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SENATE BILL NO. 779

Offered January 9, 2013

Prefiled December 18, 2012

A *BILL to amend and reenact § 13.1-1039 of the Code of Virginia, relating to the assignment of membership interest in a limited liability company.*

Patron—Watkins

Referred to Committee on Commerce and Labor**Be it enacted by the General Assembly of Virginia:****1. That § 13.1-1039 of the Code of Virginia is amended and reenacted as follows:****§ 13.1-1039. Assignment of interest.**

A. Unless otherwise provided in the articles of organization or an operating agreement, a membership interest in a limited liability company is assignable in whole or in part. An assignment of an interest in a limited liability company does not of itself dissolve the limited liability company. ~~An~~ *Unless otherwise provided in the articles of organization or an operating agreement, an* assignment does not entitle the assignee to participate in the management and affairs of the limited liability company or to become or to exercise any rights of a member. ~~Such~~ *Unless otherwise provided in the articles of organization or an operating agreement, such* an assignment entitles the assignee to receive, to the extent assigned, only any share of profits and losses and distributions to which the assignor would be entitled.

B. Unless otherwise provided in the articles of organization or an operating agreement, a membership interest in a limited liability company may be evidenced by a certificate of interest issued by the limited liability company. The articles of organization or an operating agreement may provide for the assignment or transfer of any interest represented by such a certificate and make other provisions with respect to such certificates.

INTRODUCED

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