

VIRGINIA ACTS OF ASSEMBLY -- 2016 SESSION

CHAPTER 288

An Act to amend and reenact §§ 13.1-603, 13.1-722.8 through 13.1-722.14, 13.1-944.2, 13.1-944.3, 13.1-944.5, 13.1-944.6, 13.1-944.7, 13.1-1002, 13.1-1010, 13.1-1018.1, 13.1-1038.1, 13.1-1052, 13.1-1054, 13.1-1055, 13.1-1056, 13.1-1060, 13.1-1066, 13.1-1070, 13.1-1071, 13.1-1072, 13.1-1076, 13.1-1077, 13.1-1078, 13.1-1080, 13.1-1264, 13.1-1272 through 13.1-1277, 50-73.48:1, 50-73.128, and 56-1 of the Code of Virginia; to amend the Code of Virginia by adding a section numbered 13.1-1003.1, by adding in Article 9 of Chapter 12 of Title 13.1 a section numbered 13.1-1050.5, by adding in Article 13 of Chapter 12 of Title 13.1 sections numbered 13.1-1069.1 and 13.1-1073.1, and by adding in Chapter 12 of Title 13.1 an article numbered 15, consisting of sections numbered 13.1-1081 through 13.1-1087; and to repeal §§ 13.1-1010.1 through 13.1-1010.4 of the Code of Virginia, relating to limited liability companies; entity conversions.

[H 955]

Approved March 7, 2016

Be it enacted by the General Assembly of Virginia:

1. That §§ 13.1-603, 13.1-722.8 through 13.1-722.14, 13.1-944.2, 13.1-944.3, 13.1-944.5, 13.1-944.6, 13.1-944.7, 13.1-1002, 13.1-1010, 13.1-1018.1, 13.1-1038.1, 13.1-1052, 13.1-1054, 13.1-1055, 13.1-1056, 13.1-1060, 13.1-1066, 13.1-1070, 13.1-1071, 13.1-1072, 13.1-1076, 13.1-1077, 13.1-1078, 13.1-1080, 13.1-1264, 13.1-1272 through 13.1-1277, 50-73.48:1, 50-73.128, and 56-1 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 13.1-1003.1, by adding in Article 9 of Chapter 12 of Title 13.1 a section numbered 13.1-1050.5, by adding in Article 13 of Chapter 12 of Title 13.1 sections numbered 13.1-1069.1 and 13.1-1073.1, and by adding in Chapter 12 of Title 13.1 an article numbered 15, consisting of sections numbered 13.1-1081 through 13.1-1087, as follows:

§ 13.1-603. Definitions.

In this chapter:

"Articles of incorporation" means all documents constituting, at any particular time, the charter of a corporation. It includes the original charter issued by the General Assembly, a court or the Commission and all amendments including certificates of consolidation, serial designation, reduction, correction, and merger. It excludes articles of share exchange filed by an acquiring corporation. When the articles of incorporation have been restated pursuant to any articles of restatement, amendment, domestication, or merger, it includes only the restated articles of incorporation, including any articles of serial designation, without the accompanying articles of restatement, amendment, domestication, or merger.

"Authorized shares" means the shares of all classes a domestic or foreign corporation is authorized to issue.

"Certificate," when relating to articles filed with the Commission, means the order of the Commission that makes the articles effective, together with the articles.

"Commission" means the State Corporation Commission of Virginia.

"Conspicuous" means so written, displayed, or presented that a reasonable person against whom the writing is to operate should have noticed it. For example, text that is italicized, is in boldface, contrasting colors, or capitals, or is underlined, is conspicuous.

"Corporation" or "domestic corporation" means a corporation authorized by law to issue shares, irrespective of the nature of the business to be transacted, organized under this chapter or existing pursuant to the laws of the Commonwealth on January 1, 1986, or which, by virtue of articles of incorporation, amendment, or merger, has become a domestic corporation of the Commonwealth, even though also being a corporation organized under laws other than the laws of the Commonwealth, or ~~which~~ *that* has become a domestic corporation of the Commonwealth pursuant to Article 12.1 (§ 13.1-722.2 et seq.) ~~or Article 12.2 (§ 13.1-722.8 et seq.)~~ of this chapter ~~or Article 15 (§ 13.1-1081 et seq.) of Chapter 12.~~

"Deliver" or "delivery" means any method of delivery used in conventional commercial practice, including delivery by hand, mail, commercial delivery, and, if authorized in accordance with § 13.1-610, electronic transmission.

"Derivative proceeding" means a civil suit in the right of a domestic corporation or, to the extent provided in Article 8.1 (§ 13.1-672.1 et seq.) of Chapter 9 of this title, a foreign corporation.

"Disinterested director" means, except with respect to Article 14 (§ 13.1-725 et seq.) of this chapter, a director who, at the time action is to be taken under § 13.1-672.4, 13.1-691, 13.1-699 or 13.1-701, does not have (i) a financial interest in a matter that is the subject of such action or (ii) a familial, financial, professional, employment or other relationship with a person who has a financial interest in the matter, either of which would reasonably be expected to affect adversely the objectivity of the

director when participating in the action, and if the action is to be taken under § 13.1-699 or 13.1-701, is also not a party to the proceeding. The presence of one or more of the following circumstances shall not by itself prevent a person from being a disinterested director: (i) nomination or election of the director to the current board by any person, acting alone or participating with others, who is so interested in the matter; (ii) service as a director of another corporation of which an interested person is also a director; or (iii) at the time action is to be taken under § 13.1-672.4, status as a named defendant, as a director against whom action is demanded, or as a director who approved the act being challenged.

"Distribution" means a direct or indirect transfer of money or other property, except its own shares, or incurrence of indebtedness by a corporation to or for the benefit of its shareholders in respect of any of its shares. A distribution may be in the form of a declaration or payment of a dividend; a purchase, redemption, or other acquisition of shares; a distribution of indebtedness of the corporation; or otherwise. Distribution does not include acquisition by a corporation of its shares from the estate or personal representative of a deceased shareholder, or any other shareholder, but only to the extent the acquisition is effected using the proceeds of insurance on the life of such deceased shareholder and the board of directors approved the policy and the terms of the redemption prior to the shareholder's death.

"Document" means (i) any tangible medium on which information is inscribed, and includes any writing or written instrument, or (ii) an electronic record.

"Domestic business trust" has the same meaning as specified in § 13.1-1201.

"Domestic limited liability company" has the same meaning as specified in § 13.1-1002.

"Domestic limited partnership" has the same meaning as specified in § 50-73.1.

"Domestic nonstock corporation" has the same meaning as "domestic corporation" as specified in § 13.1-803.

"Domestic partnership" means an association of two or more persons to carry on as co-owners a business for profit formed under § 50-73.88, or predecessor law of the Commonwealth, and includes, for all purposes of the laws of the Commonwealth, a registered limited liability partnership.

"Effective date of notice" is defined in § 13.1-610.

"Electronic" means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

"Electronic record" means information that is stored in an electronic or other medium and is retrievable in paper form through an automated process used in conventional commercial practice, unless otherwise authorized in accordance with subsection J of § 13.1-610.

"Electronic transmission" or "electronically transmitted" means any form or process of communication, not directly involving the physical transfer of paper or other tangible medium, that (i) is suitable for the retention, retrieval, and reproduction of information by the recipient, and (ii) is retrievable in paper form by the recipient through an automated process used in conventional commercial practice, unless otherwise authorized in accordance with subsection J of § 13.1-610.

"Eligible entity" means a domestic or foreign unincorporated entity or a domestic or foreign nonstock corporation.

"Eligible interests" means interests or memberships.

"Employee" includes, unless otherwise provided in the bylaws, an officer but not a director. A director may accept duties that make him also an employee.

"Entity" includes any domestic or foreign corporation; any domestic or foreign nonstock corporation; any domestic or foreign unincorporated entity; any estate or trust; and any state, the United States and any foreign government.

"Foreign business trust" has the same meaning as specified in § 13.1-1201.

"Foreign corporation" means a corporation authorized by law to issue shares, organized under laws other than the laws of the Commonwealth.

"Foreign limited liability company" has the same meaning as specified in § 13.1-1002.

"Foreign limited partnership" has the same meaning as specified in § 50-73.1.

"Foreign nonstock corporation" has the same meaning as "foreign corporation" as specified in § 13.1-803.

"Foreign partnership" means an association of two or more persons to carry on as co-owners of a business for profit formed under the laws of any state or jurisdiction other than the Commonwealth, and includes, for all purposes of the laws of the Commonwealth, a foreign registered limited liability partnership.

"Foreign registered limited liability partnership" has the same meaning as specified in § 50-73.79.

"Foreign unincorporated entity" means an unincorporated entity whose internal affairs are governed by an organic law of a jurisdiction other than the Commonwealth.

"Government subdivision" includes authority, county, district, and municipality.

"Includes" denotes a partial definition.

"Individual" means a natural person.

"Interest" means either or both of the following rights under the organic law of an unincorporated entity:

1. The right to receive distributions from the entity either in the ordinary course or upon liquidation;

or

2. The right to receive notice or vote on issues involving its internal affairs, other than as an agent, assignee, proxy or person responsible for managing its business and affairs.

"Means" denotes an exhaustive definition.

"Membership" means the rights of a member in a domestic or foreign nonstock corporation or limited liability company.

"Notice" is defined in § 13.1-610.

"Organic document" means the document, if any, that is filed of public record to create an unincorporated entity. Where an organic document has been amended or restated, the term means the organic document as last amended or restated.

"Organic law" means the statute governing the internal affairs of a domestic or foreign corporation or eligible entity.

"Person" includes an individual and an entity.

"Principal office" means the office, in or out of the Commonwealth, where the principal executive offices of a domestic or foreign corporation are located, or, if there are no such offices, the office, in or out of the Commonwealth, so designated by the board of directors. The designation of the principal office in the most recent annual report filed pursuant to § 13.1-775 shall be conclusive for purposes of this chapter.

"Proceeding" includes civil suit and criminal, administrative, and investigatory action conducted by a governmental agency.

"Public corporation" means a corporation that has shares listed on a national securities exchange or regularly traded in a market maintained by one or more members of a national or affiliated securities association.

"Record date" means the date established under Article 7 (§ 13.1-638 et seq.) or Article 8 (§ 13.1-654 et seq.) of this chapter on which a corporation determines the identity of its shareholders and their shareholdings for purposes of this chapter. The determination shall be made as of the close of business at the principal office of the corporation on the record date unless another time for doing so is specified when the record date is fixed.

"Shareholder" means the person in whose name shares are registered in the records of the corporation, the beneficial owner of shares to the extent of the rights granted by a nominee certificate on file with a corporation, or the beneficial owner of shares held in a voting trust.

"Shares" means the units into which the proprietary interests in a corporation are divided.

"Sign" or "signature" means, with present intent to authenticate or adopt a document: (i) to execute or adopt a tangible symbol to a document, and includes any manual, facsimile, or conformed signature; or (ii) to attach to or logically associate with an electronic transmission an electronic sound, symbol, or process, and includes an electronic signature in an electronic transmission.

"State" when referring to a part of the United States, includes a state, commonwealth, and the District of Columbia, and their agencies and governmental subdivisions; and a territory or insular possession, and their agencies and governmental subdivisions, of the United States.

"Subscriber" means a person who subscribes for shares in a corporation, whether before or after incorporation.

"Subsidiary" means, as to any corporation, any other corporation of which it owns, directly or indirectly, voting shares entitled to cast a majority of the votes entitled to be cast generally in an election of directors of such other corporation.

"Unincorporated entity" or "domestic unincorporated entity" means a domestic partnership, limited liability company, limited partnership or business trust.

"United States" includes district, authority, bureau, commission, department, and any other agency of the United States.

"Voting group" means all shares of one or more classes or series that under the articles of incorporation or this chapter are entitled to vote and be counted together collectively on a matter at a meeting of shareholders. All shares entitled by the articles of incorporation or this chapter to vote generally on the matter are for that purpose a single voting group.

"Voting power" means the current power to vote in the election of directors.

"Writing" or "written" means any information in the form of a document.

§ 13.1-722.8. Definitions.

~~As~~ *As used in this article, unless the context requires a different meaning:*

"Articles of organization" has the same meaning specified in § 13.1-1002.

"Converting entity" means the domestic corporation ~~or domestic limited liability company~~ that adopts a plan of entity conversion pursuant to this article.

"Corporation" has the same meaning specified in § 13.1-603.

"Limited liability company" has the same meaning specified in § 13.1-1002.

"Member" has the same meaning specified in § 13.1-1002.

"Membership interest" or "interest" has the same meaning specified in § 13.1-1002.

~~Surviving~~ *Resulting* entity" means the ~~corporation~~ *or* limited liability company that is in existence

~~immediately after upon~~ consummation of an entity conversion pursuant to this article.

§ 13.1-722.9. Entity conversion.

A. A *domestic* corporation may become a *domestic* limited liability company pursuant to a plan of entity conversion. ~~Such a plan shall be that is~~ adopted and approved by the corporation in accordance with the ~~procedures provisions~~ of this article.

B. A *domestic* limited liability company may become a domestic corporation pursuant to a plan of entity conversion. ~~Such plan shall be adopted and that is~~ approved by the limited liability company in accordance with the provisions of ~~this article~~ Article 15 (§ 13.1-1081 *et seq.*) of Chapter 12.

§ 13.1-722.10. Plan of entity conversion.

A. ~~A To become a domestic limited liability company, a domestic corporation shall adopt a plan of entity conversion shall set setting forth:~~

1. ~~In the case of a conversion of a corporation into A statement of the corporation's intention to convert to a limited liability company;~~

a. 2. The terms and conditions of the conversion, including the manner and basis of converting the shares of the corporation into interests of the ~~surviving resulting~~ entity preserving the ownership proportion and relative rights, preferences, and limitations of each such share; ~~and~~

b. 3. As a separate attachment to the plan, the full text of the articles of organization of the ~~surviving resulting~~ entity as they will be in effect ~~immediately after upon~~ consummation of the conversion;

2. ~~In the case of a conversion of a limited liability company into a corporation:~~

a. The terms and conditions of the conversion, including the manner and basis of converting the interests of the limited liability company into shares of the surviving entity preserving the ownership proportion and relative rights, preferences, and limitations of each such interest; ~~and~~

b. As a separate attachment to the plan, the full text of the articles of incorporation of the surviving entity as they will be in effect ~~immediately after~~ consummation of the conversion; ~~and~~

3. 4. Any other provision relating to the conversion that may be desired.

