commission. The report shall be made on forms furnished by the Commission and
732 shall be forwarded by the clerk of the Commission, before June 1, to each registered limited liability
733 partnership.

734 B. The information required shall be given as of the date of the execution of the report, and it shall
735 be executed by a partner in the registered limited liability partnership or foreign registered limited

liability partnership or, if a receiver or trustee has been appointed for the partnership, by the receiver or trustee on behalf of the registered limited liability partnership or foreign registered limited liability partnership. The report shall be accompanied by the fee prescribed in subdivision F 2 of § 50-73.83.

C. If any registered limited liability partnership or foreign registered limited liability partnership has failed to pay the fee or to file any report required by this section on or before September 1 of the year due, the Commission shall mail notice by first-class mail to the partnership of impending revocation of its registration. Whether or not such notice is mailed, if the partnership fails to file the report or pay the fee before November 1 of the year it is due, the registration of the partnership shall be automatically revoked and the partnership shall automatically cease to be a registered limited liability partnership or foreign registered limited liability partnership as of November 1, but shall continue to be a partnership or limited partnership, as the case may be, under this title.

D. Any registered limited liability partnership that has ceased to be a registered limited liability partnership under subsection C shall not be considered to have dissolved as a result of ceasing to be a registered limited liability partnership.

E. A registered limited liability partnership or foreign registered limited liability partnership that has ceased to be a registered limited liability partnership or a foreign registered limited liability partnership, as the case may be, under subsection C, § 50-73.137, or § 50-73.139 may restore its status as such by taking some or all of the following steps, as applicable:

1. Paying a restoration fee prescribed in subdivision F 1 of § 50-73.83;
2. Making and delivering a report and paying the fee due upon filing the report for the year in which it is to be reinstated; and

3. Paying an amount equal to all fees that were due before cessation of registered status and that would have become due thereafter for filing annual continuation reports for registered limited liability partnerships if cessation of status had not occurred.

F. A registered limited liability partnership or foreign registered limited liability partnership that has ceased to be a registered limited liability partnership or foreign registered limited liability partnership under this section, § 50-73.137, or § 50-73.139 that restores its status as a registered limited liability partnership or foreign registered limited liability partnership within ~~two~~ five years after the date on which its status as such has ceased shall be deemed not to have lost its status as a registered limited liability partnership or foreign registered limited liability partnership under this section.

G. The Commission shall not file with respect to any domestic or foreign registered limited liability partnership any statement referred to in this chapter until all annual continuation reports required to be filed with the Commission under this article have been filed.

§ 50-73.137:1. Effect of cancellation of limited partnership certificate or registration.

A. Whenever the certificate of limited partnership of a domestic limited partnership that is registered as a registered limited liability partnership is canceled, the limited partnership's registration as a registered limited liability partnership shall thereupon be automatically revoked unless the cancellation was pursuant to conversion to a partnership under § 50-73.126.

B. Whenever the certificate of registration to transact business in this Commonwealth of a foreign limited partnership that is registered as a foreign registered limited liability partnership is canceled, the foreign limited partnership's registration as a foreign registered limited liability partnership shall thereupon be automatically revoked.

C. A registered limited liability partnership or foreign registered limited liability partnership that has ceased to be a registered limited liability partnership or a foreign registered limited liability partnership under subsection A or B may restore its status as such by complying with the requirements of subsection E of § 50-73.134.

D. A registered limited liability partnership or foreign registered limited liability partnership that has ceased to be a registered limited liability partnership or foreign registered limited liability partnership under this section that restores its status as a registered limited liability partnership or foreign registered limited liability partnership within ~~two~~ five years after the date on which its status as such has ceased shall be deemed not to have lost its status as a registered limited liability partnership or foreign registered limited liability partnership under this section.

§ 50-73.137:2. Known claims against dissolved registered limited liability partnership.

A. A ~~dissolved~~ partnership that is dissolved pursuant to § 50-73.117 that is a registered limited liability partnership [at the time of its dissolution] may dispose of the known claims against it by following the procedure described in this section.

B. The dissolved registered limited liability partnership shall deliver to each of its known claimants written notice of the dissolution at any time after its effective date. The written notice shall:

1. Provide a reasonable description of the claim that the claimant may be entitled to assert;
2. State whether the claim is admitted, or not admitted, and if admitted (i) the amount that is admitted, which may be as of a given date, and (ii) any interest obligation if fixed by an instrument of

797 indebtedness;

798 3. Provide a mailing address where a claim may be sent;

799 4. State a deadline, which may not be fewer than 120 days from the effective date of the written
800 notice, by which confirmation of the claim shall be delivered to the dissolved registered limited liability
801 partnership; and

802 5. State that, except to the extent that any claim is admitted, the claim will be barred if written
803 confirmation of the claim is not delivered by the deadline.

804 C. A claim against the dissolved registered limited liability partnership is barred to the extent that it
805 is not admitted:

806 1. If the dissolved registered limited liability partnership delivered written notice to the claimant in
807 accordance with subsection B of this section and the claimant does not deliver written confirmation of
808 the claim to the dissolved registered limited liability partnership by the deadline; or

809 2. If the dissolved registered limited liability partnership delivered written notice to the claimant that
810 its claim is not admitted, or whole or in part, and the claimant does not commence a proceeding to
811 enforce the claim within 90 days from the delivery of written confirmation of the claim to the dissolved
812 registered limited liability partnership.

813 D. For purposes of this section, "claim" does not include (i) a contingent liability or a claim based
814 on an event occurring after the effective date of dissolution or (ii) a liability or claim the ultimate
815 maturity of which is more than 60 days after the delivery of written notice to the claimant pursuant to
816 subsection B or this section.

817 E. If a liability exists but the full extent of any damages is or may not be ascertainable, and a
818 proceeding to enforce the claim is commenced pursuant to subdivision C 2 of this section, the claimant
819 may amend the pleadings after filing to include any damages that occurred or are alleged to have
820 occurred after filing, and the court having jurisdiction of such claim may continue such proceeding
821 during its pendency if it appears that further damages are or still may be occurring.

822 2. That § 13.1-1041 and 50-73.46 of the Code of Virginia are repealed.