WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1996

ENROLLED

SENATE BILL NO. 325

(By Senator Ross, et al)

PASSED March 8, 1996
In Effect Ninety Days From Passage
ENROLLED

Senate Bill No. 325

(BY SENATORS ROSS, ANDERSON, BUCKALEW AND SHARPE)

[Passed March 8, 1996; in effect ninety days from passage.]

AN ACT to amend and reenact sections one and six, article one, chapter forty-seven-b of the code of West Virginia, one thousand nine hundred thirty-one, as amended; to amend and reenact sections six, seven and eight, article three of said chapter; to amend and reenact section one, article four of said chapter; to amend and reenact section three, article seven of said chapter; to amend and reenact sections six and seven, article eight of said chapter; to amend and reenact sections two and three, article nine of said chapter; to amend and reenact article ten of said chapter; and to further amend said chapter by adding thereto a new article, designated article eleven, all relating to registered limited liability partnerships; defining the terms "registered limited liability partnership" and "foreign registered limited liability partnership" and expanding the definitions of other terms; recognizing that a registered limited liability partnership is a general partnership; establishing governing law; providing for the liability of a partner in a registered limited liability partnership;
limiting the right to bring an action and to levy execution against only partners who are personally liable for obligations of the partnership; limiting the liability of a purported partner; setting forth the rights and duties of partners in limited liability partnerships; addressing rights and liabilities of partners upon dissociation or dissolution of a registered limited liability partnership; seeking accounts and contributions among partners; conversions and mergers of partnerships; requiring registered limited liability partnerships to register with the secretary of state; establishing registration and annual renewal fee; setting forth required content of such registration; requiring that the names of such partnerships contain the words "registered limited liability partnership" or the abbreviation "L.L.P." or "LLP" as the last words or letters in the partnership's name; requiring that a registered limited liability partnership carry a minimum of one million dollars in liability insurance or create, in lieu thereof, a segregated fund consisting of an insurance bond or other specified collateral, either of which shall be used to satisfy judgments against the partnership and its partners; requiring foreign registered limited liability partnerships to file notice together with fee with secretary of state; recognizing that foreign registered limited liability partnership shall be governed by the laws of the state of its formation; providing for miscellaneous provisions; and making certain technical revisions.

Be it enacted by the Legislature of West Virginia:

That sections one and six, article one, chapter forty-seven-b of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; that sections six, seven and eight, article three of said chapter be amended and reenacted; that section one, article four of said chapter be amended and reenacted; that section three, article seven of said chapter be amended and reenacted; that sections six and seven, article eight of said chapter be amended and reenacted; that sections two and three, article
nine of said chapter be amended and reenacted; that article ten of said chapter be amended and reenacted; and that said chapter be further amended by adding thereto a new article, designated article eleven, all to read as follows:

ARTICLE 1. GENERAL PROVISIONS.
§47B-1-1. Definitions.

1 In this chapter:

2 (1) "Business" includes every trade, occupation and profession.

3 (2) "Debtor in bankruptcy" means a person who is the subject of:

4 (i) In order for relief under Title 11 of the United States Code or a comparable order under a successor statute of general application; or

5 (ii) A comparable order under federal, state or foreign law governing insolvency.

6 (3) "Distribution" means a transfer of money or other property from a partnership to a partner in the partner's capacity as a partner or to the partner's transferee.

7 (4) "Foreign limited liability partnership" means a partnership or association formed under or pursuant to an agreement governed by the laws of any state or jurisdiction other than this state that is denominated as a registered limited liability partnership or limited liability partnership under the laws of such other jurisdiction.

8 (5) "Partnership" means an association of two or more persons to carry on as coowners a business for profit formed under section two, article two of this chapter, predecessor law, or comparable law of another jurisdiction and includes, for all purposes of the laws of this state, a registered limited liability partnership.

9 (6) "Partnership agreement" means the agreement, whether written, oral or implied, among the partners concerning the partnership, including amendments to
the partnership agreement.

(7) "Partnership at will" means a partnership in which the partners have not agreed to remain partners until the expiration of a definite term or the completion of a particular undertaking.

(8) "Partnership interest" or "partner's interest in the partnership" means all of a partner's interests in the partnership, including the partner's transferable interest and all management and other rights.

(9) "Person" means an individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision, agency or instrumentality, or any other legal or commercial entity.