B. ~~In the case of a corporation that is a converting entity, the~~ The plan of entity conversion may also include a provision that the board of directors may amend the plan ~~prior to before~~ the ~~issuance effective~~ time and date of the certificate of entity conversion. An amendment made ~~subsequent to after~~ the submission of the plan to the shareholders shall not alter or change any of the terms or conditions of the plan if the change would adversely affect the shares of any class or series of the converting entity, ~~unless the amendment has been approved by the shareholders in the manner set forth in § 13.1-722.11.~~

C. ~~In the case of a limited liability company that is a converting entity, the plan of entity conversion may also include a provision that the plan of entity conversion may be amended prior to the issuance of the certificate of entity conversion. An amendment made subsequent to the submission of the plan to the members shall not alter or change any of the terms or conditions of the plan if the change would adversely affect the membership interests of the converting entity.~~

§ 13.1-722.11. Action on plan of entity conversion.

A. ~~In the case of a corporation that is a converting entity, a~~ Except as provided in subsection B, the plan of entity conversion shall be adopted by the corporation in the following manner:

1. ~~Except where shareholder approval of a plan of entity conversion is not required by subdivision 5:~~

a. The board of directors of the ~~converting entity~~ shall adopt the plan of entity conversion.

b. 2. After adopting the plan of entity conversion, the board of directors shall submit the plan to the shareholders for their approval. The board of directors shall also transmit to the shareholders a recommendation that the shareholders approve the plan of entity conversion, unless the board of directors determines that because of conflicts of interest or other special circumstances it should make no recommendation and communicates the basis of its determination to the shareholders with the plan; ~~and~~

c. The shareholders entitled to vote on the plan of entity conversion shall approve the plan as provided in subdivision 4.

2. 3. The board of directors may condition its submission of the plan of entity conversion to the shareholders on any basis.

3. 4. The corporation shall notify each shareholder, whether or not entitled to vote, of the proposed shareholders' meeting in accordance with § 13.1-658 at which the plan of entity conversion is to be submitted for approval. The notice shall also state that the purpose, or one of the purposes, of the meeting is to consider the plan and shall contain or be accompanied by a copy of the plan.

4. 5. Unless this chapter or the board of directors, acting pursuant to subdivision 2 3, requires a greater vote, the plan of entity conversion shall be approved by each voting group entitled to vote on the plan by more than two-thirds of all the votes entitled to be cast by that voting group. The articles of incorporation may provide for a greater or lesser vote than that provided for in this subsection or a vote by separate voting groups so long as the vote provided for is not less than a majority of all the votes cast on the plan by each voting group entitled to vote on the plan at a meeting at which a quorum of the voting group exists.

5. B. If a corporation has not yet issued shares, a majority of its initial board of directors or incorporators, in the event that there is no board of directors, may adopt the plan of entity conversion.

B. In the case of a limited liability company that is a converting entity:

1. The plan of entity conversion shall be approved by the members of the limited liability company in the manner provided in the limited liability company's operating agreement or articles of organization for amendments or, if no such provision is made in an operating agreement or articles of organization, by the unanimous vote of the members of the limited liability company; and

2. If the limited liability company has been formed without any members and no members have been admitted, the plan of entity conversion may be adopted by a majority of the persons named as a manager in the articles of organization or, if there are no members or managers, by a majority of the organizers of the limited liability company.

§ 13.1-722.12. Articles of entity conversion.

A. After the plan of entity conversion of a corporation into a limited liability company has been adopted and approved as required by this article, the converting entity shall ~~file with~~ deliver to the Commission ~~for filing~~ articles of entity conversion setting forth:

1. The name of the corporation immediately ~~prior to~~ before the filing of the articles of entity conversion and the name to which the name of the corporation is to be changed, which name shall satisfy the requirements of the laws of this Commonwealth;

2. *The date on which the corporation was originally incorporated, organized, or formed; its original name, entity type, and jurisdiction of incorporation, organization, or formation; and, for each subsequent change of entity type or jurisdiction of incorporation, organization, or formation made before the filing of the articles of entity conversion, the effective date of the change and the corporation's name, entity type, and jurisdiction of incorporation, organization, or formation upon consummation of the change;*

3. The plan of entity conversion, including the full text of the articles of organization of the ~~surviving~~ resulting entity that comply with the requirements of Chapter 12 (§ 13.1-1000 et seq.), as they will be in effect immediately after upon consummation of the conversion;

~~3- 4. The date the plan of entity conversion was approved;~~

5. If the plan of entity conversion was adopted by the board of directors or the incorporators without shareholder approval, a statement that the plan was duly approved by the board of directors or by a majority of the incorporators, as the case may be, including the reason shareholder and, if applicable, director approval was not required; and

4. 6. If the plan of entity conversion was approved by the shareholders, either:

a. A statement that the plan was adopted by the unanimous consent of the shareholders; or

b. A statement that the plan was submitted to the shareholders by the board of directors in accordance with this chapter, and a statement of:

(1) The designation, number of outstanding shares, and number of votes entitled to be cast by each voting group entitled to vote separately on the plan; and

(2) Either the total number of votes cast for and against the plan by each voting group entitled to vote separately on the plan or the total number of undisputed votes cast for the plan separately by each voting group and a statement that the number cast for the plan by each voting group was sufficient for approval by that voting group.

B. After the conversion of a limited liability company into a corporation has been adopted and approved as required by this article, the converting entity shall file with the Commission articles of entity conversion setting forth:

1. The name of the limited liability company immediately prior to the filing of the articles of entity conversion and the name to which the name of the limited liability company is to be changed, which name shall satisfy the requirements of § 13.1-630;

2. The plan of entity conversion, including the full text of the articles of incorporation of the surviving entity that comply with the requirements of this chapter, as they will be in effect immediately after the consummation of the conversion; and

3. A statement that the plan was adopted by the members of the limited liability company in the manner provided in the limited liability company's operating agreement or articles of organization for amendments, or, if no such provision is made in an operating agreement or articles of organization, by the unanimous vote of the members of the limited liability company.

C. If the Commission finds that the articles of entity conversion comply with the requirements of law and that all required fees have been paid, it shall issue a certificate of entity conversion.

§ 13.1-722.13. Effect of entity conversion.

A. When an entity conversion under this article becomes effective, with respect to that entity:

1. The title to all real estate and other property remains in the ~~surviving~~ resulting entity without reversion or impairment;

2. The liabilities remain the liabilities of the ~~surviving~~ resulting entity;

3. A pending proceeding may be continued by or against the ~~surviving~~ resulting entity as if the conversion did not occur;

4. The ~~articles of incorporation or~~ articles of organization attached to the articles of entity conversion constitute the ~~articles of incorporation or~~ articles of organization of the ~~surviving~~ resulting entity;

5. The shares ~~or interests~~ of the converting entity are reclassified into shares ~~or interests~~ in accordance with the plan of entity conversion; and the shareholders ~~or members~~ of the converting entity are entitled only to the rights provided in the plan of entity conversion or; ~~in the case of a converting entity that is a corporation,~~ to the rights, if any, they may have under subdivision A 5 of § 13.1-730;

6. The ~~surviving~~ *resulting* entity is deemed to:

- a. Be a ~~corporation or~~ limited liability company for all purposes;
- b. Be the same ~~corporation or limited liability company~~ *entity* without interruption as the converting entity that existed ~~prior to before~~ the conversion;
- c. Have been ~~incorporated or otherwise~~ organized on the date that the converting entity was originally incorporated ~~or, organized, or formed~~; and

7. The converting entity shall cease to be a corporation ~~or a limited liability company~~, as the case may be, when the certificate of entity conversion becomes effective.

B. Any shareholder ~~or member~~ of a converting entity who, ~~prior to before~~ the entity conversion, was liable for the liabilities or obligations of the converting entity is not released from those liabilities or obligations by reason of the ~~entity~~ conversion.

§ 13.1-722.14. Abandonment of entity conversion.

A. Unless otherwise provided in a plan of entity conversion of a *domestic* corporation to become a *domestic* limited liability company, after the plan has been approved and adopted as required by this article, and at any time before the certificate of entity conversion has become effective, the conversion may be abandoned by the corporation without action by the shareholders in accordance with any procedures set forth in the plan of entity conversion or, if no such procedures are set forth in the plan of entity conversion, in the manner determined by the board of directors.

B. Unless otherwise provided in a plan of entity conversion of a limited liability company to become a corporation, after the plan has been approved and adopted as required by this article, and at any time before the certificate of entity conversion has become effective, the conversion may be abandoned in the manner set forth in the plan of entity conversion or, if no such procedures are set forth in the plan of entity conversion, by a vote of the members, managers, or organizers of the limited liability company that is equal to or greater than the vote cast for entity conversion pursuant to subsection B of § 13.1-722.11.

~~C.~~ If an entity conversion is abandoned under subsection A ~~or B~~ after articles of entity conversion have been filed with the Commission but before the certificate of entity conversion has become effective, ~~written notice a statement~~ that the entity conversion has been abandoned in accordance with this section shall be ~~filed with~~ *delivered to* the Commission ~~prior to for filing before~~ the effective time and date of the certificate of entity conversion. ~~The notice Upon filing, the statement~~ shall take effect ~~upon filing~~ and the entity conversion shall be deemed abandoned and shall not become effective.

§ 13.1-944.2. Entity conversion.

A *domestic* corporation may become a *domestic* limited liability company pursuant to a plan of entity conversion. ~~Such a plan shall be that is~~ adopted and approved by the corporation in accordance with the ~~procedures provisions~~ of this article.

§ 13.1-944.3. Plan of entity conversion.

A. ~~A To become a domestic limited liability company, a domestic corporation shall adopt a plan of entity conversion shall set setting forth:~~

1. A *statement of the corporation's intention to convert to a limited liability company*;
2. The terms and conditions of the conversion, including the manner and basis of converting the membership interests, if any, of the corporation into LLC membership interests of the resulting entity;
- ~~2. Where~~ 3. If the corporation has no members, the plan of entity conversion shall provide for the designation of the persons ~~each person who are is~~ to become a member of the limited liability company upon conversion. ~~No, provided that no person shall be designated as a member of the resulting entity without the person's prior consent;~~
- ~~3. 4.~~ 4. As a separate attachment to the plan, the full text of the articles of organization of the resulting entity as they will be in effect ~~immediately after upon~~ consummation of the conversion; and
4. 5. Any other provision relating to the conversion that may be desired.

B. The plan of entity conversion may also include a provision that the board of directors may amend the plan ~~prior to before~~ the ~~issuance effective time and date~~ of the certificate of entity conversion. An amendment made ~~subsequent to after~~ the submission of the plan to the members shall not alter or change any of the terms or conditions of the plan if the change would adversely affect the membership interests of the corporation, *unless the amendment has been approved by the members in the manner set forth in § 13.1-944.4.*

§ 13.1-944.5. Articles of entity conversion.

A. After the *plan of entity* conversion of a corporation into a limited liability company has been adopted and approved as required by this article, the converting entity shall ~~file with deliver to~~ the Commission *for filing* articles of entity conversion setting forth:

1. The name of the corporation immediately ~~prior to before~~ the filing of the articles of entity conversion and the name to which the name of the converting entity is to be changed, which name shall

satisfy the requirements of the laws of the Commonwealth;

2. *The date on which the corporation was originally incorporated, organized, or formed; its original name, entity type, and jurisdiction of incorporation, organization, or formation; and, for each subsequent change of entity type or jurisdiction of incorporation, organization, or formation made before the filing of the articles of entity conversion, the effective date of the change and the corporation's name, entity type, and jurisdiction of incorporation, organization, or formation upon consummation of the change;*

3. The plan of entity conversion, including the full text of the articles of organization of the resulting entity that comply with the requirements of Chapter 12 (§ 13.1-1000 et seq.), as they will be in effect ~~immediately after upon~~ consummation of the conversion;

~~3- 4. The date the plan of entity conversion was approved; and~~

5. A statement:

a. That the plan was adopted by the vote of at least two-thirds of the directors in office, including the reason member approval was not required;

b. That the plan was adopted by the unanimous consent of the members having voting rights; or

c. That the plan was proposed by the board of directors and submitted to the members in accordance with this chapter, and a statement of:

(1) The existence of a quorum of each voting group entitled to vote separately on the plan; and

(2) Either the total number of votes cast for and against the plan by each voting group entitled to vote separately on the plan or the total number of undisputed votes cast for the plan separately by each voting group and a statement that the number cast for the plan by each voting group was sufficient for approval by that voting group.

B. If the Commission finds that the articles of entity conversion comply with the requirements of law and that all required fees have been paid, it shall issue a certificate of entity conversion.

§ 13.1-944.6. Effect of entity conversion.

A. When an entity conversion under this article becomes effective, with respect to that entity:

1. The title to all real estate and other property remains in the resulting entity without reversion or impairment;

2. The liabilities remain the liabilities of the resulting entity;

3. A pending proceeding may be continued by or against the resulting entity as if the conversion did not occur;

4. The articles of organization attached to the articles of entity conversion constitute the articles of organization of the resulting entity;

5. The membership interests, if any, of the corporation are reclassified into LLC membership interests in accordance with the plan of entity conversion, and the members of the ~~corporation~~ *converting entity* are entitled only to the rights provided in the plan of entity conversion;

6. The resulting entity is deemed to:

a. Be a limited liability company for all purposes;

b. Be the same entity without interruption as the converting entity that existed ~~prior to~~ *before* the conversion; and

c. Have been organized on the date that the converting entity was originally incorporated, *organized, or formed*; and

7. The corporation shall cease to be a corporation when the certificate of entity conversion becomes effective.

B. Any member of a ~~corporation that converts to a limited liability company~~ *converting entity* who, ~~prior to before~~ the conversion, was liable for the liabilities or obligations of the ~~limited liability company~~ *converting entity* is not released from those liabilities or obligations by reason of the ~~entity~~ conversion.

§ 13.1-944.7. Abandonment of entity conversion.

A. Unless otherwise provided in a plan of entity conversion of a domestic corporation to become a limited liability company, after the plan has been approved and adopted as required by this article, and at any time before the certificate of entity conversion has become effective, the conversion may be abandoned by the corporation without action by the members in accordance with any procedures set forth in the plan ~~of entity conversion~~ or, if no such procedures are set forth in the plan of entity conversion, in the manner determined by the board of directors.

B. If an entity conversion is abandoned under subsection A after articles of entity conversion have been filed with the Commission but before the certificate of entity conversion has become effective, ~~written notice a statement~~ that the entity conversion has been abandoned in accordance with this section shall be ~~filed with~~ *delivered to* the Commission ~~prior to for filing before~~ the effective time and date of the certificate of entity conversion. ~~The notice~~ *Upon filing, the statement* shall take effect ~~upon filing~~ and the entity conversion shall be deemed abandoned and shall not become effective.

