

VIRGINIA ACTS OF ASSEMBLY -- 2008 SESSION

CHAPTER 523

An Act to amend and reenact §§ 13.1-1057, 13.1-1247, and 50-73.59 of the Code of Virginia, relating to foreign business entities; transacting business without registration.

[H 1490]

Approved March 10, 2008

Be it enacted by the General Assembly of Virginia:

1. That §§ 13.1-1057, 13.1-1247, and 50-73.59 of the Code of Virginia are amended and reenacted as follows:

§ 13.1-1057. Transaction of business without registration.

A. A foreign limited liability company transacting business in ~~this~~ *the* Commonwealth may not maintain any action, suit, or proceeding in any court of ~~this~~ *the* Commonwealth until it has registered in ~~this~~ *the* Commonwealth.

B. *The successor to a foreign limited liability company that transacted business in the Commonwealth without registering in the Commonwealth and the assignee of a cause of action arising out of that business may not maintain a proceeding based on that cause of action in any court in the Commonwealth until the foreign limited liability company or its successor has registered in the Commonwealth.*

C. The failure of a foreign limited liability company to register in ~~this~~ *the* Commonwealth does not impair the validity of any contract or act of the foreign limited liability company or prevent the foreign limited liability company from defending any action, suit, or proceeding in any court of ~~this~~ *the* Commonwealth.

€ D. If a foreign limited liability company transacts business in ~~this~~ *the* Commonwealth without a certificate of registration, each member, manager or employee of the limited liability company who does any of such business in ~~this~~ *the* Commonwealth knowing that a certificate of registration is required and has not been obtained shall be liable for a penalty of not less than \$500 and not more than \$5,000 to be imposed by the Commission, after the limited liability company and the individual have been given notice and an opportunity to be heard.

Ð E. A foreign limited liability company, by transacting business in ~~this~~ *the* Commonwealth without registration, appoints the clerk of the Commission as its agent for service of process with respect to causes of action arising out of the transaction of business in ~~this~~ *the* Commonwealth.

§ 13.1-1247. Transaction of business without registration; civil penalty.

A. A foreign business trust transacting business in ~~this~~ *the* Commonwealth shall not maintain any action, suit, or proceeding in any court of ~~this~~ *the* Commonwealth until it has registered in ~~this~~ *the* Commonwealth.

B. *The successor to a foreign business trust that transacted business in the Commonwealth without registering in the Commonwealth and the assignee of a cause of action arising out of that business may not maintain a proceeding based on that cause of action in any court in the Commonwealth until the foreign business trust or its successor has registered in the Commonwealth.*

C. The failure of a foreign business trust to register in ~~this~~ *the* Commonwealth shall not impair the validity of any contract or act of the foreign business trust or prevent the foreign business trust from defending any action, suit, or proceeding in any court of ~~this~~ *the* Commonwealth.

€ D. If a foreign business trust transacts business in ~~this~~ *the* Commonwealth without a certificate of registration, each trustee, officer or employee of the business trust who does any such business in ~~this~~ *the* Commonwealth knowing that a certificate of authority is required and has not been obtained shall be liable for a civil penalty of not less than \$500 and not more than \$5,000, which may be imposed by the Commission or by any court in the Commonwealth before which an action against the business trust may lie, after the business trust and the individual have been given notice and an opportunity to be heard. Civil penalties paid pursuant to this chapter shall be deposited to the credit of the Literary Fund.

Ð E. A foreign business trust, by transacting business in ~~this~~ *the* Commonwealth without registration, appoints the clerk of the Commission as its agent for service of process with respect to causes of action arising out of the transaction of business in ~~this~~ *the* Commonwealth.

§ 50-73.59. Transaction of business without registration.

A. A foreign limited partnership transacting business in ~~this~~ *the* Commonwealth may not maintain any action, suit, or proceeding in any court of ~~this~~ *the* Commonwealth until it has registered in ~~this~~ *the* Commonwealth.

B. *The successor to a foreign limited partnership that transacted business in the Commonwealth without registering in the Commonwealth and the assignee of a cause of action arising out of that business may not maintain a proceeding based on that cause of action in any court in the*

Commonwealth until the foreign limited partnership or its successor has registered in the Commonwealth.

C. The failure of a foreign limited partnership to register in ~~this~~ *the* Commonwealth does not impair the validity of any contract or act of the foreign limited partnership or prevent the foreign limited partnership from defending any action, suit, or proceeding in any court of ~~this~~ *the* Commonwealth.

€ D. A limited partner of a foreign limited partnership is not liable as a general partner of a foreign limited partnership solely by reason of having transacted business in ~~this~~ *the* Commonwealth without registration.

Ð E. A foreign limited partnership, by transacting business in ~~this~~ *the* Commonwealth without registration, appoints the Clerk of the Commission as its agent for service of process with respect to causes of action arising out of the transaction of business in ~~this~~ *the* Commonwealth.