(10) "Property" means all property, real, personal or mixed, tangible or intangible, or any interest therein.

(11) "Registered limited liability partnership" means a partnership formed pursuant to an agreement governed by the laws of this state, registered under section one, article ten of this chapter.

(12) "State" means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or insular possession subject to the jurisdiction of the United States.

(13) "Statement" means a statement of partnership authority under section three, article three of this chapter, a statement of denial under section four of said article, a statement of dissociation under section four, article seven of this chapter, a statement of dissolution under section five, article eight of this chapter, a statement of merger under section seven, article nine of this chapter, a statement of registration and a statement of withdrawal under section one, article ten of this chapter, or an amendment or cancellation of any of the foregoing.

(14) "Transfer" includes an assignment, conveyance, lease, mortgage, deed and encumbrance.
§47B-1-6. Law governing internal relations.

1 Except as provided otherwise in section four, article 
2 ten of this chapter, the law of the jurisdiction in which 
3 a partnership has its chief executive office, governs the 
4 relations among the partners and between the partners 
5 and the partnership.

ARTICLE 3. RELATIONS OF PARTNERS TO PERSONS DEALING WITH 
PARTNERSHIP.

§47B-3-6. Partner’s liability.

1 (a) Except as otherwise provided in subsections (b) 
2 and (c) of this section, all partners are liable jointly and 
3 severally for all obligations of the partnership unless 
4 otherwise agreed by the claimant or provided by law.

5 (b) A person admitted as a partner into an existing 
6 partnership, including a registered limited liability 
7 partnership, is not personally liable for any partnership 
8 obligation incurred before the person’s admission as a 
9 partner.

10 (c) Subject to the provisions of subsection (d) of this 
11 section, a partner in a registered limited liability part- 
12 nership is not personally liable directly or indirectly 
13 (including by way of indemnification, contribution or 
14 otherwise) for debts, obligations and liabilities of or 
15 chargeable to the partnership, whether in tort, contract 
16 or otherwise, arising from omissions, negligence, wrong-
17 ful acts, misconduct or malpractice committed while the 
18 partnership is a registered limited liability partnership 
19 and in the course of partnership business by another 
20 partner or by an employee, agent or representative of the 
21 partnership.

22 (d) Subsection (c) of this section does not affect the 
23 liability of a partner in a registered limited liability 
24 partnership for the partner’s own omissions, negligence, 
25 wrongful acts, misconduct or malpractice, or that of any 
26 person under the partner’s direct supervision and 
27 control.
§47B-3-7. Actions by and against partnership and partners.

(a) A partnership may sue and be sued in the name of the partnership.

(b) An action may be brought against the partnership and any or all of the partners who are personally liable for obligations of the partnership under section six of this article in the same action or in separate actions.

(c) A judgment against a partnership is not by itself a judgment against a partner. A judgment against a partnership may not be satisfied from a partner’s assets unless there is also a judgment against the partner.

(d) A judgment creditor of a partner may not levy execution against the assets of a partner who is personally liable for obligations of the partnership under section six of this article to satisfy a judgment based on a claim against the partnership unless:

(1) A judgment based on the same claim has been obtained against the partnership and a writ of execution on the judgment has been returned unsatisfied, in whole or in part;

(2) The partnership is a debtor in bankruptcy;

(3) The partner has agreed that the creditor need not exhaust partnership assets;

(4) A court grants permission to the judgment creditor to levy execution against the assets of a partner based on a finding that partnership assets subject to execution are clearly insufficient to satisfy the judgment, that exhaustion of partnership assets is excessively burdensome, or that the grant of permission is an appropriate exercise of the court’s equitable powers; or

(5) Liability is imposed on the partner by law or contract independent on the existence of the partnership.

(e) This section applies to any partnership liability or obligation resulting from a representation by a partner or purported partner under section eight of this article.
§47B-3-8. Liability of purported partner.

1 (a) If a person, by words or conduct, purports to be a partner, or consents to being represented by another as a partner, in a partnership or with one or more persons not partners, the purported partner is liable to a person to whom the representation is made:

2 (1) If that person, relying on the representation, enters into a transaction with the actual or purported partnership; and

3 (2) The purported partner would have been personally liable for obligations of the partnership under section six of this article if the purported partner had actually been a partner.