§ 13.1-1002. Definitions.

As used in this chapter:

"Articles of organization" means all documents constituting, at any particular time, the articles of

organization of a limited liability company. ~~It includes~~ *The articles of organization include* the original articles of organization, the original certificate of organization issued by the Commission, and all amendments to the articles of organization. When the articles of organization have been restated pursuant to any articles of *restatement*, amendment, ~~it includes domestication, or merger, the articles of organization include~~ only the restated articles of organization ~~and any subsequent amendments to the restated articles of organization, but does not include~~ *without* the articles of *restatement*, amendment ~~accompanying the restated articles of organization, domestication, or merger.~~

"Bankruptcy" means, with respect to any person, being the subject of an order for relief under Title 11 of the United States Code.

"Commission" means the State Corporation Commission of Virginia.

"Contribution" means any cash, property or services rendered, or a promissory note or other binding obligation to contribute cash or property or to perform services, which a member contributes to a limited liability company in his capacity as a member.

"Distribution" means a direct or indirect transfer of money or other property, or incurrence of indebtedness by a limited liability company, to or for the benefit of its members in respect of their interests.

"Domestic business trust" has the same meaning as specified in § 13.1-1201.

"Domestic corporation" has the same meaning as specified in § 13.1-603.

"Domestic limited partnership" has the same meaning as specified in § 50-73.1.

"Domestic nonstock corporation" has the same meaning as "domestic corporation" as specified in § 13.1-803.

"Domestic other business entity" means a partnership, limited partnership, business trust, stock corporation, or nonstock corporation that is formed, organized, or incorporated under the laws of the Commonwealth.

"Domestic partnership" means an association of two or more persons to carry on as co-owners a business for profit formed under § 50-73.88, or predecessor law of the Commonwealth, and includes, for all purposes of the laws of the Commonwealth, a registered limited liability partnership.

"Domestic stock corporation" has the same meaning as "domestic corporation" as specified in § 13.1-603.

"Electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by ~~such a~~ *the* recipient through an automated process. Any term used in this definition that is defined in § 59.1-480 of the Uniform Electronic Transactions Act (§ 59.1-479 *et seq.*) shall have the meaning set forth in ~~such~~ *that* section.

"Eligible interests" means, as to a partnership, partnership interest as specified in § 50-73.79; as to a limited partnership, partnership interest as specified in § 50-73.1; as to a business trust, the beneficial interest of a beneficial owner as specified in § 13.1-1226; as to a stock corporation, shares as specified in § 13.1-603; or, as to a nonstock corporation, membership interest as specified in § 13.1-803.

"Foreign business trust" has the same meaning as specified in § 13.1-1201.

"Foreign corporation" has the same meaning as specified in § 13.1-603.

"Foreign limited liability company" means an entity, excluding a foreign business trust, that is an unincorporated organization that is organized under laws other than the laws of ~~this~~ *the* Commonwealth *and that is denominated by that law as a limited liability company*, and that affords to each of its members, pursuant to the laws under which it is organized, limited liability with respect to the liabilities of the entity.

"Foreign limited partnership" has the same meaning as specified in § 50-73.1.

"Foreign nonstock corporation" has the same meaning as "foreign corporation" as specified in § 13.1-803.

"Foreign other business entity" means a partnership, limited partnership, business trust, stock corporation, or nonstock corporation that is formed, organized, or incorporated under the laws of a state or jurisdiction other than the Commonwealth.

"Foreign partnership" means an association of two or more persons to carry on as co-owners a business for profit formed under the laws of any state or jurisdiction other than the Commonwealth, and includes, for all purposes of the laws of the Commonwealth, a foreign registered limited liability partnership.

"Foreign registered limited liability partnership" has the same meanings as specified in §§ 50-2 and 50-73.79.

"Foreign stock corporation" has the same meaning as "foreign corporation" as specified in § 13.1-603.

"Limited liability company" or "domestic limited liability company" means an entity that is an unincorporated organization ~~that is~~ organized and existing under this chapter, or that has become a domestic limited liability company of the Commonwealth pursuant to § 13.1-1010.3 *as it existed prior to its repeal*, even though also being a non-United States entity organized under laws other than the laws of the Commonwealth, or that has become a domestic limited liability company of the Commonwealth

pursuant to § 56-1, even though also being a ~~limited liability company~~ *non-United States entity* organized under laws other than the laws of the Commonwealth, or that has become a domestic limited liability company of the Commonwealth pursuant to § 13.1-1010.1 *as it existed prior to its repeal, or that has become a domestic limited liability company of the Commonwealth pursuant to Article 12.2 (§ 13.1-722.8 et seq.) of Chapter 9 of this title, or, effective on and after November 1, 2006 Article 17.1 (§ 13.1-944.1 et seq.) of Chapter 10, Article 14 (§ 13.1-1074 et seq.) or Article 15 (§ 13.1-1081 et seq.) of Chapter 12 of this title this chapter, or Article 12 (§ 13.1-1264 et seq.) of Chapter 14.* A limited liability company's status for federal tax purposes shall not affect its status as a distinct entity organized and existing under this chapter.

"Manager" or "managers" means a person or persons designated by the members of a limited liability company to manage the limited liability company as provided in the articles of organization or an operating agreement.

"Manager-managed limited liability company" means a limited liability company that is managed by a manager or managers as provided for in its articles of organization or an operating agreement.

"Member" means a person that has been admitted to membership in a limited liability company as provided in § 13.1-1038.1 and that has not ceased to be a member.

"Member-managed limited liability company" means a limited liability company that is not a manager-managed limited liability company.

"Membership interest" or "interest" means a member's share of the profits and the losses of the limited liability company and the right to receive distributions of the limited liability company's assets.

"Non-United States entity" means a foreign limited liability company (other than one formed under the laws of a state), or a corporation, business trust or association, real estate investment trust, common-law trust, or any other unincorporated business, including a partnership, formed, incorporated, organized, created or that otherwise came into being under the laws of any foreign country or other foreign jurisdiction (other than any state).

"Operating agreement" means an agreement of the members as to the affairs of a limited liability company and the conduct of its business, or a writing or agreement of a limited liability company with one member that satisfies the requirements of subdivision A 2 of § 13.1-1023.

"Person" has the same meaning as specified in § 13.1-603.

"Principal office" means the office, in or out of the Commonwealth, where the principal executive offices of a domestic or foreign limited liability company are located or, if there are no such offices, the office, in or out of the Commonwealth, so designated by the limited liability company. The designation of the principal office in the most recent statement of change filed pursuant to § 13.1-1018.1 shall be conclusive for the purpose of this chapter.

"State," when referring to a part of the United States, includes a state, commonwealth and the District of Columbia, and their agencies and governmental subdivisions; and a territory or insular possession, and their agencies and governmental subdivisions, of the United States.

"United States" includes a district, authority, bureau, commission, department, and any other agency of the United States.

§ 13.1-1003.1. Filings with the Commission pursuant to reorganization.

A. Notwithstanding anything to the contrary contained in § 13.1-1003, 13.1-1011, 13.1-1014, 13.1-1014.1, 13.1-1050, 13.1-1072, or 13.1-1085, whenever, pursuant to any applicable statute of the United States relating to reorganizations of limited liability companies, a plan of reorganization of a limited liability company has been confirmed by the decree or order of a court of competent jurisdiction, the limited liability company may put into effect and carry out the plan and decrees of the court relative thereto (i) through one or more amendments to the limited liability company's articles of organization containing terms and conditions permitted by this chapter; (ii) through a plan of merger or entity conversion; or (iii) through cancellation, without action by the managers or members, to carry out the plan of reorganization decreed or ordered by the court of competent jurisdiction under federal statute.

B. The individual or individuals designated by the court shall deliver to the Commission for filing articles of amendment, restatement, merger, entity conversion, or cancellation, which, in addition to the matters otherwise required or permitted by law to be set forth therein, shall set forth:

1. The name of the limited liability company;
2. Any provision relating to the amendment or amendments, plan of merger or entity conversion, or cancellation approved by the court;
3. The name of the court and the date of the court's order or decree approving the amendment, plan of merger or entity conversion, or cancellation;
4. The title and case number, if any, of the reorganization proceeding in which the order or decree was entered; and
5. A statement that the court had jurisdiction of the proceeding under federal statute.

C. If the Commission finds that the articles of amendment, restatement, merger, entity conversion, or cancellation comply with the requirements of law and that all required fees have been paid, it shall issue a certificate of amendment, restatement, merger, entity conversion, or cancellation.

D. This section does not apply after entry of a final decree in the reorganization proceeding even

though the court retains jurisdiction of the proceeding for limited purposes unrelated to consummation of the reorganization plan.

§ 13.1-1010. Organizers.

One or more persons may act as organizers of a limited liability company by signing and ~~filing~~ *delivering* articles of organization ~~with to the Commission for filing. Such person or persons~~ *An organizer* need not be ~~members a member of~~ the limited liability company after formation has occurred.

§ 13.1-1018.1. Change of principal office.

A. A limited liability company or a foreign limited liability company registered pursuant to Article 10 (§ 13.1-1051 et seq.) ~~of this chapter~~ may change its principal office upon filing in the office of the Commission a statement of change on a form supplied by the Commission that sets forth:

1. The name of the limited liability company or foreign limited liability company;
2. The address of its current principal office; and
3. The post office address, including the street and number, if any, of the new principal office.

B. A statement of change shall forthwith be delivered to the Commission for filing by a domestic limited liability company or a foreign limited liability company registered pursuant to Article 10 (§ 13.1-1051 et seq.) whenever the address of its principal office ceases to be the office at which the principal executive offices of the domestic or foreign limited liability company are located.

§ 13.1-1038.1. Admission of members.

A. Subject to subsection B, a person may become a member in a limited liability company:

1. In the case of a person acquiring a membership interest directly from the limited liability company, upon compliance with an operating agreement or, if the operating agreement does not so provide, upon the consent of a majority of the managers of a manager-managed limited liability company or a majority vote of the members of a member-managed limited liability company;

2. In the case of an assignee of a membership interest, as provided in subsection A of § 13.1-1040;

3. In the case of a limited liability company that has no members as of the commencement of its existence under § 13.1-1004, as provided in any writing signed by both the initial member or members and the managers, if any are designated in the articles of organization, or, if no managers are so designated, the organizers;

4. In the case of a limited liability company the last remaining member of which has dissociated, (i) as provided in a writing executed by the successor in interest of that member, who may provide for the admission of the successor in interest or its nominee or designee to the limited liability company as a member, effective as of the occurrence of the event that caused the dissociation of the last remaining member, provided that the articles of organization or an operating agreement may provide that the successor in interest of the last remaining member shall be obligated to agree in writing to the admission of the successor in interest of that member or its nominee or designee to the limited liability company as a member, effective as of the occurrence of the event that caused the dissociation of the last remaining member, or (ii) in the manner provided for in the articles of organization or an operating agreement, effective as of the occurrence of the event that caused the dissociation of the last remaining member, pursuant to a provision of the articles of organization or an operating agreement that specifically provides for the admission of a member to the limited liability company after there is no longer a remaining member of the limited liability company;

5. In the case of a person being admitted as a member of a limited liability company pursuant to a merger approved in accordance with § 13.1-1071, as provided in the articles of merger or an operating agreement of the surviving limited liability company; and

6. In the case of a person being admitted as a member of a limited liability company pursuant to a conversion or domestication of a partnership, non-United States entity, foreign limited liability company, or corporation into a domestic limited liability company in accordance with Article 12.2 (§ 13.1-722.8 et seq.) of Chapter 9 of this title ~~or § 13.1-1010.1 or § 13.1-1010.3~~, or, effective on and after November 1, 2006, Article 14 (§ 13.1-1074 et seq.) of Chapter 12 of this title, as provided in the articles of organization or an operating agreement of the converted or domesticated limited liability company at the time of conversion or domestication.

B. The effective time of admission of a member to a limited liability company shall be the later of:

1. The date the limited liability company is formed; or

2. The time provided in an operating agreement, articles of merger or articles of organization, as applicable, or, if no such time is provided therein, then when the person's admission is reflected in the records of the limited liability company.

C. A person may be admitted to a limited liability company as a member of the limited liability company and may receive a membership interest in the limited liability company without making a contribution or being obligated to make a contribution to the limited liability company. Unless otherwise provided in the articles of organization or an operating agreement:

1. A person may be admitted to a limited liability company as a member of the limited liability company without acquiring a membership interest in the limited liability company; and

2. A person may be admitted as the sole member of a limited liability company without making a contribution or being obligated to make a contribution to the limited liability company or without

acquiring a membership interest in the limited liability company.

§ 13.1-1050.5. Survival of remedy after cancellation of existence.

The cancellation of existence of a limited liability company shall not take away or impair any remedy available to or against the limited liability company or its members or managers for any right or claim existing, or any liability incurred, before the cancellation. Any action or proceeding by or against the limited liability company may be prosecuted or defended by the limited liability company in its name. The members or managers shall have power to take limited liability company action or other action as shall be appropriate to protect any remedy, right, or claim.

§ 13.1-1052. Application for certificate of registration.

A. A foreign limited liability company may apply to the Commission for a certificate of registration to transact business in the Commonwealth. The application shall be made on a form prescribed and furnished by the Commission. The application shall set forth:

1. The name of the foreign limited liability company and, if the limited liability company is prevented by § 13.1-1054 from using its own name in the Commonwealth, a designated name that satisfies the requirements of § 13.1-1054;

2. The name of the state or other jurisdiction under whose law it is formed, ~~the~~ *its* date of its formation *and period of duration*, and if the limited liability company was previously authorized or registered to transact business in the Commonwealth as a foreign corporation, limited liability company, business trust, limited partnership, or registered limited liability partnership, with respect to every ~~such~~ prior authorization or registration, (i) the name of the entity; (ii) the entity type; (iii) the state or other jurisdiction of incorporation, organization or formation; and (iv) the entity identification number issued to it by the Commission;

3. The address of the proposed registered office of the foreign limited liability company in the Commonwealth (including both (i) the post office address with street and number, if any, and (ii) the name of the county or city in which it is located) and the name of its proposed registered agent in the Commonwealth at ~~such~~ *that* address and *a statement* that the registered agent is either (a) an individual who is a resident of the Commonwealth and is either (1) a member or manager of the limited liability company, (2) a member or manager of a limited liability company that is a member or manager of the limited liability company, (3) an officer or director of a corporation that is a member or manager of the limited liability company, (4) a general partner of a general or limited partnership that is a member or manager of the limited liability company, (5) a trustee of a trust that is a member or manager of the limited liability company, or (6) a member of the Virginia State Bar, or (b) a domestic or foreign stock or nonstock corporation, limited liability company, or registered limited liability partnership authorized to transact business in the Commonwealth, the business office of which is identical with the registered office;

4. A statement that the clerk of the Commission is irrevocably appointed the agent of the foreign limited liability company for service of process if the foreign limited liability company fails to maintain a registered agent in the Commonwealth as required by § 13.1-1015, the registered agent's authority has been revoked, the registered agent has resigned, or the registered agent cannot be found or served with the exercise of reasonable diligence;

5. The post office address, including the street and number, if any, of the foreign limited liability company's principal office; and

6. A statement evidencing that the foreign limited liability company is a "foreign limited liability company" as defined in § 13.1-1002.

