

VIRGINIA ACTS OF ASSEMBLY -- 2016 SESSION

CHAPTER 287

An Act to amend and reenact § 13.1-1028 of the Code of Virginia, relating to limited liability companies; recordkeeping.

[H 918]

Approved March 7, 2016

Be it enacted by the General Assembly of Virginia:

1. That § 13.1-1028 of the Code of Virginia is amended and reenacted as follows:

§ 13.1-1028. Information and records.

A. Each limited liability company shall, *at its discretion, either (i) keep at its principal office or (ii) provide each member access as an electronic record, as defined in § 13.1-603, on a network or system to the following:*

1. A current list of the full name and last known business address of each member, in alphabetical order;

2. A copy of the articles of organization and the certificate of organization, and all articles of amendment and certificates of amendment thereto;

3. Copies of the limited liability company's federal, state and local income tax returns and reports, if any, for the three most recent years;

4. Copies of any then-effective written operating agreement and of any financial statements of the limited liability company for the three most recent years; and

5. Unless contained in a written operating agreement, a writing setting out:

a. The amount of cash and a description and statement of the agreed value of the other property or services contributed by each member and which each member has agreed to contribute;

b. The times at which or events on the happening of which any additional contributions agreed to be made by each member are to be made;

c. Any right of a member to receive, or of the limited liability company to make, distributions to a member which include a return of all or any part of the member's contribution; and

d. Any events upon the happening of which the limited liability company is to be dissolved and its affairs wound up.

B. Each member has the right, upon reasonable request, to:

1. Inspect and copy any of the limited liability company records required to be maintained by this section; and

2. Obtain from the manager or managers, or if the limited liability company has no manager or managers, from any member or other person with access to such information, from time to time upon reasonable demand (i) true and full information regarding the state of the business and financial condition of the limited liability company, (ii) promptly after becoming available, a copy of the limited liability company's federal, state and local income tax returns for each year, and (iii) other information regarding the affairs of the limited liability company, except to the extent the information demanded is unreasonable or otherwise improper under the circumstances.

C. Notwithstanding the provisions of subsections A and B, the rights of a member to obtain information as provided in such subsections may be restricted in writing in an original operating agreement or any subsequent written amendment to an operating agreement approved or adopted by all of the members and in compliance with any applicable requirements of the operating agreement.