4 (b) Subject to subsection (a) of this section, if the representation, either by the purported partner or by a person with the purported partner's consent, is made in a public manner, the purported partner is liable to a person who relies upon the purported partnership even if the purported partner is not aware of being held out as a partner to the claimant. If partnership liability results, the purported partner is liable with respect to that liability as if the purported partner were a partner. If no partnership liability results, the purported partner is liable with respect to that liability jointly and severally with any other person consenting to the representation.

5 (c) If a person is thus represented to be a partner in an existing partnership, or with one or more persons not partners, the purported partner is an agent of persons consenting to the representation to bind them to the same extent and in the same manner as if the purported partner were a partner, with respect to persons who enter into transactions in reliance upon the representation. If all of the partners of the existing partnership consent to the representation, a partnership act or obligation results. If fewer than all of the partners of the existing partnership consent to the representation, the person acting and the partners consenting to the repre-
sentation are jointly and severally liable as if such person had actually been a partner.

(d) A person is not liable as a partner merely because the person is named by another in a statement of partnership authority.

(e) A person does not continue to be liable as a partner merely because of a failure to file a statement of dissociation or to amend a statement of partnership authority to indicate the partner's dissociation from the partnership.

(f) Except as provided in subsections (a), (b) and (c) of this section, persons who are not partners as to each other are not liable as partners to other persons.

ARTICLE 4. RELATIONS OF PARTNERS TO EACH OTHER AND TO PARTNERSHIP.

§47B-4-1. Partner's rights and duties.

(a) Each partner is deemed to have an account that is:

(1) Credited with an amount equal to the money plus the value of any other property, net of the amount of any liabilities as provided in section six, article three of this chapter, the partner contributes to the partnership and the partner's share of the partnership profits; and

(2) Charged with an amount equal to the money plus the value of any other property, net of the amount of any liabilities, distributed by the partnership to the partner and the partner's share of the partnership losses: Provided, That a partner shall be personally liable on account of such charges only as provided in section six, article three and section seven, article eight, both of this chapter.

(b) Each partner: (i) Shall share equally in partnership profits; and (ii) shall share in partnership losses as provided in section seven, article eight of this chapter in proportion to the partner's share of the profits.

(c) A partnership shall reimburse a partner for
payments made and indemnify a partner for liabilities incurred by the partner in the ordinary course of the business of the partnership or for the preservation of its business or property. Provided, That no other partner shall be required to make any payment, except as provided in section seven, article eight of this chapter, including any payments attributable all or in part to partnership liabilities for reimbursement or indemnification.

(d) A partnership shall reimburse a partner for an advance to the partnership beyond the amount of capital the partner agreed to contribute.

(e) A payment or advance made by a partner which gives rise to a partnership obligation under subsection (c) or (d) of this section constitutes a loan to the partnership which accrues interest from the date of the payment or advance.

(f) Each partner has equal rights in the management and conduct of the partnership business.

(g) A partner may use or possess partnership property only on behalf of the partnership.

(h) A partner is not entitled to remuneration for services performed for the partnership, except for reasonable compensation for services rendered in winding up the business of the partnership.

(i) A person may become a partner only with the consent of all of the partners.

(j) A difference arising as to a matter in the ordinary course of business of a partnership may be decided by a majority of the partners. An act outside the ordinary course of business of a partnership and an amendment to the partnership agreement may be undertaken only with the consent of all of the partners.

(k) This section does not affect the obligations of a partnership to other persons under section one, article three of this chapter.
ARTICLE 7. PARTNER'S DISSOCIATION WHEN BUSINESS NOT WOUND UP.

§47B-7-3. Dissociated partner's liability to other persons.

(a) A partner's dissociation does not of itself discharge the partner's liability for a partnership obligation incurred before dissociation. A dissociated partner is not liable for a partnership obligation incurred after dissociation, except as otherwise provided in subsection (b) of this section.

(b) A partner who dissociates without resulting in a dissolution and winding up of the partnership business is personally liable as a partner to the other party on account of a partnership obligation incurred in connection with a transaction entered into by the partnership, or a surviving partnership under article nine of this chapter, within two years after the partner's dissociation, only if at the time of entering into the transaction the other party:

(1) Reasonably believed that the dissociated partner was then a partner;
(2) Did not have notice of the partner's dissociation;
(3) Is not deemed to have had knowledge under subsection (e), section three, article three of this chapter or notice under subsection (c), section four of this article; and
(4) The obligation is one on account of which the partner would be personally liable under section six, article three of this chapter if the partner had not dissociated from the partnership.