B. The foreign limited liability company shall deliver with the completed application a copy of its articles of organization or other constituent documents and all amendments and corrections thereto filed in the foreign limited liability company's state or other jurisdiction of organization, duly authenticated by the Secretary of State or other official having custody of the limited liability company records in the state or other jurisdiction under whose law it is organized.

C. If the Commission finds that the application complies with the requirements of law and that all required fees have been paid, it shall issue a certificate of registration to transact business in the Commonwealth.

§ 13.1-1054. Name of foreign limited liability company.

A. No certificate of registration shall be issued to a foreign limited liability company unless the name of ~~such~~ *the* foreign limited liability company satisfies the requirements of § 13.1-1012.

B. If the name of a foreign limited liability company does not satisfy the requirements of § 13.1-1012, to obtain or maintain a certificate of registration to transact business in the Commonwealth:

1. The foreign limited liability company may ~~add~~ *adopt a designated name for use in the Commonwealth that adds* the words "limited company" or "limited liability company," or the abbreviation "L.C.," "LC.," "L.L.C." or "LLC," to its name ~~for use in the Commonwealth~~ *or, if it is a professional limited liability company, the words "professional company" or "professional limited liability company" or the initials "P.L.C.," "PLC," "P.L.L.C.," or "PLLC" at the end of its name, if it informs the Commission of its designated name; or*

2. If its real name is unavailable, the foreign limited liability company may ~~use~~ *adopt* a designated

name that is available, and which satisfies the requirements of § 13.1-1012, if it informs the Commission of the designated name.

§ 13.1-1055. Amendments; amended applications for registration.

A. ~~Whenever the articles of organization or other constituent document of a A foreign limited liability company that is registered to transact business in the Commonwealth is amended or corrected, the foreign limited liability company shall promptly file with the Commission a copy of the amendment or correction duly authenticated by the Secretary of State or other official having custody of the limited liability company records in the state or other jurisdiction of its organization. an amended application for registration on a form prescribed and furnished by the Commission:~~

~~B. 1. If any statement in the application for registration of a foreign limited liability company was false when made or any arrangements or other facts described have changed, making the application inaccurate in any respect, the foreign limited liability company shall promptly file with the Commission an amended application for registration amending such statement or information. The amended application for registration shall be made on a form prescribed and furnished by the Commission; or~~

~~2. To abandon or change the designated name adopted by the limited liability company for use in the Commonwealth pursuant to subsection B of § 13.1-1054.~~

~~C. B. Notwithstanding the provisions of subsection B A, the manner by which a foreign limited liability company shall change its registered office or principal office is by filing a statement of change pursuant to § 13.1-1016 or 13.1-1018.1, as the case may be.~~

~~C. Whenever the articles of organization or other constituent document of a foreign limited liability company that is registered to transact business in the Commonwealth is amended or corrected, the foreign limited liability company shall promptly deliver to the Commission for filing a copy of the amendment or correction duly authenticated by the Secretary of State or other official having custody of the limited liability company records in the state or other jurisdiction of its organization.~~

§ 13.1-1056. Voluntary cancellation of certificate of registration.

A. A foreign limited liability company registered to transact business in the Commonwealth may apply to the Commission for a certificate of cancellation to cancel its certificate of registration. The application shall be on a form prescribed and furnished by the Commission, which shall set forth:

1. The name of the foreign limited liability company, the name of the state or other jurisdiction under whose law it is or was formed, and the identification number issued by the Commission to the foreign limited liability company;

2. If applicable, a statement that the foreign limited liability company was a party to a merger permitted by the laws of the state or other jurisdiction under whose laws it was organized and that it was not the surviving entity of the merger, *or has converted to another type of entity under the laws of the state or other jurisdiction under whose law it was formed;*

3. That the foreign limited liability company is not transacting business in the Commonwealth and that it surrenders its registration to transact business in the Commonwealth;

4. That the foreign limited liability company revokes the authority of its registered agent to accept service on its behalf and appoints the clerk of the Commission as its agent for service of process in any proceeding based on a cause of action arising during the time it was authorized to transact business in the Commonwealth;

5. A mailing address to which the clerk of the Commission may mail a copy of any process served on him under subdivision 4; and

6. A commitment to notify the clerk of the Commission in the future of any change in the mailing address of the foreign limited liability company.

B. *The Commission shall not issue a certificate of cancellation to any foreign limited liability company unless the foreign limited liability company files with the Commission a statement certifying that the foreign limited liability company has filed returns and has paid all state taxes to the time of the certificate, or a statement that no returns are required to be filed or taxes are required to be paid. In that case the foreign limited liability company may file returns and pay taxes before they would otherwise be due.* If the Commission finds that the application complies with the requirements of law and all required fees have been paid, it shall issue a certificate of cancellation canceling the certificate of registration.

C. Before any foreign limited liability company registered to transact business in the Commonwealth cancels its existence, it shall ~~file with~~ *deliver to* the Commission *for filing* an application for a certificate of cancellation. Whether or not ~~such an~~ application is filed, the cancellation of the existence of ~~such a~~ foreign limited liability company shall not take away or impair any remedy available against ~~such the~~ foreign limited liability company for any right or claim existing or any liability incurred ~~prior to such~~ *before the* cancellation. Any ~~such~~ action or proceeding against ~~such a~~ foreign limited liability company *whose existence has been canceled* may be defended by ~~such the~~ foreign limited liability company in its name. The members, managers, and officers shall have power to take ~~such any~~ action as shall be appropriate to protect ~~such any~~ remedy, right, or claim. The right of a foreign limited liability company ~~that whose existence has been canceled its existence~~ to institute and maintain in its name actions, suits, or proceedings in the courts of the Commonwealth shall be governed by the law of the state *or other*

jurisdiction of its organization.

D. Service of process on the clerk of the Commission is service of process on a foreign limited liability company whose certificate of registration has been canceled pursuant to this section. Service upon the clerk shall be made in accordance with § 12.1-19.1, and service upon the foreign limited liability company may be made in any other manner permitted by law.

§ 13.1-1060. Merger of foreign limited liability company registered to transact business in Commonwealth.

A. Whenever a foreign limited liability company that is registered to transact business in the Commonwealth is a party to a merger permitted by the laws of the state or other jurisdiction under whose laws it is organized, and that limited liability company is the surviving entity of the merger, it shall, within 30 days after the merger becomes effective, ~~file with~~ *deliver to* the Commission *for filing* a copy of the instrument of merger duly authenticated by the Secretary of State or other official having custody of limited liability company records in the state or other jurisdiction under whose ~~laws the merger was effected~~ *law it is organized*. However, the filing shall not be required when a foreign limited liability company merges with a domestic corporation, limited liability company, limited partnership, business trust, or partnership; the foreign limited liability company's articles of organization or other constituent documents are not amended by the merger; and the articles or statement of merger filed on behalf of the domestic corporation, limited liability company, limited partnership, business trust, or partnership pursuant to § 13.1-720, 13.1-1072, 13.1-1261, 50-73.48:3, or 50-73.131 contains a statement that the merger is permitted under the laws of the state or other jurisdiction in which the foreign limited liability company is organized and that the foreign limited liability company has complied with that law in effecting the merger.

B. Whenever a foreign limited liability company that is registered to transact business in the Commonwealth is a party to a merger permitted by the laws of the state or other jurisdiction under the laws of which it is organized, and that limited liability company is not the surviving entity of the merger, the surviving partnership, limited liability company, business trust, limited partnership, or corporation shall, if not continuing to transact business in the Commonwealth, within 30 days after ~~such~~ *the* merger becomes effective, deliver to the Commission a copy of the instrument of merger duly authenticated by the Secretary of State or other official having custody of limited liability company records in the state or other jurisdiction under whose ~~laws the merger was effected~~ *law it was organized*, and comply in behalf of the predecessor limited liability company with § 13.1-1056. If a surviving business trust, registered limited liability partnership, limited liability company, limited partnership, or corporation is to continue to transact business in the Commonwealth and has not registered as a foreign registered limited liability partnership, limited liability company, business trust, or limited partnership or received a certificate of authority to transact business in the Commonwealth as a foreign corporation, as the case may be, it shall, within 30 days after the merger becomes effective, deliver to the Commission an application, if a foreign registered limited liability partnership, for registration as a foreign registered limited liability partnership, if a foreign limited liability company, for registration as a foreign limited liability company, if a foreign business trust, for registration as a foreign business trust, if a foreign limited partnership, for registration as a foreign limited partnership, or, if a foreign corporation, for a certificate of authority to transact business in the Commonwealth, together with a duly authenticated copy of the instrument of merger and also a copy of its partnership certificate, statement of registered limited liability partnership, articles of organization, articles of trust, certificate of limited partnership, or articles of incorporation and all amendments thereto, duly authenticated by the Secretary of State or other official having custody of registered limited liability partnership, limited liability company, business trust, limited partnership, or corporate records in the state or other jurisdiction under whose laws it is organized, formed, or incorporated.

C. Upon the merger of a foreign limited liability company with one or more foreign partnerships, limited liability companies, business trusts, limited partnerships, or corporations, all property in the Commonwealth owned by any of the partnerships, limited liability companies, business trusts, limited partnerships, or corporations shall pass to the surviving partnership, limited liability company, business trust, limited partnership, or corporation except as otherwise provided by the laws of the state or other jurisdiction by which it is governed, but only from and after the time when a duly authenticated copy of the instrument of merger is filed with the Commission.

§ 13.1-1066. Collection of unpaid bills for annual registration fees.

The ~~provisions of §§ 13.1-775.1 and 58.1-2814, so far as they are applicable, shall apply to the annual registration fees and penalties imposed by this chapter~~ *fee with penalty and interest shall be enforceable, in addition to existing remedies for the collection of taxes, levies, and fees, by action in the name of the Commonwealth in the appropriate circuit court. Venue shall be in accordance with § 8.01-261.*

§ 13.1-1069.1. Definitions.

As used in this article:

"Merger" means a business combination pursuant to § 13.1-1070.

"Party to a merger" means any domestic or foreign limited liability company or other business entity

that will merge under a plan of merger.

"Survivor" in a merger means the domestic or foreign limited liability company or other business entity into which one or more other domestic or foreign limited liability companies or other business entities are merged.

§ 13.1-1070. Merger.

A. Pursuant to a written plan of merger, a *One or more* domestic limited liability company *companies* may merge with one or more domestic or foreign limited liability companies, ~~partnerships,~~ ~~limited partnerships,~~ business trusts or corporations ~~if: or other business entities pursuant to a plan of merger.~~

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

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

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

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

5. Each domestic corporation that is a party to the merger complies with the applicable provisions of Article 12 (§ 13.1-715.1 et seq.) of Chapter 9 of this title;

6. ~~The B.~~ A foreign limited liability company or other business entity may be a party to a merger with a domestic limited liability company only if the merger is permitted by the laws under which each the foreign limited liability company, foreign partnership, foreign limited partnership, foreign business trust, and foreign corporation party to the merger or other business entity is organized, formed, or incorporated, and each such foreign limited liability company, partnership, limited partnership, business trust or corporation complies with those laws in effecting the merger; and

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

B. C. The plan of merger shall set forth *include*:

1. The name *and entity type* of each domestic or foreign limited liability company, ~~partnership,~~ ~~limited partnership,~~ business trust or corporation ~~planning to or other business entity that will merge and~~ the name of the surviving domestic or foreign limited liability company, partnership, limited partnership, business trust or corporation into which each other domestic or foreign limited liability company, partnership, limited partnership, business trust or corporation plans to merge or other business entity that will be the survivor of the merger;

2. The name of the state or ~~country~~ *other jurisdiction* under whose law each domestic or foreign limited liability company, partnership, limited partnership, business trust or corporation ~~planning to merge party to the merger~~ 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 *merging* domestic or foreign limited liability company, the shares of beneficial interest of each domestic business trust, the ~~partnership and eligible~~ interests of each *merging* domestic partnership or limited partnership and the shares of each domestic corporation party to the merger or foreign other business entity into membership interests, *partnership eligible* 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, obligations, rights to acquire membership interests, eligible interests, or other securities, cash, or other property in whole or in part, and the, or any combination of the foregoing;

5. The manner and basis of converting any rights to acquire the membership interests of each *merging* domestic or foreign limited liability company, the ~~partnership and eligible~~ interests of each *merging* 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 or foreign other business entity into membership interests, *partnership eligible* 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, or any combination of the foregoing;

6. When the survivor is a domestic limited liability company, any amendments to its articles of organization, which may be in the form of amended and restated articles of organization; and

7. Any other provisions required by the laws under which any party to the merger is organized or by

which it is governed, or by the articles of organization or other organizational document of any party.

~~C. D. The plan of merger may set forth also include a provision that the plan may be amended before the effective time and date of the certificate of merger, but if the members of a domestic limited liability company that is a party to the merger are required by any provision of this chapter to approve the plan, the plan may not be amended after approval of the plan by the members to change any of the following, unless the amendment is approved by the members:~~

~~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 The amount or kind of eligible interests or other securities, obligations, rights to acquire eligible interests, or other securities, cash, or other property to be received by the members, shareholders, or holders of eligible interests in any party to the merger;~~

~~2. If the merger is not to be effective upon the issuance of the certificate of merger described in subsection C of § 13.1-1072 by the Commission, the future effective date or time of the merger The articles of organization of any domestic or foreign limited liability company, the articles of incorporation of any domestic or foreign stock or nonstock corporation, the articles of trust or governing instrument of any domestic or foreign business trust, the certificate of limited partnership of any domestic or foreign limited partnership, or the partnership agreement of any domestic or foreign partnership that will survive the merger; and or~~

~~3. Other provisions relating to the merger Any of the other terms or conditions of the plan if the change would adversely affect the members in any material respect.~~

§ 13.1-1071. Action on a plan of merger.

