

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 55-82.1 of the Code of Virginia and to amend the Code of Virginia by*
3 *adding a section numbered 55-82.2, relating to fraudulent and voluntary conveyances.*

4 [S 164]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**

7 **1. That § 55-82.1 of the Code of Virginia is amended and reenacted and that the Code of Virginia**
8 **is amended by adding a section numbered 55-82.2 as follows:**

9 § 55-82.1. Creditor's suits; attorney fees.

10 In any suit brought by a creditor pursuant to § 55-80, 55-81, or 55-82 where a (i) gift; (ii) deed; (iii)
11 conveyance, assignment, or transfer of or charge upon the estate of a debtor; (iv) suit commenced or
12 decree, judgment, or execution suffered or obtained; or (v) bond or other writing is declared void, the
13 court shall award counsel for the creditor reasonable attorney fees against the debtor. *Upon a finding of*
14 *fraudulent conveyance pursuant to § 55-80, the court may assess sanctions, including such attorney fees,*
15 *against all parties over which it has jurisdiction who, with the intent to defraud and having knowledge*
16 *of the judgment, participated in the conveyance.* Should there be a resulting judicial sale, any award of
17 attorney fees shall be paid out of the proceeds of the sale, as other costs are paid, provided the award of
18 attorney fees does not affect a prior lien creditor not represented by the attorney.

19 § 55-82.2. Authority of court to set aside.

20 *The court shall have the authority to set aside a fraudulent conveyance or voluntary transfer*
21 *pursuant to § 55-80 or 55-81 during an action brought by a creditor to execute on a judgment, either*
22 *on motion of the creditor or on its own motion, provided that all parties who have an interest in the*
23 *property subject to the conveyance are given notice of the proceeding. The court, by order, may direct*
24 *the clerk to issue the proper process against such parties, and, upon the maturing of the case as to*
25 *them, proceed to make such orders or decrees as would have been proper if the new parties had been*
26 *made parties at the commencement of the suit.*

ENROLLED

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