(c) By agreement with the partnership creditor and the partners continuing the business, a dissociated partner may be released from liability for a partnership obligation.

(d) A dissociated partner is released from liability for a partnership obligation if a partnership creditor, with notice of the partner's dissociation but without the
partner's consent, agrees to a material alteration in the nature or time of payment of a partnership obligation.

ARTICLE 8. WINDING UP PARTNERSHIP BUSINESS.

§47B-8-6. Partner's liability to other partners after dissolution.

(a) Except as otherwise provided in subsection (b) of this section, after dissolution a partner is liable to the other partners for the partner's share of any partnership liability incurred under section four of this article for which such partner is personally liable under section six, article three of this chapter.

(b) A partner who, with knowledge of the dissolution, incurs a partnership liability under subsection (2), section four of this article by an act that is not appropriate for winding up the partnership business is liable to the partnership for any damage caused to the partnership arising from the liability.

§47B-8-7. Settlement of accounts and contributions among partners.

(a) In winding up a partnership's business, the assets of the partnership, including the contributions of the partners required by this section, must be applied to discharge its obligations to creditors, including, to the extent permitted by law, partners who are creditors. Any surplus must be applied to pay in cash the net amount distributable to partners in accordance with their right to distributions under subsection (b) of this section.

(b) Each partner is entitled to a settlement of all partnership accounts upon winding up the partnership business. In settling accounts among the partners, the profits and losses that result from the liquidation of the partnership assets must be credited and charged to the partners' accounts. The partnership shall make a distribution to a partner in an amount equal to any excess of the credits over the charges in the partner's account. A partner shall contribute to the partnership
an amount equal to any excess of the charges over the
credits in the partner’s account that is attributable to an
obligation for which such partner is personally liable
under section six, article three of this chapter.

(c) If a partner fails or is not obligated to contribute,
all of the other partners shall contribute, in the propor-
tions in which those partners share partnership losses,
the additional amount necessary to satisfy any partner-
ship obligations for which such partner is personally
liable under section six, article three of this chapter. A
partner or partner’s legal representative may recover
from the other partners any contributions the partner
makes to the extent the amount contributed exceeds that
partner’s share of the partnership obligations, to the
extent such contributions are made on account of
obligations for which the other partners are liable under
said section.

(d) After the settlement of accounts, each partner shall
contribute, in the proportion in which the partner shares
partnership losses, the amount necessary to satisfy
partnership obligations for which such partner is per-
sonally liable under section six, article three of this
chapter and that were not known at the time of settle-
ment.

(e) The estate of a deceased partner is liable for the
partner’s obligation to contribute to the partnership
under subsection (b) of this section.

(f) An assignee for the benefit of creditors of a part-
nership or a partner, or a person appointed by a court to
represent creditors of a partnership or a partner, may
enforce a partner’s obligation to contribute to the
partnership under subsection (b) of this section.

ARTICLE 9. CONVERSIONS AND MERGERS.

§47B-9-2. Conversion of partnership to limited partnership.

(a) A partnership may be converted to a limited
partnership pursuant to this section.
(b) The terms and conditions of a conversion of a partnership to a limited partnership must be approved by all of the partners or by a number or percentage specified for conversion in the partnership agreement.

c) After the conversion is approved by the partners, the partnership shall file a certificate of limited partnership in the jurisdiction in which the limited partnership is to be formed. The certificate must include:

1. A statement that the partnership was converted to a limited partnership from a partnership;
2. Its former name; and
3. A statement of the number of votes cast by the partners for and against the conversion and, if the vote is less than unanimous, the number or percentage required to approve the conversion under the partnership agreement.

(d) The conversion takes effect when the certificate of limited partnership is filed or at any later date specified in the certificate.

(e) A general partner who becomes a limited partner as a result of the conversion remains liable as a general partner for an obligation incurred by the partnership before the conversion takes effect for which the partner is personally liable under section six, article three of this chapter. If the other party to a transaction with the limited partnership reasonably believes when entering the transaction that the limited partner is a general partner, the limited partner is liable for an obligation incurred by the limited partnership within ninety days after the conversion takes effect for which a general partner would be personally liable under said section. The limited partner’s liability for all other obligations of the limited partnership incurred after the conversion takes effect is that of a limited partner as provided in sections one et seq., article nine, chapter forty-seven of this code.
§47B-9-3. Conversion of limited partnership to partnership.