~~A. Each domestic limited liability company that is to be a party to a proposed merger shall approve the proposed plan of merger, unless the articles of organization or a written operating agreement of that the limited liability company provides otherwise, by the unanimous vote of the members of the limited liability company. However, a provision of a limited liability company's articles of organization or operating agreement purporting to authorize the limited liability company to approve a merger by a less than unanimous vote of the members shall be effective to permit approval of a merger by a less than unanimous vote only if either (i) the articles of organization or operating agreement included that provision at the time each member who does not vote in favor of the merger became bound by the articles of organization or operating agreement or (ii) the provision was added to the articles of organization or operating agreement through an amendment to which each member who does not vote in favor of the merger specifically consented.~~

~~B. Any plan of merger may provide for the manner, if any, in which the plan may be amended by a domestic limited liability company party to the merger at any time before the effective date of the certificate of merger issued by the Commission for the merger.~~

~~C. If an amendment to a plan of merger is made in accordance with subsection B of this section, and articles of merger already have been filed with the Commission, amended articles of merger shall be filed with the Commission before the effective date of any certificate of merger issued by the Commission for the articles of merger which the amended articles are to supersede.~~

~~D. Unless the domestic limited liability company's articles of organization, operating agreement or the plan of merger provides otherwise, after the merger has been authorized and at any time before the effective date of the certificate of merger issued by the Commission for the merger, the merger may be abandoned by majority vote of the members of the domestic limited liability company. If articles of merger already have been filed with the Commission, written notice of abandonment must be filed with the Commission before the effective date of the certificate of merger.~~

§ 13.1-1072. Articles of merger.

~~A. After a plan of merger is has been adopted and approved as required by each domestic or foreign limited liability company, partnership, limited partnership, business trust or corporation party to the merger, the surviving domestic or foreign limited liability company, partnership, limited partnership, business trust or corporation shall file with the Commission this chapter, articles of merger executed by shall be signed on behalf of each party to the merger setting. The articles shall set forth:~~

~~1. The plan of merger;~~

~~2. If the surviving entity of the merger is a foreign articles of organization of a domestic limited liability company not registered with the Commission under § 13.1-1052, a foreign limited partnership not registered with the Commission under § 50-73.54, a foreign registered limited liability partnership not registered with the Commission under § 50-73.138, a foreign business trust not registered with the Commission under § 13.1-1242, or a foreign corporation without a certificate of authority issued by the Commission under § 13.1-759, the address, including street and number, if any, of its principal office under the laws of the jurisdiction in which it was organized, formed or incorporated that is the survivor of a merger are amended, as an attachment to the articles of merger, the amendments to the survivor's articles of organization;~~

~~3. The date the plan of merger was approved by each domestic limited liability company that is a party to the merger;~~

~~4. A statement that the plan of merger was adopted approved by each domestic partnership party to~~

the merger in accordance with § 50-73.128, by each domestic limited liability company *that is a party to the merger in accordance with the provisions of § 13.1-1071*; by each domestic limited partnership party to the merger in accordance with § 50-73.48:2, and by each domestic business trust party to the merger in accordance with § 13.1-1258; and

4. If a domestic corporation is a party to the merger, any additional information required by § 13.1-720.

~~B. If a~~ 5. *As to each foreign limited liability company, partnership, limited partnership, business trust or corporation other business entity that is a party to the merger, the articles of merger shall contain a statement that the merger is permitted by the state or other jurisdiction under whose law the foreign limited liability company is organized, the partnership, limited partnership or business trust is formed or the corporation other business entity is organized, formed, or incorporated and that the foreign limited liability company, partnership, limited partnership, business trust or corporation other business entity has complied with that law in effecting the merger.*

~~C. B. Articles of merger shall be delivered to the Commission for filing by the survivor of the merger.~~ If the Commission finds that the articles of merger comply with the requirements of law and that all required fees have been paid, it shall issue a certificate of merger. ~~The certificate of merger shall become effective as provided in subsection D of § 13.1-1004.~~ *Articles of merger filed under this section may be combined with any filing required under the provisions of this title and Title 50 regarding any domestic other business entity that is a party to the merger if the combined filing satisfies the requirements of this section and the requirements for the filing of articles of merger or a statement of merger on behalf of the domestic other business entity.*

D. A certificate of merger shall act as a certificate of cancellation as described in § 13.1-1050 for a domestic limited liability company that is not the surviving party to the merger, and such limited liability company's existence shall be canceled upon the effective date of the certificate of merger.

§ 13.1-1073.1. Abandonment of merger.

A. *Unless otherwise provided in a plan of merger or in the laws under which a foreign limited liability company or a domestic or foreign other business entity that is a party to a merger is organized or by which the merger is governed, after the plan has been approved as required by this article, and at any time before the certificate of merger has become effective, it may be abandoned by a domestic limited liability company that is a party thereto without action by members in accordance with any procedures set forth in the plan of merger or, if no procedures are set forth in the plan, by a vote of the members of the limited liability company that is equal to or greater than the vote cast for the plan of merger pursuant to § 13.1-1071, subject to any contractual rights of other parties to the merger.*

B. *If a merger is abandoned under subsection A after articles of merger have been filed with the Commission but before the certificate of merger has become effective, a statement that the merger has been abandoned in accordance with this section, signed on behalf of a party to the merger, shall be delivered to the Commission for filing before the effective time and date of the certificate of merger. Upon filing, the statement shall take effect and the merger shall be deemed abandoned and shall not become effective.*

§ 13.1-1076. Action on plan of domestication by a domestic limited liability company.

In the case of a domestic limited liability company:

~~A. Unless,~~ *unless* the articles of organization or a written operating agreement of the limited liability company provides otherwise, the members of the limited liability company shall approve the plan of domestication ~~by the members~~ in the manner provided in the limited liability company's operating agreement for amendments to the operating agreement ~~by the members~~ or, if no such provision is made in an operating agreement, by all the members.

B. ~~If an amendment to a plan of domestication is made in accordance with subsection C of § 13.1-1075, and articles of domestication already have been filed with the Commission, amended articles of domestication shall be filed with the Commission before the effective date of any certificate of domestication issued by the Commission for the articles of domestication which the amended articles are to supersede.~~

§ 13.1-1077. Articles of domestication.

A. After the domestication of a foreign limited liability company *to a domestic limited liability company* is approved in the manner required by the laws of the jurisdiction in which the limited liability company is organized, the limited liability company shall ~~file with~~ *deliver to* the Commission for filing articles of domestication setting forth:

1. The name of the *foreign* limited liability company immediately ~~prior to before~~ the filing of the articles of domestication and, if ~~that the~~ name is unavailable for use in the Commonwealth or of the limited liability company desires to change its name in connection with the *upon its domestication as a domestic limited liability company, a name that satisfies which shall satisfy* the requirements of § 13.1-1012;

2. *The date on which the foreign limited liability company was originally formed, organized, or incorporated, and its original name, entity type, and jurisdiction of formation, organization, or incorporation, and, for each subsequent change of entity type or jurisdiction of formation, organization,*

or incorporation made before the filing of the articles of domestication, the effective date of the change and the limited liability company's name, entity type, and jurisdiction of formation, organization, or incorporation upon consummation of the change;

3. The plan of domestication, *including the full text of the amended and restated articles of organization of the domestic limited liability company that comply with the requirements of this chapter, as they will be in effect upon consummation of the domestication;*

~~3. The original jurisdiction of the limited liability company and the date the limited liability company was organized in that jurisdiction, and each subsequent jurisdiction and the date the limited liability company was domesticated in each such jurisdiction, if any, prior to the filing of the articles of domestication; and~~

4. A statement that the domestication is permitted by the laws of the jurisdiction in which the *foreign* limited liability company is organized and that the *foreign* limited liability company has complied with those laws in effecting the domestication.

B. If the Commission finds that the articles of domestication comply with the requirements of law and that all required fees have been paid, it shall issue a certificate of domestication.

C. The certificate of domestication shall become effective pursuant to subsection D of § 13.1-1004.

D. A foreign limited liability company's existence as a domestic limited liability company shall begin when the certificate of domestication is effective. Upon becoming effective, the certificate of domestication shall be conclusive evidence that all conditions precedent required to be performed by the foreign limited liability company have been complied with and that the limited liability company has been organized under this chapter.

E. If the foreign limited liability company is authorized to transact business in the Commonwealth under Article 10 (§ 13.1-1051 et seq.), its certificate of registration shall be canceled automatically on the effective *time and* date of the certificate of domestication issued by the Commission.

§ 13.1-1078. Surrender of articles of organization upon domestication.

A. Whenever a domestic limited liability company has approved, in the manner required by this article, a plan of domestication providing for the limited liability company to be domesticated under the laws of another jurisdiction, the limited liability company shall ~~file with~~ *deliver to* the Commission for *filing* articles of organization surrender setting forth:

1. The name of the limited liability company *immediately before the filing of the articles of organization surrender;*

2. The ~~limited liability company's new jurisdiction of organization in which the limited liability company is to be domesticated and the name of the limited liability company upon its domestication under the laws of that jurisdiction;~~

3. The plan of domestication;

4. A statement that the plan of domestication was adopted by the limited liability company in accordance with § 13.1-1076;

5. A statement that the articles of organization surrender are being filed in connection with the domestication of the limited liability company as a foreign limited liability company to be organized under the laws of another jurisdiction and that the limited liability company is surrendering its certificate of organization under the laws of this Commonwealth;

6. A statement that the limited liability company revokes the authority of its registered agent to accept service on its behalf and appoints the clerk of the Commission as its agent for service of process in any proceeding based on a cause of action arising during the time it was organized in ~~this the~~ Commonwealth;

7. A mailing address to which the clerk may mail a copy of any process served on him under subdivision 6; and

8. A commitment *by the limited liability company* to notify the clerk of the Commission in the future of any change in the mailing address of the limited liability company.

B. If the Commission finds that the articles of organization surrender comply with the requirements of law and that all required fees have been paid, it shall issue a certificate of organization surrender.

C. The limited liability company shall automatically cease to be a domestic limited liability company when the certificate of organization surrender becomes effective.

D. If the former domestic limited liability company intends to continue to transact business in the Commonwealth, then, within thirty days after the effective date of the certificate of organization surrender, it shall deliver to the Commission an application for a certificate of registration to transact business in the Commonwealth pursuant to § 13.1-1052 together with a copy of its instrument of domestication and articles of organization and all amendments thereto, duly authenticated by the Secretary of State or other official having custody of limited liability company records in the state or other jurisdiction under whose laws it is organized or domesticated.

§ 13.1-1080. Abandonment of domestication.

A. Unless ~~the otherwise provided in a plan of domestication of a domestic limited liability company's articles of organization, operating agreement or the plan of domestication provides otherwise~~ company to become a foreign limited liability company, after the ~~domestication plan~~ has been ~~authorized~~ approved

as required by this article, and at any time before the effective date of the certificate of domestication issued by the Commission organization surrender has become effective, the domestication may be abandoned without action by the members in accordance with any procedures set forth in the plan of domestication or, if no procedures are set forth in the plan, by majority a vote of the members of the domestic limited liability company that is equal to or greater than the vote cast for the plan of domestication pursuant to § 13.1-1076.

B. If a domestication is abandoned under subsection A after articles of organization surrender have been filed with the Commission but before the certificate of organization surrender has become effective, ~~written notice a statement~~ that the domestication has been abandoned in accordance with this section shall be ~~filed with~~ delivered to the Commission ~~prior to for filing~~ before the effective time and date of the certificate of organization surrender. ~~The notice~~ Upon filing, the statement shall take effect ~~upon filing~~ and the domestication shall be deemed abandoned and shall not become effective.

C. If the domestication of a foreign limited liability company into ~~this the~~ Commonwealth is abandoned in accordance with the laws of the ~~foreign~~ jurisdiction in which the foreign limited liability company is organized after articles of domestication have been filed with the Commission but before the certificate of domestication has become effective in this Commonwealth, ~~written notice a statement~~ that the domestication has been abandoned shall be ~~filed with~~ delivered to the Commission ~~prior to for filing~~ before the effective time and date of the certificate of domestication. ~~The notice~~ Upon filing, the statement shall take effect ~~upon filing~~ and the domestication shall be deemed abandoned and shall not become effective.

Article 15. Conversion.

§ 13.1-1081. Definitions.

As used in this article:

"Articles of incorporation" has the same meaning as specified in § 13.1-603.

"Articles of trust" has the same meaning as specified in § 13.1-1201.

"Certificate of limited partnership" has the same meaning as specified in § 50-73.1.

"Converting entity" means the domestic limited liability company, partnership, or limited partnership that adopts a plan of entity conversion pursuant to this article.

"Partnership agreement," as to a limited partnership, has the same meaning as specified in § 50-73.1, and, as to a partnership, has the same meaning as specified in § 50-73.79.

"Resulting entity" means the domestic stock corporation, business trust, or limited liability company that is in existence upon consummation of an entity conversion pursuant to this article.

"Stock corporation" has the same meaning as "domestic corporation" as specified in § 13.1-603.

§ 13.1-1082. Entity conversion.

A. A domestic limited liability company may become a domestic stock corporation or a domestic business trust pursuant to a plan of entity conversion that is approved by the limited liability company in accordance with the provisions of this article.

B. A domestic stock corporation may become a domestic limited liability company pursuant to a plan of entity conversion that is adopted and approved by the corporation in accordance with the provisions of Article 12.2 (§ 13.1-722.8 et seq.) of Chapter 9.

C. A domestic nonstock corporation may become a domestic limited liability company pursuant to a plan of entity conversion that is adopted and approved by the corporation in accordance with the provisions of Article 17.1 (§ 13.1-944.1 et seq.) of Chapter 10.

D. A domestic business trust may become a domestic limited liability company pursuant to a plan of entity conversion that is approved by the business trust in accordance with the provisions of Article 12 (§ 13.1-1264 et seq.) of Chapter 14.

E. Unless otherwise provided for in Chapter 2.2 (§ 50-73.79 et seq.) of Title 50, a domestic partnership that has filed either a statement of partnership authority or a statement of registration as a registered limited liability partnership with the Commission that is not canceled may become a domestic limited liability company pursuant to a plan of entity conversion that is approved by the domestic partnership in accordance with the provisions of this article.