(a) A limited partnership may be converted to a partnership pursuant to this section.

(b) Notwithstanding a provision to the contrary in a limited partnership agreement, the terms and conditions of a conversion of a limited partnership to a partnership must be approved by all of the partners.

(c) After the conversion is approved by the partners, the limited partnership shall cancel its certificate of limited partnership.

(d) The conversion takes effect when the certificate of limited partnership is canceled.

(e) A limited partner who becomes a general partner as a result of the conversion remains liable only as a limited partner for an obligation incurred by the limited partnership before the conversion takes effect. The partner is liable as a general partner for an obligation of the partnership for which the partner is personally liable under section six, article three of this chapter incurred after the conversion takes effect.

ARTICLE 10. LIMITED LIABILITY PARTNERSHIPS.

§47B-10-1. Registered limited liability partnerships.

(a) To become a registered limited liability partnership, a partnership shall file with the secretary of state a statement of registration stating the name of the partnership; the address of its principal office; if the partnership's principal office is not located in this state, the address of a registered office and the name and address of a registered agent for service of process in this state, which the partnership will be required to maintain; a brief statement of the business in which the partnership engages; any other matters that the partnership determines to include; and that the partnership thereby registers as a registered limited liability partnership.

(b) The registration shall be executed by one or more
partners authorized to execute a registration.

(c) The registration shall be accompanied by a fee of two hundred fifty dollars.

d) The secretary of state shall register as a registered limited liability partnership any partnership that submits a completed registration with the required fee.

(e) A partnership registered under this section shall pay, in each year following the year in which its registration is filed, on a date specified by the secretary of state, an annual fee of five hundred dollars. The fee must be accompanied by a notice, on a form provided by the secretary of state, of any material changes in the information contained in the partnership's registration.

(f) Registration is effective:

(1) Immediately after the date a registration is filed; or

(2) On a date specified in the statement of registration, which date shall not be more than sixty days after the date of filing.

(g) Registration remains effective until:

(1) It is voluntarily withdrawn by filing with the secretary of state a statement of withdrawal; or

(2) Thirty days after receipt by the partnership of a notice from the secretary of state, which notice shall be sent by certified mail, return receipt requested, that the partnership has failed to make timely payment of the annual fee specified in subsection (e) of this section, unless the fee is paid within such a thirty-day period.

(h) The status of a partnership as a registered limited liability partnership and the liability of the partners thereof shall not be affected by:

(1) Errors in the information contained in a statement of registration under subsection (a) of this section or notice under subsection (e) of this section; or

(2) Changes after the filing of such statement of
registration or notice in the information stated in the registration or notice.

(i) The secretary of state shall provide forms for the statement of registration under subsection (a) of this section or a notice under subsection (e) of this section.

§47B-10-2. Effect of registration; entity unchanged.

(a) A partnership that has registered pursuant to this article is for all purposes the same partnership that existed before the registration.

(b) When registration takes effect:

(1) All property owned by the registering partnership remains vested in the registered partnership;

(2) All obligations of the registering partnership continue as obligations of the registered partnership; and

(3) An action or proceeding pending against the registering partnership may be continued as if the registration had not occurred.

§47B-10-3. Name of registered limited liability partnership.

The name of a registered limited liability partnership shall contain the words “Registered Limited Liability Partnership” or the abbreviation “L.L.P.” or “LLP” as the last words or letters of its name.

§47B-10-4. Applicability of article to foreign and interstate commerce.

(a) A registered limited liability partnership formed under this article may conduct its business, carry on its operations, and have and exercise the powers granted by this chapter in any state, territory, district or possession of the United States or in any foreign country.

(b) It is the intent of the Legislature that the legal existence of registered limited liability partnerships formed under this article be recognized outside the boundaries of this state and that the laws of this state governing such registered limited liability partnerships
doing business outside this state be granted the protection of full faith and credit under the Constitution of the United States.

(c) Notwithstanding section six, article one of this chapter, the internal affairs of registered limited liability partnerships formed under this article, including the liability of partners for debts, obligations and liabilities of or chargeable to the partnership, shall be subject to and governed by the laws of this state.