F. Unless otherwise provided for in Chapter 2.1 (§ 50-73.1 et seq.) of Title 50, a domestic limited partnership that has filed a certificate of limited partnership with the Commission that is not canceled may become a domestic limited liability company pursuant to a plan of entity conversion that is approved by the domestic limited partnership in accordance with the provisions of this article.

§ 13.1-1083. Plan of entity conversion.

A. In the case of a domestic limited liability company that is a converting entity:

1. The limited liability company shall approve a plan of entity conversion setting forth:

a. A statement of the limited liability company's intention to convert to a domestic stock corporation or business trust;

b. The terms and conditions of the conversion, including the manner and basis of converting the membership interests of the limited liability company into shares of the stock corporation or beneficial interests of the business trust, preserving the ownership proportion and relative rights, preferences, and

limitations of each membership interest of the converting entity;

c. As an attachment to the plan, the full text of the articles of incorporation or articles of trust of the converting entity as they will be in effect upon consummation of the conversion; and

d. Any other provision relating to the conversion that may be desired.

2. The plan of entity conversion may also include a provision that the plan may be amended before the effective time and date of the certificate of entity conversion. An amendment made after the submission of the plan to the members shall not alter or change any of the terms or conditions of the plan if the change would adversely affect the membership interests of the converting entity, unless the amendment has been approved by the members in the manner set forth in § 13.1-1084.

B. In the case of a domestic partnership or limited partnership that is a converting entity:

1. The partnership or limited partnership shall approve a plan of entity conversion setting forth:

a. A statement of the partnership's or limited partnership's intention to convert to a domestic limited liability company;

b. The terms and conditions of the conversion, including the manner and basis of converting the partnership interests of the partnership or limited partnership into membership interests of the limited liability company, preserving the ownership proportion and relative rights, preferences, and limitations of each partnership interest;

c. As an attachment to the plan, the full text of the articles of organization of the resulting entity as they will be in effect upon consummation of the conversion; and

d. Any other provision relating to the conversion that may be desired.

2. The plan of entity conversion may also include a provision that the plan of entity conversion may be amended before the effective time and date of the certificate of entity conversion. An amendment made after the submission of the plan:

a. To the partners of a partnership shall not alter or change any of the terms or conditions of the plan if the change would adversely affect the partnership interests of the partnership, unless the amendment is approved by the partners in the manner set forth in § 13.1-1084; and

b. To the partners of a limited partnership shall not alter or change any of the terms or conditions of the plan if the change would adversely affect the partnership interests of the limited partnership, unless the amendment is approved by the partners in the manner set forth in § 13.1-1084.

§ 13.1-1084. Action on plan of entity conversion.

A. In the case of a domestic limited liability company that is the converting entity:

1. If the limited liability company has members, unless the articles of organization or a written operating agreement of the limited liability company provides otherwise, the members shall approve the plan of entity conversion in the manner provided in the limited liability company's operating agreement for amendments to the operating agreement by the members or, if no provision is made in the operating agreement, by all the members; and

2. If the limited liability company has been formed without any members and no members have been admitted, the plan of entity conversion shall be approved by a majority of the persons named as a manager in the articles of organization or, if there are no members or managers, by a majority of the organizers of the limited liability company.

B. In the case of a partnership that is a converting entity, unless a written partnership agreement of the partnership provides otherwise, the plan of entity conversion shall be approved by the partners of the partnership in the manner provided in a written partnership agreement for amendments to the partnership agreement by the partners or, if no provision is made in the partnership agreement, by all the partners.

C. In the case of a limited partnership that is a converting entity, unless the certificate of limited partnership or a written partnership agreement of the limited partnership provides otherwise, the plan of entity conversion shall be approved by the partners of the limited partnership in the manner provided in a written partnership agreement for amendments to the partnership agreement by the partners or, if no provision is made in the partnership agreement, by all the partners.

§ 13.1-1085. Articles of entity conversion.

A. After the conversion of a domestic limited liability company into a domestic stock corporation or business trust has been approved as required by this article, the converting entity shall deliver to the Commission for filing articles of entity conversion setting forth:

1. The name of the domestic limited liability company immediately before the filing of the articles of entity conversion and the name of the converting entity upon its conversion to a domestic stock corporation or business trust, which shall satisfy the requirements of § 13.1-630 or 13.1-1214, as the case may be;

2. The date on which the converting entity was originally organized, formed, or incorporated, and its original name, entity type, and jurisdiction of organization, formation, or incorporation, and, for each subsequent change of entity type or jurisdiction of organization, formation, or incorporation made before the filing of the articles of entity conversion, the effective date of the change and the converting entity's name, entity type, and jurisdiction of organization, formation, or incorporation upon consummation of the change;

3. The plan of entity conversion, including the full text of the articles of incorporation or articles of trust of the resulting entity that comply with the requirements of Chapter 9 (§ 13.1-601 et seq.) or Chapter 14 (§ 13.1-1200 et seq.), as they will be in effect upon consummation of the conversion;

4. The date the plan of entity conversion was approved; and

5. A statement that the plan of entity conversion was adopted by the limited liability company in accordance with § 13.1-1084.

B. After the conversion of a domestic partnership or limited partnership into a domestic limited liability company has been approved as required by this article, the converting entity shall deliver to the Commission for filing articles of entity conversion setting forth:

1. The name of the domestic partnership or limited partnership immediately before the filing of the articles of entity conversion and the name of the converting entity upon its conversion to a domestic limited liability company, which shall satisfy the requirements of this chapter;

2. The date on which the converting entity was originally organized, formed, or incorporated, and its original name, entity type, and jurisdiction of organization, formation, or incorporation, and, for each subsequent change of entity type or jurisdiction of organization, formation, or incorporation made before the filing of the articles of entity conversion, the effective date of the change and the converting entity's name, entity type, and jurisdiction of organization, formation, or incorporation upon consummation of the change;

3. The plan of entity conversion, including the full text of the articles of organization of the resulting entity that comply with the requirements of this chapter as they will be in effect upon consummation of the conversion;

4. The date the plan of entity conversion was approved; and

5. A statement that the plan of entity conversion was adopted by the partnership or limited partnership in accordance with § 13.1-1084.

C. If the Commission finds that the articles of entity conversion comply with the requirements of law and that all required fees have been paid, it shall issue a certificate of entity conversion.

§ 13.1-1086. Effect of entity conversion.

A. When an entity conversion under this article becomes effective, with respect to that entity:

1. The title to all real estate and other property remains in the resulting entity without reversion or impairment;

2. The liabilities of the converting entity remain the liabilities of the resulting entity; and

3. A proceeding pending may be continued by or against the resulting entity as if the conversion did not occur.

B. When the resulting entity is a domestic stock corporation or business trust:

1. The articles of incorporation or articles of trust attached to the articles of entity conversion constitute the articles of incorporation or articles of trust of the resulting entity;

2. The interests of the converting entity are reclassified into shares or beneficial interests of the resulting entity in accordance with the plan of entity conversion; and the members of the converting entity are entitled only to the rights provided in the plan of entity conversion;

3. The resulting entity is deemed to:

a. Be a domestic stock corporation or business trust, as the case may be, for all purposes;

b. Be the same stock corporation or business trust without interruption as the converting entity that existed before the conversion; and

c. Have been incorporated or formed on the date that the converting entity was originally incorporated, organized, or formed;

4. The converting entity shall cease to be a limited liability company when the certificate of entity conversion becomes effective; and

5. Any member of a converting entity who, before the conversion, was liable for the liabilities or obligations of the converting entity is not released from those liabilities or obligations by reason of the conversion.

C. When the converting entity is a partnership or a limited partnership:

1. The articles of organization attached to the articles of entity conversion constitute the articles of organization of the resulting entity;

2. The eligible interests of the converting entity are reclassified into membership interests in accordance with the plan of entity conversion; and the partners of the converting entity are entitled only to the rights provided in the plan of entity conversion;

3. The resulting entity is deemed to:

a. Be a domestic limited liability company for all purposes;

b. Be the same limited liability company without interruption as the converting entity that existed before the conversion; and

c. Have been organized on the date that the converting entity was originally formed, organized, or incorporated;

4. The converting entity shall cease to be a partnership or limited partnership when the certificate of entity conversion becomes effective;

5. If the converting entity is a partnership, a statement of partnership authority filed by the partnership that has not been canceled shall be deemed canceled when the certificate of entity conversion becomes effective;

6. If the converting entity is a limited partnership, its certificate of limited partnership shall be deemed canceled when the certificate of entity conversion becomes effective;

7. If the partnership or limited partnership is registered as a registered limited liability partnership, that status shall be deemed canceled when the certificate of entity conversion becomes effective; and

8. Any partner of a converting entity who, before the conversion, was liable for the liabilities or obligations of the converting entity is not released from those liabilities or obligations by reason of the conversion.

§ 13.1-1087. Abandonment of entity conversion.

A. Unless otherwise provided in a plan of entity conversion of a domestic limited liability company to become a domestic stock corporation or business trust, after the plan has been approved as required by this article, and at any time before the certificate of entity conversion has become effective, the conversion may be abandoned by the limited liability company without action by the members in accordance with any procedures set forth in the plan of entity conversion or, if no procedures are set forth in the plan of entity conversion, by a vote of the members, managers, or organizers of the limited liability company that is equal to or greater than the vote cast for entity conversion pursuant to subsection A of § 13.1-1084.

B. Unless otherwise set forth in a plan of entity conversion of a domestic partnership to become a domestic limited liability company, after the plan has been approved as required by this article, and at any time before the certificate of entity conversion has become effective, the conversion may be abandoned by the partnership without action by the partners in accordance with any procedures set forth in the plan of entity conversion or, if no procedures are set forth in the plan of entity conversion, by a vote of the partners of the domestic partnership that is equal to or greater than the vote cast for the plan of entity conversion pursuant to subsection B of § 13.1-1084.

C. Unless otherwise set forth in a plan of entity conversion of a domestic limited partnership to become a limited liability company, after the plan has been approved as required by this article, and at any time before the certificate of entity conversion has become effective, the conversion may be abandoned by the domestic limited partnership without action by the partners in accordance with any procedures set forth in the plan of entity conversion or, if no procedures are set forth in the plan of entity conversion, by a vote of the partners of the domestic limited partnership that is equal to or greater than the vote cast for the plan of entity conversion pursuant to subsection C of § 13.1-1084.

D. If an entity conversion is abandoned under subsection A, B, or C after articles of entity conversion have been filed with the Commission but before the certificate of entity conversion has become effective, a statement that the entity conversion has been abandoned in accordance with this section shall be delivered to the Commission for filing before the effective time and date of the certificate of entity conversion. Upon filing, the statement shall take effect and the entity conversion shall be deemed abandoned and shall not become effective.

§ 13.1-1264. Definitions.

As used in this article:

"Articles of organization" has the same meaning specified in § 13.1-1002.

"Converting entity" means the domestic or foreign business trust, corporation, limited liability company, limited partnership, partnership, or other entity that adopts a plan of domestication or plan of entity conversion pursuant to this article.

"Corporation" and "domestic corporation" have the same meaning specified in § 13.1-603.

"Domestic entity" means a domestic corporation, limited liability company, limited partnership, partnership, or other entity.

"Foreign corporation" has the same meaning specified in § 13.1-603.

"Foreign entity" means a foreign business trust, corporation, limited liability company, limited partnership, partnership, or other entity.

"Foreign limited liability company" has the same meaning specified in § 13.1-1002.

"Foreign limited partnership" has the same meaning specified in § 50-73.1.

"Foreign partnership" has the same meaning specified in § 13.1-1002.

"Limited liability company" and "domestic limited liability company" have the same meaning specified in § 13.1-1002.

"Limited partnership" and "domestic limited partnership" have the same meaning specified in § 50-73.1.

"Member" has the same meaning specified in § 13.1-1002.

"Membership interest" or "interest" has the same meaning specified in § 13.1-1002.

"Other entity" means a domestic or foreign real estate investment trust or common law trust.

"Partnership" and "domestic partnership" mean an association of two or more persons to carry on as co-owners a business for profit formed under § 50-73.88, or predecessor law of this Commonwealth, and includes, for all purposes of the laws of this Commonwealth, a registered limited liability partnership.

"Resulting entity" means the domestic limited liability company or business trust that is in existence upon consummation of an entity conversion pursuant to this article.

"Surviving entity" means the domestic business trust that is in existence immediately after upon consummation of a domestication or an entity conversion pursuant to this article.

§ 13.1-1272. Entity conversion.

A. A domestic corporation, limited liability company, limited partnership, partnership and other entity business trust may become a domestic business trust limited liability company pursuant to a plan of entity conversion. Such a plan shall be adopted and that is approved by the domestic entity business trust in accordance with the procedures provisions of this article.

B. A domestic business trust limited liability company may become a domestic entity business trust pursuant to a plan of entity conversion that is authorized under the provisions of the Code regulating the business and affairs of the entity type to which the domestic business trust desires to convert approved by the limited liability company in accordance with the provisions of Article 15 (§ 13.1-1081 et seq.) of Chapter 12.

C. Unless otherwise provided for in Chapter 2.2 (§ 50-73.79 et seq.) of Title 50, a domestic partnership that has filed either a statement of partnership authority or a statement of registration as a registered limited liability partnership with the Commission that is not canceled may become a domestic business trust pursuant to a plan of entity conversion that is approved by the domestic partnership in accordance with the provisions of this article.

D. Unless otherwise provided for in Chapter 2.1 (§ 50-73.1 et seq.) of Title 50, a domestic limited partnership that has filed a certificate of limited partnership with the Commission that is not canceled may become a domestic business trust pursuant to a plan of entity conversion that is approved by the domestic limited partnership in accordance with the provisions of this article.

E. An other entity may become a domestic business trust pursuant to a plan of entity conversion that is approved by the other entity in accordance with the provisions of its governing instrument for amendments to the governing instrument.

§ 13.1-1273. Plan of entity conversion.

A. ~~The~~ In the case of a domestic business trust that is a converting domestic entity:

1. The business trust shall ~~adopt~~ approve a plan of entity conversion setting forth:

~~1- a.~~ A statement of the domestic entity's business trust's intention to convert to a business trust domestic limited liability company;

~~2- b.~~ The terms and conditions of the conversion, including the manner and basis of converting the shares or beneficial interests of the domestic entity into interests of the business trust into membership interests of the limited liability company, preserving the ownership proportion and relative rights, preferences, and limitations of each such share or beneficial interest;

~~3- c.~~ As an attachment to the plan, the full text of the articles of trust organization of the business trust converting entity as it they will be in effect immediately after upon consummation of the conversion; and

~~4- d.~~ Any other provision relating to the conversion that may be desired.

B. In the case of a corporation that is a converting entity, the plan of entity conversion may also include a provision that the board of directors may amend the plan prior to the issuance of the certificate of entity conversion. An amendment made subsequent to the submission of the plan to the shareholders shall not alter or change any of the terms or conditions of the plan if the change would adversely affect the shares of any class or series of the corporation.

C. In the case of a limited liability company that is a converting entity, the

2. The plan of entity conversion may also include a provision that the plan of entity conversion may be amended prior to before the issuance effective time and date of the certificate of entity conversion. An amendment made subsequent to after the submission of the plan to the members trustees shall not alter or change any of the terms or conditions of the plan if the change would adversely affect the membership beneficial interests of the limited liability company converting entity, unless the amendment has been approved by the trustees in the manner set in § 13.1-1274.

~~D- B.~~ In the case of a domestic partnership or limited partnership that is a converting entity, the:

1. The partnership or limited partnership shall approve a plan of entity conversion setting forth:

~~a.~~ A statement of the partnership's or limited partnership's intention to convert to a domestic business trust;

~~b.~~ The terms and conditions of the conversion, including the manner and basis of converting the partnership interests of the limited partnership or partnership into beneficial interests of the business trust, preserving the ownership proportion and relative rights, preferences, and limitations of each partnership interest;

~~c.~~ As an attachment to the plan, the full text of the articles of trust of the resulting entity as they will be in effect upon consummation of the conversion; and

~~d.~~ Any other provision relating to the conversion that may be desired.

2. The plan of entity conversion may also include a provision that the plan of entity conversion may be amended prior to before the issuance effective time and date of the certificate of entity conversion.

An amendment made ~~subsequent to~~ *after* the submission of the plan to:

a. To the partners of a partnership shall not alter or change any of the terms or conditions of the plan if the change would adversely affect the partnership interests of the partnership, unless the amendment has been approved by the partners in the manner set forth in § 13.1-1274; and

b. To the ~~limited~~ partners of a limited partnership shall not alter or change any of the terms or conditions of the plan if the change would adversely affect the partnership interests of the limited ~~partners~~ partnership, unless the amendment has been approved by the partners in the manner set forth in § 13.1-1274.

C. In the case of an other entity that is a converting entity:

1. The other entity shall approve a plan of entity conversion setting forth:

a. A statement of the other entity's intention to convert to a domestic business trust;

b. The terms and conditions of the conversion, including the manner and basis of converting the interests of the other entity into beneficial interests of the business trust, preserving the ownership proportion and relative rights, preferences, and limitations of each interest of the other entity;

c. As an attachment to the plan, the full text of the articles of trust of the resulting entity as they will be in effect upon consummation of the conversion; and

d. Any other provision relating to the conversion that may be desired.

2. The plan of entity conversion may also include a provision that the plan may be amended before the effective time and date of the certificate of entity conversion. An amendment made after the submission of the plan to the persons who are authorized to approve the plan of entity conversion on behalf of the other entity shall not alter or change any of the terms or conditions of the plan if the change would adversely affect the interests of the other entity, unless the amendment has been approved by the persons who are authorized to approve the plan in the manner set forth in § 13.1-1274.

§ 13.1-1274. Action on plan of entity conversion.

A. In the case of a ~~corporation~~ domestic business trust that is a converting entity:

1. The board of directors of the converting entity shall adopt the plan of entity conversion.

2. After adopting the plan of entity conversion, the board of directors shall submit the plan for approval by the shareholders.

3. For the conversion to be approved:

a. The board of directors shall recommend the plan to the shareholders unless the board of directors determines that because of conflicts of interest or other special circumstances it should make no recommendation and communicates the basis of its determination to the shareholders with the plan; and

b. The shareholders shall approve the plan as provided in subdivision 6.

4. The board of directors may condition its submission of the plan of entity conversion to the shareholders on any basis.

5. The corporation shall notify each shareholder, whether or not entitled to vote, of the proposed shareholders' meeting in accordance with § 13.1-658 at which the plan of entity conversion is to be submitted for approval. The notice shall also state that the purpose, or one of the purposes, of the meeting is to consider the plan and shall contain or be accompanied by a copy of the plan.

6. Unless this chapter or the board of directors, acting pursuant to subdivision 4, requires a greater vote, the plan of entity conversion shall be approved by each voting group entitled to vote on the plan by more than two-thirds of all the votes entitled to be cast by that voting group. The articles of incorporation may provide for a greater or lesser vote than that provided for in this subsection or a vote by separate voting groups so long as the vote provided for is not less than a majority of all the votes cast on the plan by each voting group entitled to vote on the plan at a meeting at which a quorum of the voting group exists.

B. In the case of a limited liability company that is a converting entity, the plan of entity conversion shall be approved by the members of the limited liability company in the manner provided in the limited liability company's operating agreement or articles of organization for amendments or, if no such provision is made in an operating agreement or articles of organization, by the unanimous vote of the members of the limited liability company, unless the articles of trust or governing instrument of the business trust provides otherwise, the plan of entity conversion shall be approved by the trustees of the business trust in the manner provided in a written governing instrument for amendments to the governing instrument by the trustees or, if no provision is made in the governing instrument, by the sole trustee or a majority of the trustees.

C. B. In the case of a ~~limited~~ partnership that is a converting entity, the plan of entity conversion shall be approved by the partners of the ~~limited~~ partnership in the manner provided in the ~~limited~~ partnership's written partnership agreement or certificate of limited partnership for amendments to the partnership agreement by the partners or, if no such provision is made in a the partnership agreement or certificate of limited partnership, by all the unanimous vote of the partners of the limited partnership.

D. C. In the case of a limited partnership that is a converting entity, the plan of entity conversion shall be approved by the partners of the limited partnership in the manner provided in the partnership's a written partnership agreement for amendments to the partnership agreement by the partners or, if no such provision is made in the partnership agreement, by all the unanimous vote of the partners of the

partnership.

E. *D.* In the case of an other entity that is a converting entity, the plan of entity conversion shall be approved by the persons who have authority to approve the entity conversion in the manner provided in ~~the other entity's a written governing instruments instrument~~ for amendments *to the governing instrument by those persons* or, if no such provision is made in *a the* governing instrument, by the ~~unanimous vote of all~~ the persons who have authority to approve the entity conversion on behalf of the other entity.

§ 13.1-1275. Articles of entity conversion.

A. After the conversion of a domestic ~~entity into~~ a business trust *into a domestic limited liability company* has been ~~adopted and~~ approved as required by this article, the converting entity shall ~~file with deliver to~~ the Commission for filing articles of entity conversion setting forth:

1. The name of the domestic ~~entity business trust~~ immediately ~~prior to before~~ the filing of the articles of entity conversion and the name ~~to which the name of the domestic converting entity is to be changed upon its conversion to a domestic limited liability company, which name~~ shall satisfy the requirements of § ~~13.1-1214~~ 13.1-1012;

2. *The date on which the converting entity was originally organized, formed, or incorporated, and its original name, entity type, and jurisdiction of organization, formation, or incorporation, and, for each subsequent change of entity type or jurisdiction of organization, formation, or incorporation made before the filing of the articles of entity conversion, the effective date of the change and the converting entity's name, entity type, and jurisdiction of organization, formation, or incorporation upon consummation of the change;*

3. The plan of entity conversion, including as an attachment ~~to the plan,~~ the full text of the articles of ~~trust organization of the surviving resulting~~ entity that comply with the requirements of § ~~13.1-1212~~ Chapter 12 (§ 13.1-1000 *et seq.*), as ~~it they~~ will be in effect immediately after upon consummation of the conversion;

3. If the converting entity is a corporation, a statement:

a. That the plan was adopted by the unanimous consent of the shareholders; or

b. That the plan was submitted to the shareholders by the board of directors in accordance with this chapter, and a statement of:

(1) The designation, number of outstanding shares, and number of votes entitled to be cast by each voting group entitled to vote separately on the plan; and

(2) Either the total number of votes cast for and against the plan by each voting group entitled to vote separately on the plan or the total number of undisputed votes cast for the plan separately by each voting group and a statement that the number cast for the plan by each voting group was sufficient for approval by that voting group;

4. If the converting entity is a limited liability company, a statement that the plan was adopted by the members of the limited liability company in the manner provided in the limited liability company's operating agreement or articles of organization for amendments; or, if no such provision is made in an operating agreement or articles of organization, by the unanimous vote of the members of the limited liability company;

5. If the converting entity is a limited partnership, a statement that the plan was adopted by the partners of the limited partnership in the manner provided in the limited partnership's partnership agreement or certificate of limited partnership for amendments; or, if no such provision is made in the partnership agreement or certificate of limited partnership, by the unanimous vote of the partners of the limited partnership;

6. If the converting entity is a partnership, a statement that the plan was adopted by the partners of the partnership in the manner provided in the partnership's partnership agreement for amendments; or, if no such provision is made in the partnership agreement, by the unanimous vote of the partners of the partnership; and

7. If the converting entity is an other entity, a statement that the plan was adopted by the other entity in the manner provided in the other entity's governing documents for amendments; or, if no such provision is made in the governing documents, by the unanimous vote of the persons who have authority to approve the entity conversion on behalf of the other entity

4. *The date the plan of entity conversion was approved; and*

5. *A statement that the plan of entity conversion was adopted by the business trust in accordance with § 13.1-1274.*

B. After the conversion of a domestic partnership or limited partnership into a domestic business trust has been approved as required by this article, the converting entity shall deliver to the Commission for filing articles of entity conversion setting forth:

1. *The name of the domestic partnership or limited partnership immediately before the filing of the articles of entity conversion and the name of the converting entity upon its conversion to a domestic business trust, which shall satisfy the requirements of this chapter;*

2. *The date on which the converting entity was originally organized, formed, or incorporated, and its original name, entity type, and jurisdiction of organization, formation, or incorporation, and, for each*

subsequent change of entity type or jurisdiction of organization, formation, or incorporation made before the filing of the articles of entity conversion, the effective date of the change and the converting entity's name, entity type, and jurisdiction of organization, formation, or incorporation upon consummation of the change;

3. The plan of entity conversion, including the full text of the articles of trust of the resulting entity that comply with the requirements of this chapter as they will be in effect upon consummation of the conversion;

4. The date the plan of entity conversion was approved; and

5. A statement that the plan of entity conversion was adopted by the partnership or limited partnership in accordance with § 13.1-1274.

C. After the conversion of an other entity into a domestic business trust has been approved as required by this article, the converting entity shall deliver to the Commission for filing articles of entity conversion setting forth:

1. The name of the other entity immediately before the filing of the articles of entity conversion and the name of the converting entity upon its conversion to a domestic business trust, which shall satisfy the requirements of this chapter;

2. The date on which the converting entity was originally organized, formed, or incorporated, and its original name, entity type, and jurisdiction of organization, formation, or incorporation, and, for each subsequent change of entity type or jurisdiction of organization, formation, or incorporation made before the filing of the articles of entity conversion, the effective date of the change and the converting entity's name, entity type, and jurisdiction of organization, formation, or incorporation upon consummation of the change;

3. The plan of entity conversion, including the full text of the articles of trust of the resulting entity that comply with the requirements of this chapter as they will be in effect upon consummation of the conversion;

4. The date the plan of entity conversion was approved; and

5. A statement that the plan of entity conversion was adopted by the other entity in accordance with § 13.1-1274.

D. If the Commission finds that the articles of entity conversion comply with the requirements of law and that all required fees have been paid, it shall issue a certificate of entity conversion.

§ 13.1-1276. Effect of entity conversion.

A. When an entity conversion under this article becomes effective, with respect to that entity:

1. The title to all real estate and other property remains in the ~~surviving~~ resulting entity without reversion or impairment;

2. The liabilities of the converting entity remain the liabilities of the ~~surviving~~ resulting entity; and

3. A proceeding pending may be continued by or against the ~~surviving~~ resulting entity as if the conversion did not occur;

B. When the resulting entity is a domestic limited liability company:

1. The articles of organization attached to the articles of entity conversion constitute the articles of organization of the resulting entity;

2. The beneficial interests of the converting entity are reclassified into membership interests of the resulting entity in accordance with the plan of entity conversion; and the holders of the beneficial interests of the converting entity are entitled only to the rights provided in the plan of entity conversion;

3. The resulting entity is deemed to:

a. Be a domestic limited liability company for all purposes;

b. Be the same limited liability company without interruption as the converting entity that existed before the conversion; and

c. Have been organized on the date that the converting entity was originally incorporated, organized, or formed;

4. The converting entity shall cease to be a business trust when the certificate of entity conversion becomes effective; and

5. Any trustee of a converting entity who, before the conversion, was liable for the liabilities or obligations of the converting entity is not released from those liabilities or obligations by reason of the conversion.

C. When the converting entity is a partnership or a limited partnership:

1. The articles of trust attached to the articles of entity conversion constitute the articles of trust of the resulting entity;

2. The partnership interests of the converting entity are reclassified into beneficial interests of the resulting entity in accordance with the plan of entity conversion; and the partners of the converting entity are entitled only to the rights provided in the plan of entity conversion;

3. The resulting entity is deemed to:

a. Be a domestic business trust for all purposes;

b. Be the same business trust without interruption as the converting entity that existed before the conversion; and

c. Have been organized on the date that the converting entity was originally formed, organized, or incorporated;

4. The converting entity shall cease to be a partnership or limited partnership when the certificate of entity conversion becomes effective;

5. If the converting entity is a partnership, a statement of partnership authority filed by the partnership that has not been canceled shall be deemed canceled when the certificate of entity conversion becomes effective;

6. If the converting entity is a limited partnership, its certificate of limited partnership shall be deemed canceled when the certificate of entity conversion becomes effective;

7. If the partnership or limited partnership is registered as a registered limited liability partnership, that status shall be deemed canceled when the certificate of entity conversion becomes effective; and

8. Any partner of a converting entity who, before the conversion, was liable for the liabilities or obligations of the converting entity is not released from those liabilities or obligations by reason of the conversion.

D. When the converting entity is an other entity:

4. 1. The articles of trust attached to the articles of entity conversion constitute the articles of trust of the surviving resulting entity;

5. 2. The shares or interests of the converting entity are reclassified into beneficial ownership interests of the resulting entity in accordance with the plan of entity conversion; and the shareholders, members or partners of, or other persons having an ownership or beneficial interest in, the converting entity are entitled only to the rights provided in the plan of entity conversion or, in the case of a converting entity that is a corporation, to the rights, if any, they may have under subdivision A 5 of § 13.1-730;

6. 3. The surviving entity is deemed to:

a. Be a business trust for all purposes;

b. Be the same ~~entity~~ business trust without interruption as the converting entity that existed prior to before the conversion; and

c. Have been formed on the date that the converting entity was originally incorporated, organized, or formed; and

7. 4. The converting entity shall cease to be a corporation, limited liability company, limited partnership, partnership or an other entity, as the case may be, when the certificate of entity conversion becomes effective.