(d) Before transacting business in this state, a foreign registered limited liability partnership shall:

(i) Comply with any statutory or administrative registration or filing requirements governing the specific type of business in which the partnership is engaged; and

(ii) File a notice with the secretary of state, on such forms as the secretary of state shall provide, stating the name of the partnership; the address of its principal office; if the partnership's principal office is not located in this state, the address of a registered office and the name and address of a registered agent for service of process in this state, which the partnership will be required to maintain; any other matters that the partnership determines to include; and a brief statement of the business in which the partnership engages. Such notice shall be effective for two years from the date of filing, after which time the partnership shall file a new notice.

(e) The name of a foreign registered limited liability partnership doing business in this state shall contain the words “Registered Limited Liability Partnership” or the abbreviation “L.L.P.” or “LLP” as the last words or letters of its name.

(f) Notwithstanding section six, article one of this chapter, the internal affairs of foreign registered limited liability partnerships, including the liability of partners for debts, obligations and liabilities of or chargeable to the partnership, shall be subject to and governed by the laws of the jurisdiction in which the foreign registered
limited liability partnership is registered.

§47B-10-5. Insurance or financial responsibility of registered limited liability partnerships.

(a) A registered limited liability partnership, and any foreign limited liability partnership transacting business in this state, shall carry at all times at least one million dollars of liability insurance of a kind that is designed to cover the kinds of omissions, negligence, wrongful acts, misconduct and malpractice for which liability is limited by subsection (c), section six, article three of this chapter and which insures the partnership and its partners.

(b) If, in any proceeding, compliance by a partnership with the requirements of subsection (a) of this section is disputed, that issue shall be determined by the court, and the burden of proof of compliance shall be on the person who claims the limitation of liability in subsection (c), section six, article three of this chapter.

(c) If a registered limited liability partnership is in compliance with the requirements of subsection (a) of this section, the requirements of this section shall not be admissible or in any way be made known to a jury in determining an issue of liability for or extent of the obligation or damages in question.

(d) A registered limited liability partnership is considered to be in compliance with subsection (a) of this section if the partnership provides one million dollars of funds specifically designated and segregated for the satisfaction of judgments against the partnership or its partners based on the kinds of omissions, negligence, wrongful acts, misconduct and malpractice for which liability is limited by subsection (c), section six, article three of this chapter, by:

(1) Deposit in trust or in bank escrow of cash, bank certificates of deposit or United States Treasury obligations; or

(2) A bank letter of credit or insurance company bond.
(e) Any policy or contract of liability insurance providing coverage for liability as described in this section shall be read so as to contain a provision or endorsement whereby the company issuing such policy waives or agrees not to assert as a defense on behalf of the policyholder or any beneficiary thereof, to any claim covered by the terms of such policy within the policy limits, the immunity from liability of the insured granted by the provisions of this chapter.

ARTICLE 11. MISCELLANEOUS PROVISIONS.

§47B-11-1. Uniformity of application and construction.

1 This chapter shall be applied and construed to effectuate its general purpose to make uniform the law with respect to the subject of this chapter among states enacting it.


1 This chapter may be cited as the Uniform Partnership Act.


1 If any provision of this chapter or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this chapter which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are severable.

§47B-11-4. Applicability.

1 (a) Before the first day of July, one thousand nine hundred ninety-five, this chapter governs only a partnership formed:

4 (1) After the effective date of this chapter, unless that partnership is continuing the business of a dissolved partnership under section forty-one, article eight-a, chapter forty-seven of this code; and

8 (2) Before the effective date of this chapter, that elects, as provided by subsection (c) of this section, to be
(b) After the first day of July, one thousand nine hundred ninety-five, this chapter governs all partnerships.

(c) Before the first day of July, one thousand nine hundred ninety-five, a partnership voluntarily may elect, in the manner provided in its partnership agreement or by law for amending the partnership agreement, to be governed by this chapter. The provisions of this chapter relating to the liability of the partnership's partners to third parties apply to limit those partners' liability to a third party who had done business with the partnership within one year preceding the partnership's election to be governed by this chapter, only if the third party knows or has received a notification of the partnership's election to be governed by this chapter.

§47B-11-5. Savings clause.

This chapter does not affect an action or proceeding commenced or right accrued before this chapter takes effect.
That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within is approved this the 15th day of April, 1996.

Governor