§ 13.1-1277. Abandonment of entity conversion.

A. Unless otherwise provided in a plan of entity conversion of a corporation prohibits abandonment of the conversion without shareholder approval domestic business trust to become a domestic limited liability company, after the conversion plan has been authorized approved as required by this article, and at any time before the certificate of entity conversion has become effective, the conversion may be abandoned without further shareholder action in accordance with the procedure by the business trust without action by the trustees in accordance with any procedures set forth in the plan of entity conversion or, if no procedures are set forth in the plan or, if none is set forth, in the manner determined by the board of directors a vote of the trustees of the business trust that is equal to or greater than the vote cast for entity conversion pursuant to subsection A of § 13.1-1274.

B. Unless the limited liability company's articles of organization, operating agreement or otherwise provided in a plan of entity conversion prohibits abandonment of the conversion of a domestic partnership to become a domestic business trust, after the conversion plan has been authorized approved as required by this article, and at any time before the certificate of entity conversion has become effective, the conversion may be abandoned in the manner by the partnership without action by the partners in accordance with any procedures set forth in the plan or, if none is no procedures are set forth in the plan, by majority a vote of the members partners of the limited liability company domestic partnership that is equal to or greater than the vote cast for the plan of entity conversion pursuant to subsection B of § 13.1-1274.

C. Unless the limited partnership's certificate of limited partnership, partnership agreement or otherwise provided in a plan of entity conversion prohibits abandonment of the conversion of a domestic limited partnership to become a domestic business trust, after the conversion plan has been authorized approved as required by this article, and at any time before the certificate of entity conversion has become effective, the conversion may be abandoned in the manner by the limited partnership without action by the partners in accordance with any procedures set forth in the plan or, if none is no procedures are set forth in the plan, by majority a vote of the partners of the domestic limited partnership that is equal to or greater than the vote cast for the plan of entity conversion pursuant to subsection C of § 13.1-1274.

D. Unless the partnership's partnership agreement or plan of entity conversion prohibits abandonment of the conversion after the conversion has been authorized, and at any time before the certificate of entity conversion has become effective, the conversion may be abandoned in the manner set forth in the plan or, if none is set forth, by majority vote of the partners of the partnership.

~~E. Unless the governing documents or otherwise provided in a plan of entity conversion of an other entity prohibits abandonment of the conversion to become a domestic business trust, after the conversion plan has been authorized approved as required by this article, and at any time before the certificate of entity conversion has become effective, the conversion may be abandoned in the manner by the other entity without action by the persons who had authority to approve the entity conversion in accordance with any procedures set forth in the plan or, if none is no procedures are set forth in the plan, by majority a vote of the persons who had authority to approve the entity conversion on behalf of the other entity that is equal to or greater than the vote cast for the plan of entity conversion pursuant to subsection D of § 13.1-1274.~~

~~F. E. If an entity conversion is abandoned under subsection A, B, C, or D or E after articles of entity conversion have been filed with the Commission but before the certificate of entity conversion has become effective, written notice a statement that the entity conversion has been abandoned in accordance with this section shall be filed with delivered to the Commission prior to for filing before the effective time and date of the certificate of entity conversion. The notice Upon filing, the statement shall take effect upon filing and the entity conversion shall be deemed abandoned and shall not become effective.~~

§ 50-73.48:1. Merger.

A. Pursuant to a written plan of merger, a domestic limited partnership that has filed a certificate of limited partnership with the Commission that is not canceled may merge with one or more domestic or foreign partnerships, limited partnerships, limited liability companies, business trusts or corporations if:

1. The merger is not prohibited by the partnership agreement of any domestic limited partnership that is a party to the merger, and each domestic limited partnership party to the merger approves the plan of merger in accordance with § 50-73.48:2 and complies with the terms of its partnership agreement;

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

3. Each domestic limited liability company that is a party to the merger complies with the applicable provisions of Article 13 (§ ~~13.1-1070~~ 13.1-1069.1 et seq.) of Chapter 12 of Title 13.1;

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

5. Each domestic corporation that is a party to the merger complies with the applicable provisions of Article 12 (§ 13.1-715.1 et seq.) of Chapter 9 of Title 13.1;

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

7. No partner of a domestic limited partnership that is a party to the merger will, as a result of the merger, become personally liable for the liabilities or obligations of any other person or entity unless that partner approves the plan of merger or otherwise consents to becoming personally liable.

B. The plan of merger shall set forth:

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

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

3. The terms and conditions of the merger; and

4. The manner and basis of converting the partnership interests of each domestic partnership or limited partnership, the membership interests of each domestic limited liability company, the shares of beneficial interest of each domestic business trust, and the shares of each domestic corporation party to the merger into partnership interests, membership interests, shares of beneficial interest, shares, obligations or other securities of the surviving or any other domestic or foreign partnership, limited partnership, limited liability company, 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 partnership interests of each domestic partnership or limited partnership, the membership interests of each domestic limited liability company, 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 partnership interests, membership interests, shares of beneficial interest, shares, obligations or other securities of the surviving or any other domestic or foreign partnership, limited partnership, limited liability company, 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 partnership is to be the surviving entity, amendments to the certificate of limited partnership or partnership agreement of that limited partnership;
2. If the merger is not to be effective upon the issuance of the certificate of merger described in subsection C of § 50-73.48:3 by the Commission, the future effective date or time of the merger; and
3. Other provisions relating to the merger.

§ 50-73.128. Merger of partnerships.

A. Pursuant to a written plan of merger approved as provided in subsection C, a partnership may be merged with one or more domestic or foreign partnerships, limited partnerships, limited liability companies, business trusts, or corporations if:

1. The merger is not prohibited by the partnership agreement of any domestic partnership that is a party to the merger, and each domestic partnership party to the merger approves the plan of merger in accordance with subsection C and complies with the terms of its partnership agreement;
2. Each domestic limited partnership that is a party to the merger complies with the applicable provisions of Article 7.1 (§ 50-73.48:1 et seq.) of Chapter 2.1 of this title;
3. Each domestic limited liability company that is a party to the merger complies with the applicable provisions of Article 13 (§ ~~43.1-1070~~ 13.1-1069.1 et seq.) of Chapter 12 of Title 13.1;
4. Each domestic business trust that is a party to the merger complies with the applicable provisions of Article 11 (§ 13.1-1257 et seq.) of Chapter 14 of Title 13.1;
5. Each domestic corporation that is a party to the merger complies with the applicable provisions of Article 12 (§ 13.1-715.1 et seq.) of Chapter 9 or Article 11 (§ 13.1-894 et seq.) of Chapter 10 of Title 13.1; and
6. The merger is permitted by the laws under which each foreign limited liability company, foreign partnership, foreign limited partnership, foreign business trust, and foreign corporation party to the merger is organized, formed or incorporated, and each such foreign limited liability company, partnership, limited partnership, business trust, or corporation complies with those laws in effecting the merger.

B. The plan of merger shall set forth:

1. The name of each partnership, limited partnership, limited liability company, business trust, or corporation that is a party to the merger;
2. The name of the surviving entity into which the other partnerships, limited partnerships, limited liability companies, business trusts, or corporations will merge;
3. Whether the surviving entity is a partnership, a limited partnership, a limited liability company, a business trust, or a corporation and the status of each partner;
4. The terms and conditions of the merger;
5. The manner and basis of converting the interests of each party to the merger into interests or obligations of the surviving entity, or into money or other property in whole or part; and
6. The street address of the surviving entity's principal office.

C. The plan of merger shall be approved:

1. In the case of a partnership that is a party to the merger, by all of the partners, or a number or percentage specified for merger in the partnership agreement; and
2. In the case of a limited partnership that is a party to the merger, by the vote required for approval of a merger by the law of the state or foreign jurisdiction in which the limited partnership is organized and, in the absence of such a specifically applicable law, by all of the partners, notwithstanding a provision to the contrary in the partnership agreement.

D. After a plan of merger is approved and before the merger takes effect, the plan may be amended or abandoned as provided in the plan.

E. The merger takes effect on the later of:

1. The approval of the plan of merger by all parties to the merger, as provided in subsection C;
2. The filing of all documents required by law to be filed as a condition to the effectiveness of the merger; or
3. Any later effective date stated pursuant to subsection J of § 50-73.83 in a statement of merger filed pursuant to § 50-73.131 or, if no statement of merger is filed, any effective date specified in the plan of merger.

§ 56-1. Definitions.

Whenever used in this title, unless the context requires a different meaning:

"Broadband connection," for purposes of this section, means a connection where transmission speeds exceed 200 kilobits per second in at least one direction.

"Commission" means the State Corporation Commission.

"Corporation" or "company" includes all corporations created by acts of the General Assembly of Virginia, or under the general incorporation laws of this Commonwealth, or doing business therein, and shall exclude all municipal corporations, other political subdivisions, and public institutions owned or controlled by the Commonwealth.

"Electric vehicle charging service" means the replenishment of the battery of a plug-in electric motor vehicle, which replenishment occurs by plugging the motor vehicle into an electric power source in

order to charge or recharge its battery.

"Interexchange telephone service" means telephone service between points in two or more exchanges that is not classified as local exchange telephone service. "Interexchange telephone service" shall not include Voice-over-Internet protocol service for purposes of regulation by the Commission, including the imposition of certification processing fees and other administrative requirements, and the filing or approval of tariffs. Nothing herein shall be construed to either mandate or prohibit the payment of switched network access rates or other intercarrier compensation, if any, related to Voice-over-Internet protocol service.

"Local exchange telephone service" means telephone service provided in a geographical area established for the administration of communication services and consists of one or more central offices together with associated facilities which are used in providing local exchange service. Local exchange service, as opposed to interexchange service, consists of telecommunications between points within an exchange or between exchanges which are within an area where customers may call at specified rates and charges. "Local exchange telephone service" shall not include Voice-over-Internet protocol service for purposes of regulation by the Commission, including the imposition of certification processing fees and other administrative requirements, and the filing or approval of tariffs. Nothing herein shall be construed to either mandate or prohibit the payment of switched network access rates or other intercarrier compensation, if any, related to Voice-over-Internet protocol service.

"Mail" includes electronic mail and other forms of electronic communication when the customer has requested or authorized electronic bill delivery or other electronic communications.

"Municipality" or "municipal corporation" shall include an authority created by a governmental unit exempt from the referendum requirement of § 15.2-5403.

"Person" includes individuals, partnerships, limited liability companies, and corporations.

"Plug-in electric motor vehicle" means an on-road motor vehicle that draws propulsion using a traction battery that has at least four kilowatt hours of capacity, uses an external source of electric energy to charge or recharge the battery, has a gross vehicle weight of not more than 14,000 pounds, and meets any applicable emissions standards.

"Public service corporation" or "public service company" includes gas, pipeline, electric light, heat, power and water supply companies, sewer companies, telephone companies, and all persons authorized to transport passengers or property as a common carrier. "Public service corporation" or "public service company" shall not include (i) a municipal corporation, other political subdivision or public institution owned or controlled by the Commonwealth; however, if such an entity has obtained a certificate to provide services pursuant to § 56-265.4:4, then such entity shall be deemed to be a public service corporation or public service company and subject to the authority of the Commission with respect only to its provision of the services it is authorized to provide pursuant to such certificate; or (ii) any company described in subdivision (b)(10) of § 56-265.1.

"Railroad" includes all railroad or railway lines, whether operated by steam, electricity, or other motive power, except when otherwise specifically designated.

"Railroad company" includes any company, trustee or other person owning, leasing or operating a railroad.

"Rate" means rate charged for any service rendered or to be rendered.

"Rate," "charge" and "regulation" include joint rates, joint charges and joint regulations, respectively.

"Regulated operating revenue" includes only revenue from services not found to be competitive.

"Transportation company" includes any railroad company, any company transporting express by railroad, and any ship or boat company.

"Virginia limited liability company" means (i) any limited liability company organized under Chapter 12 (§ 13.1-1000 et seq.) of Title 13.1, (ii) any entity that has become a limited liability company pursuant to Article 12.2 (§ 13.1-722.8 et seq.) of Chapter 9 of Title 13.1 or pursuant to conversion or domestication under Chapter 12 (§ 13.1-1000 et seq.) of Title 13.1, or (iii) any has the same meaning ascribed to "limited liability company" in § 13.1-1002. A foreign limited liability company, as that term is organized or is domesticated defined in § 13.1-1002, may become a Virginia limited liability company, even though also being a limited liability company organized under laws other than the laws of the Commonwealth, by filing articles of organization that meet the requirements of §§ 13.1-1003 and 13.1-1011 and include (a) (i) the name of the foreign limited liability company immediately prior to the filing of the articles of organization; (b) (ii) the date on which and the jurisdiction in which the foreign limited liability company was first formed, organized, created or otherwise came into being; and (c) (iii) the jurisdiction that constituted the seat, siege social, or principal place of business or central administration of the foreign limited liability company, or any equivalent thereto under applicable law, immediately prior to the filing of the articles of organization. With respect to an organization or domestication pursuant to clause (iii) a foreign limited liability company that is also organized as a Virginia limited liability company, the terms and conditions of a domestication its organization as a Virginia limited liability company shall be approved in the manner provided for by the document, instrument, agreement or other writing, as the case may be, governing the internal affairs of the foreign limited liability company in the conduct of its business or by applicable law other than the law of the

Commonwealth, as appropriate, and the provisions governing the status, powers, obligations, and choice of law applicable under ~~§ 13.1-1010.3~~ shall apply to any limited liability company so domesticated or organized.

"Voice-over-Internet protocol service" or "VoIP service" means any service that: (i) enables real-time, two-way voice communications that originate or terminate from the user's location using Internet protocol or any successor protocol and (ii) uses a broadband connection from the user's location. This definition includes any such service that permits users generally to receive calls that originate on the public switched telephone network and to terminate calls to the public switched telephone network.

2. That §§ 13.1-1010.1 through 13.1-1010.4 of the Code of Virginia are repealed.

3. That the provisions of this act shall not affect the validity of any filing made, or other action taken, before the effective date of this act with respect to (i) the conversion of a domestic or foreign partnership or limited partnership to a limited liability company or (ii) the domestication of a non-United States entity as a limited liability company.